

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES
Of the
COMMITTEE ON SMALL BUSINESS

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September 20, 2018
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HELD AT: Committee Room - City Hall

B E F O R E:
MARK GJONAJ
Chairperson

COUNCIL MEMBERS:
STEPHEN T. LEVIN
CARLINA RIVERA

A P P E A R A N C E S (CONTINUED)

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Deputy Commissioner for Neighborhood
Development
New York City Department of Small Business
Services (SBS)

Roxanne Early
Director of the New York City Business
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Meredith Phillips Almeda
Executive Director of the Myrtle Avenue
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Andrea Mahee
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Lisa Soren
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Westchester Square Business Improvement
District

Michael Brady, Executive Director
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Monica Blum, President
Lincoln Square Business Improvement
District

Jennifer Brown, Executive Director
Flatiron/23rd Street Partnership

Barbara Adkins
President and CEO, 125th Street Bid

James Dean Ellis
Contracted Executive Director
North Flatbush Business Improvement
District in Park Slope, Prospect Heights,
Pacific Park, Brooklyn

1 COMMITTEE ON SMALL BUSINESS

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2 SERGEANT-AT-ARMS: Mike test, 1, 2, 1, 2,
3 1, 2. Today's date is 9/20/2018. Today's Committee
4 hearing is on Small Business and is being recorded by
5 Hana Ndean [phonetic], Sergeant-at-Arms, NYCC.

6 CHAIRPERSON GJONAJ: All right, let's
7 begin [gavel]. Good afternoon, I'm Councilman Mark
8 Gjonaj, chair of the Committee on Small Business and
9 I'd like to welcome you to our hearing on Small
10 Businesses Service Management of the Business
11 Improvement District program. BIDs or Business
12 Improvement Districts are a crucial component of New
13 York's economy. There are specific areas established
14 in the law which property owners agree to pay a tax
15 assessment in order to fund programs and services to
16 make their district more attractive to consumers.
17 There are currently 75 BIDs city wide serving more
18 than 93,000 businesses, maintaining more than 127
19 public spaces, collecting more than 4,000,000 trash
20 bags and investing more than \$148 million each year
21 into our local economy. Last year they accounted for
22 \$474 million in sales tax revenue or 28% of all sales
23 tax revenue in the city, \$6.6 billion of property tax
24 revenue or 25% of all property tax revenue that the
25 city collected. Total sales in BIDs have nearly

2 doubled growing from \$5 billion in 2010 to \$9.6
3 billion in 2017. Additionally, there are two more
4 BIDs, the Throggs Neck BID and the Alton Avenue BID
5 that are being finalized and will become in total 77
6 BIDs city wide. Small Business Services or SBS is
7 involved in all stages of BIDs establishment and
8 responsible for their management and oversight. This
9 hearing will focus on the ways in which SBS
10 cooperates with BIDs to ensure that they all have the
11 resources necessary to make our commercial corridors
12 an attractive option for shoppers. Issues related to
13 public safety and sanitation are of particular
14 importance to the business owners I've talked to and
15 they feel that BIDs spent too much of their budget on
16 basic city services such as sanitation and public
17 safety. They further elaborate that businesses
18 struggle to keep their doors open due to competition,
19 increased real estate taxes, water and sewer rates,
20 regulation, hefty fines for minor infractions such as
21 the outdated signage law that many businesses are not
22 in compliance with and subject them to a \$5,000 fine.
23 They can't understand why their BID fees are being
24 used to provide for services they already are paying
25 the city for in taxes and not for events, marketing

2 and beautification programs that would improve their
3 businesses. Small businesses are under attack from
4 all sides and sometimes the pressure comes from those
5 who are supposed to help. Business killing policies
6 such as clear curbs and road dieting can do as much
7 damage to a mom and pop shop as competition and rent
8 burden. In addition to all of the aforementioned
9 burdens, competition from big box stores and changes
10 in consumer behavior such as on-line shopping make it
11 very difficult for small businesses to succeed in New
12 York. In fact, 50% of businesses do not make it to
13 year five and a recent shocking report indicated that
14 there was a 20% commercial vacancy in Manhattan.
15 Make no mistake, our brick and mortar businesses are
16 at a cross road and BIDs may be the solution to
17 protecting our commercial corridors from becoming
18 desolate burdens and blights on our neighborhoods and
19 probably equally as important is if we lose the tax
20 revenue that our businesses pay, that burden will be
21 shifted onto New Yorkers through additional taxes.
22 This is why it is absolutely imperative we do all
23 that we can to help create a business friendly
24 environment. Every single business owner I've spoken
25 to has expressed support for their BID and the

