Business Improvement District (BID) has been established in many cities as a way to revitalize or strengthen a commercial area. This thesis focused specifically on the relationship between BIDs and retail establishments in New York City. The thesis conducted quantitative analyses, including shift-share and logistic regression analyses, and explored the number, sales and survival rates of retail establishments in BIDs and comparison areas over the four-year period from 2001 to 2005. The results of this research indicated that establishing BIDs did not necessarily result in providing benefits to retail businesses and the degree of impact was different from one retail type to another. The research findings highlighted the need of changing the current BID structure in order to reflect the opinions of more business owners in BIDs.