

Business Improvement District Could Have Huge Payoff

By ALFRED C. CERULLO III

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This fall, Hartford has a chance to set a new course for itself. If approved by the city council and passed by a special referendum, the establishment of a business improvement district comprising the downtown area and much of Asylum Hill will empower property owners to make a crucial investment in the future of Hartford, setting the city on a path to economic viability.

It is a bold step only because it requires additional funding on top of local taxes. It is not bold, risky or daring based on the overwhelming success of this approach in other municipalities. It is merely smart business.

To illustrate why this strategy works, let me take you back to New York City in the mid-1980s, a period during which the city was still reeling from the effects of the 1970s fiscal crisis and was desperately scrambling to provide basic municipal services. The ills of an urban society - crime, drugs, homelessness, poverty - were plain to see, and New Yorkers were facing a crisis of identity and despair. The city was at a crossroads, forced to either continue the slow descent into chaos, or choose to fight back with creative solutions to our most difficult issues.

The laboratory for one of these daring social experiments was the neighborhood around Grand Central Terminal in midtown Manhattan. With many of the community's large employers threatening to leave (or actually leaving) the city, property owners were facing the prospect of vast swaths of vacant office space and, consequently, plummeting property values. Pleas for increased services went unheeded by the city, so property owners took matters into their own hands.

Banding together to provide security and sanitation services to their community, these intrepid property owners, in the form of the Grand Central Partnership, rescued a neighborhood on the brink of collapse. By concentrating on basic but vital services, their efforts sparked a historic community revitalization movement.

Within a short time, streets and sidewalks were cleaner and safer. Later, an ambitious capital improvement program, coupled with a concentration on retail support and visitor services, gave birth to a bright and lively streetscape. Most important, an overall improvement in quality of life spurred private investment and commitments from employers to remain within (and, in some cases, relocate to) the Grand Central neighborhood.

More than 20 years later, the efforts of the Grand Central Partnership continue to pay off economically and aesthetically. Today, our midtown Manhattan community includes many of the world's most sought-after corporate addresses. We boast some of the highest retail rents in the world, and one of the lowest commercial vacancy rates in the city. A vibrant street life begs comparison to many of the world's top cultural centers. We boast a white-hot dining and nightlife scene that was nonexistent in the 1980s.

While we recognize that local government is still the engine that must ultimately propel a city toward a better future, and we fully acknowledge the many programs initiated by

New York City's governmental leaders during the past two decades, the Grand Central Partnership and other similar organizations have shown that a partnership between the public and private sectors, united by a common mission, can produce immediate and powerful results.

In Hartford, proposals to establish a business improvement district for downtown have been discussed, to no avail, twice since 1995.

In that time, I'm told Hartford has found it increasingly difficult to compete with other mid-size cities for corporate headquarters, jobs, cultural centers and private investment. In much the same way midtown Manhattan was in danger of being bled dry by the sunny promises offered by New Jersey, Westchester County and Fairfield County, some might argue that Hartford is faltering in its mission to stand with Providence, New Haven and Stamford as a major commercial hub for this region.

If established, the Hartford Business Improvement District will follow a model that has been successful in more than 1,000 communities around the world. It is a strategy that is working in cities and towns of all sizes, and one that not only produces visible results, but also consistently demonstrates a significant return on investment.

With the recent opening of the Connecticut Convention Center, a number of other exciting projects in the works and Mayor Eddie Perez's support for the proposal, the time is right to capitalize on your city's undeniable momentum. Property owners who support the proposal will be demonstrating their commitment to their tenants, their employees, their shareholders and the city they call home.

Alfred C. Cerullo III is president/CEO of the Grand Central Partnership, one of the country's largest business improvement districts. He will speak Tuesday at 8 a.m. at the MetroHartford Alliance Rising Star Breakfast at the Marriott Hartford Downtown Hotel. For information call 860-728-2261 or go to www.metrohartford.com.

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