2 crucial role it plays. More customers for mom and
3 pop shops means more sales, more sales means more
4 revenue, more revenue means more profit and more
5 profit means businesses expand and provide more
6 employment opportunities for New Yorkers. When our
7 businesses succeed, our tax base expands and we are
8 then able to provide even more services for our
9 communities. It is in our best interest to ensure
10 that BIDs can thrive and I'm excited to learn more
11 about the dynamics of BID performance from BID
12 leadership and discuss the important issues with my
13 colleagues from the SBS. I'd like to thank the Small
14 Business Committee staff as well as my chief of
15 staff, Reggie Johnson, and my legislative director,
16 Darden Jumbali [phonetic] for the work in making this
17 hearing possible. Finally, I'd like to recognize the
18 committee members that will be joining us that are in
19 here now. Thank you. Okay, I'd like to announce our
20 first panel which is Small Business Services and I
21 believe Blaise, formerly known as the Mayor of Myrtle
22 Avenue, is joining us and Blaise I believe you served
23 as a BID director for ten years from Myrtle Avenue,
24 correct, so I'm looking forward to not only hearing
25 your testimony on SBS but also the experience and the

2 knowledge that you bring with you and how you've
3 helped SBS refocus its limited resources on improving
4 the BIDs. Thank you.

5 CLERK: So please raise your right hand.
6 Do you affirm to tell the truth, the whole truth and
7 nothing but the truth in your testimony before this
8 committee and to respond honestly to Council Member
9 questions?

10 BLAISE: I do.

11 CLERK: Thank you, we can begin.

12 BLAISE: Good afternoon, Chair Gjonaj,
13 and the members of the Committee of Small Business
14 who will be joining soon I'm sure. My name is
15 Michael Blaise Backer and I'm the deputy commissioner
16 for neighborhood development at the New York City
17 Department of Small Business Services, or SBS. I'm
18 joined today by Roxanne Early, director of the New
19 York City Business Improvement District Program. At
20 SBS, we aim to unlock economic potential and create
21 economic security for all New Yorkers by connecting
22 them to quality jobs, building stronger businesses
23 and fostering thriving neighborhoods across the five
24 boroughs. Today we'll be providing Council with an
25 overview of the City's Business Improvement District

2 Program and the vitals roles BIDs play in commercial
3 districts across the city. I've broken down my
4 testimony in five key buckets. 1) the core
5 relationship between SBS and the city's BID network
6 and how BIDs work, 2) SBS's oversight and program
7 support to BIDs, 3) the BID formation and legislative
8 processes, 4) our capacity building and
9 organizational development support, 5) our efforts at
10 interagency coordination. After my testimony, we are
11 happy to take your questions.

12 SBS oversees the largest network of BIDs
13 in the country with 75 BIDs delivering more than 147
14 million in supplementary services in commercial
15 districts that are home to approximately 93,000
16 businesses throughout the five boroughs. We are
17 proud that this administration has continued to
18 support the formation of more neighborhood retail
19 based BIDs located in outer boroughs giving business
20 communities across the city an opportunity to pool
21 their resources for supplementary services and raise
22 their collective voice when working to troubleshoot
23 issues with city agencies. We recently celebrated
24 the creation of the city's 75th BID, the Morris Park
25 BID in the Bronx located in Chair Gjonaj's district.

2 We're also proud that this administration has
3 continued to demonstrate its support for the BID
4 network by doubling the size of the staff dedicated
5 to supporting and overseeing the city's BIDs. The
6 core of SBS's relationship to BIDs is routed in
7 partnership. The expertise of local, on the ground
8 partners is essential to tackling the unique
9 challenges faced by New York City's diverse
10 neighborhoods and business communities. BIDs provide
11 essential services and are most effective when they
12 can work closely with city agencies particularly
13 those that are providing direct services in their
14 communities. BIDs work hard to develop and maintain
15 relationships with city agencies at the most local
16 level, those with whom they can interact with
17 frequently to troubleshoot immediate concerns and
18 city agencies work hard to be responsive but as the
19 network to BIDs grows, the BID model itself continues
20 to evolve and as the city works to tackle increasing
21 complex challenges, efforts to coordinate between
22 BIDs and city agencies has also grown increasingly
23 complex. SBS is aware of these challenges and is
24 working closely with both the BID Association and
25 multiple city agencies to improve communication and

2 coordination. BIDs represent a geographical area
3 where local stakeholders have agreed to assess
4 themselves above and beyond their real estate taxes
5 to fund and oversee the maintenance improvement and
6 promotion of their commercial district. BIDs are a
7 public private partnership with two integral
8 components. The first is the district itself
9 described by the district plan and composed of the
10 specific area where individual tax slots contribute
11 to an assessment. The second is the district
12 management association or the DMA, a not-for-profit
13 entity composed of the Board of Directors of at least
14 13 members of which 9 must be local stakeholders
15 within the district, the other four being elected
16 officials. The district plan includes the precise
17 geographic boundaries, assessment formula and a
18 description of supplement services that the BID is
19 able and expected to perform and it is enshrined in
20 local law upon BID information. The district
21 management association is governed by its by-laws, a
22 contract with SBS and the New York State non-profit
23 law. Together these entities form what we commonly
24 refer to as the BID. The programs, activities and
25 support the BIDs provide to their business

2 communities are locally tailored to the needs of
3 their district determined by their locally controlled
4 board of directors and are supplementary to the
5 district services provided to the district by city
6 agencies. Services provided can generally be altered
7 as determined by the organization's board as long as
8 it continues to comply with the district plan and its
9 contract with SBS. Most often BIDs provide
10 supplementary sanitation, public safety, marketing
11 and street scape services but services provided by
12 BIDs go beyond the city's standard services. Those
13 BIDs whose boards have determined that supplementary
14 sanitation services are required, tend to offer some
15 combination of daily sidewalk sweeping, lining
16 quarter litter baskets and placing the bag litter for
17 DSNY collection, power washing and gum removal from
18 sidewalks, removal of graffiti and the removal of
19 snow and ice from corners. These are
20 responsibilities that would usually be expected of
21 individual merchants to keep their districts clean
22 and attractive but by pooling resources from the
23 district, BIDs work to lift these burdens from local
24 merchants and create a more welcoming and vibrant
25 commercial district. We believe that BIDs are strong

2 local partners in commercial revitalization and a
3 powerful voice for their members on an individual and
4 aggregate level. The hyper local nature of BIDs
5 allows for a tailored approach to services that
6 directly address the needs of individual
7 neighborhoods. Since BIDs are locally governed, each
8 individual board of directors determines the
9 priorities and programs of their BID. In the 1970's
10 that priority was typically to make district's clean
11 and safe. As the needs of commercial quarters have
12 shifted, many BIDs have taken on additional programs
13 that address quality of life issues and the managing
14 and programming of new public spaces. This
15 adaptability and nimbleness in addressing specific
16 community needs is one of the greatest strengths of
17 BIDs. As the scope of BID services evolves, we
18 intend to continue partnering with BIDs in creating
19 the necessary feedback loop to inform and improve
20 city services. Each BID board of directors is made
21 up of property owners, commercial tenants,
22 residential tenants and representatives of the mayor,
23 borough president, comptroller and City Council
24 member. The elected officials are voting board
25 members of BID boards with the same fiduciary

2 responsibilities as any other class of member on the
3 board. Many BIDs also have a community board member
4 as a non-voting member. SBS [Inaudible] represent
5 the mayor on all BID boards serving as full voting
6 members of the board of directors. BIDs are funded
7 by a special assessment on the properties in their
8 boundaries. Bid law states that each property must
9 pay in proportion to the benefit they receive from
10 BID services. Therefore, each BID uses a unique
11 assessment formula to reflect the realities of its
12 own build environment. Each BID reinvests the
13 assessment back into their district in the form of
14 supplemental services. Assessment dollars can only
15 be spent on services that benefit the entire
16 district. These services are outlined in the
17 district plan for each BID which is drafted when the
18 BID is formed and dictates what services they can and
19 will provide. Since SBS serves as the primary
20 oversight agency of BIDs, we ensure that these
21 assessment dollars which are being paid by the
22 individual property owners and business stakeholders
23 in each district, are being spent responsibly and in
24 compliance with the law. To do that, it is incumbent
25 upon SBS to provide monitoring and oversight without

2 creating an undue administrative burden or
3 micromanaging the local programmatic decisions of
4 each bid that allow them to be highly responsive to
5 local needs. This oversight includes monitoring the
6 physical and organizational health of all 75 BIDs,
7 managing each BIDs' contract with the City of New
8 York, monitoring for contractual compliance and
9 insuring assessment billing review and delivery for
10 all BIDs. SBS believes that a strong organizational
11 foundation will set each BID up to successfully
12 deliver great local programs and services. We focus
13 our oversight on three categories, good governance,
14 contract adherence, and transparent operations. Good
15 governance is essential to having a highly effective
16 and well-functioning BID. Given that BIDs are
17 locally governed, their board should be
18 representative and their operations must reflect the
19 BID board's strategic direction. As voting members
20 of the boards, SBS can be more hands on in the
21 governance of the board to ensure BIDs are adhering
22 to their bylaws and procurement requirements and
23 making decisions with robust input from the board.
24 Our BID team also manages the contracts that each BID
25 has with the city. We monitor that BID contracts are

2 up to date and that organizations are following the
3 provisions of the contract. They must submit audited
4 financial statements, an operating budget and a year-
5 end annual report to SBS each year. We use this data
6 to help measure the organization's financial health.
7 We also work to ensure that BIDs are transparent and
8 accessible to their stakeholders in multiple ways.
9 For example, by having an office in their community
10 for stakeholders to meet with BID staff as well as by
11 deploying appropriate tools for feedback through
12 surveys and outreach including during the legally
13 required annual meeting when members of the BIDs have
14 the opportunity to elect the board of directors and
15 steer the direction of the organization. When an
16 organization is at risk in one or more of these
17 categories or falls below our minimum expectations,
18 we work directly with our partners to address these
19 issues. It is in our collective interests to
20 facilitate improvements across these areas so SBS
21 offers targeted support to BID executive directors
22 and boards and has developed a suite of capacity
23 building programs to help organizations meet our
24 expectations. From leadership development to
25 individualized coaching services focused on board

2 recruitment, fundraising, digital marketing tools and
3 annual meeting execution, we aimed to help all BID
4 partners succeed. I'll expand further on this when I
5 speak more about our capacity building efforts.
6 Beyond our support for existing organizations, we are
7 also very involved in the efforts by communities to
8 form a new BID. When a community is interested and
9 ready to form a BID, SBS assists in the multi-year
10 formation process. BIDs in New York City are formed
11 through a community driven process that starts with
12 the active engagement of property owners, business
13 owners, residents and other local stakeholders and
14 ends with legislation passed by City Council. SBS is
15 currently working with upward of 20 communities
16 throughout the five boroughs that are in various
17 stages of the BID planning process. When local
18 stakeholders approach SBS about BID formation, our
19 first step is to work with the group to evaluate the
20 feasibility of a BID in the proposed area and the
21 capacity of the stakeholders. If the group
22 determines that a bid is not the best course to
23 pursue at the time, then SBS can provide guidance and
24 resources for alternative commercial revitalization
25 and neighborhood development options. For commercial

2 [Inaudible] involved in BID formation, SBS serves as
3 a resource for the steering committee which is the
4 group of local stakeholders that leads the formation
5 effort and decides on the details of the plan for the
6 proposed BID. Each steering committee receives the
7 support of one or more SBS project managers. SBS
8 expects during committees to have representation from
9 all stakeholder groups including property owners and
10 commercial and residential tenants and to involve
11 them in outreach throughout the entire process of bid
12 formation. SBS works closely to guide these groups
13 to planning, outreach, legislative and start up
14 phases of the bid formation process to ensure that it
15 proceeds fairly and properly. SBS will only
16 introduce proposed BIDs into the legislative phase of
17 the process if we believe that the steering committee
18 has followed the planning process correctly,
19 solicited community input and has demonstrated broad
20 base support across all stakeholder groups of
21 property owners and tenants. Other legislative
22 processes that SBS helps to guide forward are for BID
23 expansions, assessment increased or district plan
24 amendments. If a BID wants to change anything about
25 their district plan, they must also receive

2 legislative approval from City Council. There are
3 three primary ways that BIDs change, by modifying
4 their boundaries, increasing their total assessment
5 or changing their district plan. An existing BID
6 that may want to expand to include additional
7 properties especially if their neighborhood is
8 developed and changed over time or if they want to
9 extend the reach of their services. Additionally,
10 each year, about 10 to 12 BIDs selected to increase
11 their BIDs' total assessment. SBS reviews these
12 decisions requesting detail justification for the
13 increase and line by line budget explanations and
14 introduces legislation to allow these BIDs to
15 increase their total assessment. If a BIDs wishes to
16 change the formula they use to assess their district
17 properties or change what services they are expected
18 and allowed to provide, they need to amend their
19 district plan. SBS helps BIDs staff and boards
20 through these processes and helps to get legislation
21 introduced. In addition to providing oversight of
22 BIDs, their governance and legislative processes and
23 the services required by their district plans, SBS
24 also provides several types of technical assistance,
25 grant opportunities and capacity building services to

2 BIDs as well as other community based development
3 organizations serving the city's commercial
4 districts. We especially strive to support small
5 budget BIDs and BIDs in low to moderate income
6 neighborhoods. For example, every year SBS works
7 with the Coro New York Leadership Center to run a
8 neighborhood leadership program, a nine month long
9 cohort based program for non-profit leaders in
10 economic development and place management
11 organizations. About 20 individuals participate
12 every year and we are just completing our eighth year
13 of the program. Almost 100 BID directors and staff
14 participate in this program since its inception in
15 2011. We also provide legal assistance to BIDs to
16 ensure their governance, structure and legal policies
17 and procedures are up to date to protect each
18 organization. Seventeen BIDs have worked with pro-
19 bono lawyers to update their organizations' governing
20 documents. SBS also offers about 12 to 15 nonprofit
21 management workshops on such topics as board
22 governance, financial management, project management
23 and marketing which all BID directors are invited to
24 attend. Two years ago we began offering one on one
25 coaching via the Support Center for Non-Profit

2 Management and have found this to be especially
3 useful for new BID leaders in building a strong
4 organizational foundation or helping an executive
5 director to overcome a particularly vexing management
6 challenge they are facing. Thirteen BIDs have worked
7 with coaches over just the past two years. Overall
8 45 out of 75 BIDs participated in our capacity
9 building programs last year. In addition to these
10 capacity building programs open to BIDs and other
11 non-profits, our BID team is always supporting a
12 network through BID specific assistance. Every month
13 we send out our BID bulletin, an electronic
14 newsletter of which you have some copies in your
15 packet, to the entire BID network sharing important
16 resources and information from SBS and other
17 agencies. The *BID Bulletin* provides information
18 directed specifically to our BID staff from SBS and
19 other city agencies as well as information directed
20 toward BIDs member businesses and property owners
21 which can then be copied and inserted into BIDs
22 owner's letters for wider distribution. We also
23 maintain a library of document templates which BIDs
24 can use including sample bylaws, internal policies
25 and annual meeting materials. To help BIDs facing

2 leadership changes, SBS introduced a new onboarding
3 process so whenever a new BID executive director is
4 hired, we provide a thorough orientation focused on
5 compliance and resources available through SBS. One
6 resource that we provide to the entire BID network
7 and beyond is our annual BID trends report. You have
8 a copy in your packet as well. The report aggregates
9 program and expense data from all BIDs in New York
10 City. It demonstrates the impact that BIDs make in
11 their neighborhoods and highlights innovative
12 programs that BIDs have taken on spreading best
13 practices throughout the network. BIDs can also use
14 this report to help them budget and compare their
15 expenses to peer organizations. This summer SBS
16 staff met with nearly every BID executive director to
17 discuss challenges and helpful resources. We held
18 nine separate listening sessions across the five
19 boroughs and will be holding one more session at the
20 end of this month. These meetings were an
21 opportunity for BIDs to discuss the issues they face
22 today and we heard that issues involving the
23 coordination of city agencies were front and center.
24 BIDs are on the front lines of the challenges the
25 city is confronting and we as a city can enhance our

2 ability to confront these challenges and to deliver
3 locally responsive services by working with the BID
4 network to create a real time feedback loop. They
5 have invaluable local knowledge and understanding of
6 complex issues from the ground level. Our goal is to
7 improve communication between the BIDs, SBS and other
8 city agencies. This is a work in progress but a role
9 that we take seriously for our BID partners. Over
10 the last few years, we've made progress in developing
11 better processes for how other agencies communicate
12 with BIDs. For example, we successfully worked with
13 the Mayor's Office of city wide Event Coordination
14 and Management to grant BIDs access to the city's on-
15 line event management system, an important first step
16 toward better coordination with these essential city
17 partners who not only proactively program our streets
18 and public spaces with community events but also
19 clean up after them, liaise with NYPD and other city
20 agencies and communicate regularly with impacted
21 businesses and residents. We would be interested in
22 collaborating with other city agencies to replicate
23 this model working to create a more seamless
24 mechanism for information sharing and
25 operationalizing service delivery with local feedback

2 and on the ground intelligence from BIDs. For many
3 years, our staff of convening borough round tables
4 with local New York City police department precincts
5 allowing BIDs to discuss and improve coordination
6 with NYPD and for the last several years we have
7 worked closely with the BID Association to interface
8 with the Department of Design and Construction to
9 streamline the process for notifying and involving
10 BIDs in city initiated capital improvement projects
11 that might impact local merchants, property owners
12 and residents. Currently we are in active
13 conversations with the Department of Transportation
14 and the Law Department to address the BID
15 Association's concerns regarding the concession
16 agreements in place for the city's pedestrian plazas
17 and we have just announced two more efforts with the
18 BID Association and Public Policy Lab to address
19 local challenges that BIDs have raised. 1) to work
20 the Mayor's Office of People with Disabilities to
21 address ADA compliance for store front businesses and
22 2) to work with DOT to enhance outreach coordination
23 and data sharing when rolling out new transportation
24 policies in commercial districts. This kind of good
25 partnership starts with SB, of course, where we have

2 worked collaboratively with BIDs to improve on their
3 contracts with our agency as well as solicited their
4 direct feedback on the way we collect data from them
5 and deliver on our street support programs and
6 oversight responsibilities. These are all
7 significant undertakings and we look forward to
8 getting started on more ideas for improvements. We
9 would like to thank our BID partners for their
10 continued collaboration on behalf of our
11 neighborhoods and small businesses as well as our
12 sister agencies and counsel for the continued work
13 with these integral community partners. While the
14 role of BIDs has evolved over the years, the
15 fundamental structure of the model makes BIDs unique
16 from other non-profit organizations that contract
17 with the city because 1) BIDs are governed by locally
18 controlled boards of directors elected by their
19 membership, 2) BIDs use their non-city tax levy
20 assessment dollars to provide highly customized and
21 adaptable supplemental services all of which do not
22 replace city services and all designed to meet
23 locally identified needs and 3) BIDs have a unique
24 relationship with city government. They were created
25 by local law, operate under a renewing contract with

2 SBS and have four government elected officials with
3 voting seats on each board. The opportunities for
4 close collaboration between BIDs and the city in both
5 the delivery of local services and as a feedback loop
6 for local challenges is considerable. We look
7 forward to ongoing conversations between the City
8 Council, our sister agencies and our BID partners to
9 continuously refine existing processes and channels
10 of communication and we will continue our efforts to
11 more fully realize and leverage the BID network as a
12 meaningful, real time feedback loop for the city.
13 Thank you.

14 CHAIRPERSON GJONAJ: I want to thank you
15 for that. I want to acknowledge that we have Council
16 Member Rivera who just joined us and I'm sure we'll
17 have others. It's a hectic day with many committee
18 hearings. That was a impressive and lengthy
19 explanation of the services SBS offers so thank you
20 for that.

21 BLAISE: You're welcome.

22 CHAIRPERSON GJONAJ: I understand that
23 the SBS has gone on listening tour of BIDs city wide
24 in order to help improve the quality of services that
25 SBS delivers. Can you please share with us some of

2 the most common concerns and any alarming issues that
3 you may have heard of.

4 BLAISE: Sure, I'd be happy to and yes,
5 we have, as I touched on, we certainly have an
6 opportunity here for BIDs all the time and we
7 certainly always intend to leverage our board
8 representatives to get feedback at all times but we
9 did engage on this opportunity to talk more with the
10 BIDs about challenges they were hearing about SBS
11 service delivery so certain programs we wanted to
12 hear about what they knew about, what they were
13 using, what they were referring to their members. We
14 wanted to hear about inner agencies, challenges
15 within our agency coordination as well as feedback on
16 some of our efforts at oversight and so I'll defer to
17 Roxanne on some of the details but I think we do
18 frequently hear again, about what I touched on a
19 little in my testimony is the aspect of not all
20 agencies sort of being aware of the BIDs or being
21 aware of sort of their capacity to be collaborative
22 partners in their neighborhoods and therefore how can
23 SBS continue to play a role there to either elevate
24 their concerns, connect them to the appropriate
25 people within these agencies at times and which is

2 sometimes half the challenge is just finding the
3 right person who can assist our BIDs and then I think
4 that we're, of course, we didn't really focus on
5 district, you know, district wide district challenges
6 per say but it was literally, it was more about BIDs
7 interaction with SBS and the city as a whole so
8 anything you want to touch on?

9 CHAIRPERSON GJONAJ: It's interesting
10 that you brought up organizations or agencies and
11 departments that may not have had the relationship
12 with BIDs and the importance of that relationship.
13 What have you done to correct that problem besides
14 identifying an individual at an agency and have you
15 resolved the problems for that BID and I would
16 imagine, maybe you can give us a list of those
17 agencies?

18 BLAISE: Well I can give you a few
19 examples if that would be helpful. I think in some
20 cases, so maybe just to separate two different
21 things, I think there is issues that arise that are
22 sort of, let's say, more urgent in nature for a very
23 individual BID and around a very specific challenge
24 and in those cases, it is my hope that those BIDs
25 elevate that concern to either Roxanne or myself and

2 in those cases we work to elevate those appropriately
3 with our executive office and to either, you know,
4 the right person within another agency. I think the
5 more common situation lately is really the work that
6 the BID Association has taken on with us where a
7 number of BIDs are having a similar challenge and
8 therefore the BID Association in order to elevate
9 that challenge and actually figure out how to address
10 it, they form, have formed working groups, we assign
11 a staff person from our team to that working group so
12 we can work collaboratively to address the challenge
13 and actually, you know, seek to look where we can
14 make adjustments and we do make sure that we find the
15 right people within city government and that agency
16 to work with us through the challenge.

17 CHAIRPERSON GJONAJ: Well, what are some
18 examples of those agencies?

19 BLAISE: Sure, well so I touched, so
20 again one that we have, I touched on the Mayor's, the
21 city wide Office of Event Coordination and
22 Management. So that was one, it's back a few years
23 when we did this because that was one when I came
24 into this role, was one that was talked about
25 frequently where, for example, right street closures

2 happen for events. Some of those events are BID
3 events but a lot of events are not BID events. It
4 could be filming for right MOPD filming. It could be
5 another event and so it was often happening was that
6 the BIDs did not know when a street was being closed
7 and therefore they couldn't notify businesses, the
8 businesses couldn't plan ahead for deliveries so
9 albeit, right, so and also there was an opportunity
10 for BIDs to actually, potentially chime in on events
11 before it was permitted so because a BID might know
12 what's going on or should know what's going in their
13 community that might inevitably contradict with a
14 planned event by a third party so, in that case, we
15 work very closely with the Mayor's office and we
16 essentially got BIDs their own specific login to the
17 system that allowed them to see when events were
18 being planned and they actually were given sort of
19 the authority to comment similar to the way a
20 community board might when an event is being planned
21 so they can actually provide some input into whether
22 they foresee any challenges. Again, I don't, some
23 BIDs I think again have a lot more events being
24 permitted in their districts than others, but for
25 those BIDs I think where that was a particular

2 challenge, we were able to get that in place and it's
3 one we continue to refine.

4 CHAIRPERSON GJONAJ: That's a great
5 example but I, you know, you're missing on a more
6 important one I believe that has impact BIDs and that
7 is DDC projects such water mains and sewers and
8 construction because events are typically one day or
9 short lived and construction projects that can impact
10 the services such as water to entire commercial
11 corridors that with improper notice, with no advance
12 notice and notices in error of the water shutoff, for
13 example, on a day which the water's not shut off and
14 then the next day, or the following day there is a
15 turn off. Is that what you're referring to perhaps?

16 BLAISE: That's another example. I
17 didn't, I didn't list all of them but yes, that is
18 another example one I'm intimately familiar with and
19 we have been participating for quite some time with
20 the Department of Design and Construction, several
21 borough presidents, City Hall, and others to tackle
22 that issue. It's a real one. We're well aware of it
23 where capital construction in commercial districts
24 can negatively, severely negatively impact small
25 businesses in the area whether it's notification for

2 water shut offs or whether it's rerouting of buses.
3 I mean, it could be multiple things and some of those
4 construction projects can take quite some time so we
5 have been working for some time, I don't actually
6 remember, probably at least a year with DDC to work
7 on a stronger communication process that they are
8 very much you know working in collaboration with us
9 so that BIDs are notified not only during sort of the
10 planning of capital construction process so perhaps
11 it's the phasing of the project, perhaps it's, you
12 know, when design, when projects are bid out and
13 construction's gonna start so making sure that BIDs
14 have a seat at the table, particularly when the BIDs
15 is gonna be the ultimate maintenance partner of a
16 public space which is where I think a lot of this
17 issue has come up and so we have been working
18 closely. It's not an easy fix. Capital construction
19 I think is inevitably going to negatively impact in
20 the short term, many of the businesses that are
21 operating and so we are working, doing our best to
22 like help facilitate that conversation to ensure a
23 better process, better communication, coordination is
24 in place.

2 CHAIRPERSON GJONAJ: Which I understand
3 and all things begin with small steps. Have you put
4 in place any concrete steps that they must follow
5 before they turn off services such as water, electric
6 or street closures and sidewalk closures that
7 businesses cannot prepare for in advance?

8 BLAISE: Sorry, was that a question?

9 CHAIRPERSON GJONAJ: Well, you say that
10 you've created the dialogue to better the
11 communications between the projects and those
12 corridors.

13 BLAISE: Yeah.

14 CHAIRPERSON GJONAJ: Has there been
15 anything put in place that prohibits a contractor
16 from turning off water to an entire district without
17 proper notification? What is proper notification?

18 BLAISE: Right, well I'm afraid I can't
19 speak in detail to DDC's process but my understanding
20 is that DDC does have actually, there is advance
21 notification already required for water shut offs. I
22 think the challenge arises is when that advanced
23 notification is set, it's given, plans change,
24 businesses plan ahead, they close when they think the
25 water gonna be out and then it doesn't get shut off

2 because things change in the field or with the
3 contractors and perhaps that information does not get
4 communicated and that is what we are trying to tackle
5 and so my understanding is that procedures are in
6 place but the communication channels that need to get
7 to the BID and therefore their stakeholders are not
8 in place as well as they could be and that's what we
9 are working on. I should also touch on that we have
10 been working, since this started, we have been
11 communicating better with DDC and therefore they have
12 a quarterly meeting of their CCL's which are their
13 construction community liaisons. We have now, SBS
14 and some of the BIDs, in fact from the BID
15 Association, have attended some of those quarterly
16 meetings to elevate, to kind of educate and teach the
17 CCL's a little bit more about the BIDs and where to
18 ensure that communication is happening more. It's
19 just happening in a way that it's more effective but
20 we're also we're trying as SBS, trying to ensure
21 those CCL's have a better understanding of the
22 resources SBS offers so that they can, if they are
23 interacting with the business, they can connect to
24 them where possible.

2 CHAIRPERSON GJONAJ: Those construction
3 projects, who are they supposed to provide notice to?

4 BLAISE: The, I mean my understanding I
5 think is all residents and businesses in the impacted
6 area. I don't know what the full area is.

7 CHAIRPERSON GJONAJ: Currently they are
8 not required to report or have dialogue with BIDs.

9 BLAISE: Required like in an
10 administrative code, I don't believe so but

11 CHAIRPERSON GJONAJ: Provide them notice.
12 Technically they provide notice to a community board.

13 BLAISE: Correct.

14 CHAIRPERSON GJONAJ: And perhaps, perhaps
15 they may give notice to businesses and that is not
16 definitive and the BIDs do not have a seat at the
17 table or a part of the conversation at all.

18 BLAISE: So that is, I think I completely
19 agree with what you are saying and that is the
20 inherent challenge for a lot of what we are trying to
21 do with BIDs and the BID Association. The BIDs are
22 not part of the city's charter. They are not
23 inherently triggered to be notified in the same way a
24 community board is and therefore, it is sometimes,
25 people are following procedure, they notify the

2 community boards, some very active higher capacity
3 community boards tell BIDs and then that information
4 gets disbursed so what we have been doing and that's
5 why I gave the CCM example where we actually did get
6 BIDs sort of, again, I don't want to say the
7 equivalent of a community board but they were given a
8 certain treatment to be able to log in and be given
9 essentially a log in that really no other non-profit
10 organization had to be able to get that sort of
11 access so not only do they get a daily email every
12 time there is an event being planned, so I think
13 something similar is sort of the concept and we sort
14 of tackled events cause we had a willing partner and
15 we tried that and we're continuing to tweak that but
16 I think that is important. It is what we'd like to
17 see and what we're working with DDC to come up with a
18 solution that inherently builds BIDs into the
19 notification process.

20 CHAIRPERSON GJONAJ: And I'd like to be a
21 part of those conversations and actually have the
22 stakeholders at the table when those discussions
23 begin on setting up real protocol. Is there any
24 other example of agencies that you, or departments
25 that you can give us examples of with that, have been

2 brought to your attention and not very cooperative or
3 have been good partners without BIDs?

4 BLAISE: That have been? Or have not
5 been?

6 CHAIRPERSON GJONAJ: Have not been from
7 the complaints.

8 BLAISE: I think, if I may, I think
9 would, what I would say is usually when an issue is
10 brought to our attention where a BID is having a real
11 challenge, I think there is always willingness on the
12 city agencies part to interact with both at the local
13 level and also sort of at more senior management
14 levels of the agency. It really is, in many cases,
15 of just about like honing in on what the actual
16 problem is and in many cases ensuring that there is
17 perhaps a shift if necessary and so just as an
18 example, and I know you sited it what you said. We
19 all know there's a lot of work happening with
20 Department of Transportation around innovative
21 transportation ideas and so we have, we were
22 successful in getting DOT to the table and they've
23 been very anxious to work with us so that we can
24 going forward learn from some of the recent instances
25 where BIDs were not as in the loop perhaps as they

2 should have been when policies were rolled out in
3 their districts so we now have them and I touched on
4 in my testimony to work on how we could similarly to
5 what we're doing with DDC work on a policy where
6 we're essentially integrating BIDs into a process and
7 not only just a process but actually as a thought
8 partner and at times sharing data and outreach
9 strategies so that there is a better way for BIDs to
10 be informed before a policy is fully baked and before
11 it is rolled out and actually have an opportunity to
12 either push back on a policy or perhaps help their
13 members buy into a policy, whatever it may be.

14 CHAIRPERSON GJONAJ: I too have met with
15 almost all of the BIDs. We've invited them in
16 chambers, merchants associations to hear their needs
17 and in many of the case we cross-referenced policing,
18 sanitation, including the homeless crisis, the drug
19 epidemics, and the lack of response from the NYPD for
20 many of the bids to be cooperative partners. If we
21 understand the importance of bids and the commercial
22 corridors that they fight for, that relationship
23 doesn't currently exist equally with all BIDs. Some
24 BIDs have better relationships with their local law
25 enforcement than other but for the most part, they've

2 all been baffled by the homeless crisis that has
3 plagued many of their corridors, and they have been
4 unable to address that growing problem including the
5 craziness when a mattress is left on a sidewalk and
6 three different departments and agencies have to come
7 together and collaborate whether or not that is a
8 person's home. You cannot remove it or discard it
9 without three agencies coming together and deciding
10 yes, that this is not private property or resembles
11 someone's home on a commercial corridor. Can you
12 elaborate a little bit on this?

13 BLAISE: I mean I can share with you that
14 we have also heard and that concern, that certainly
15 was raised with us and I think, I think it's, we're
16 well aware. We are hearing about quality of life
17 challenges that BIDs are facing across the city and I
18 think you're right that in some cases some BIDs have
19 either, you know, longer standing relationships with
20 city agencies or just, you know, and therefore
21 coordinate more and perhaps have had more success
22 than others so we acknowledge that that's an issue
23 and it is among many that we hope to work more
24 closely with the BID Association on and with our city
25 agency partners to tackle.

2 CHAIRPERSON GJONAJ: That's not that it
3 hasn't been heard of. We just haven't figured out
4 how to deal with it.

5 BLAISE: I think that's fair to say.
6 It's one that we're working on but I can't speak, I'm
7 obviously not an expert in each of those specific
8 subject matters but I think, we, it's I mean it's
9 again we as BIDs, we see BIDs as such a close partner
10 and since they're on the ground, we believe that the
11 challenges are real. We need to help them elevate
12 that challenge and solve them but I think as I
13 touched on, to their credit, BIDs are involved in
14 more and more aspects sort of our city's, the
15 management of our spaces and therefore, they're
16 confronting and wanting to get involved to finding
17 solutions to challenges. I don't think they always
18 were and so I think in that sense, they are pushing
19 harder on city government, pushing on all of us to do
20 better and to find solutions to problems and we're
21 wanting to listen to them and we're wanting to help
22 them solve those solutions.

23 CHAIRPERSON GJONAJ: So hearing from a
24 small business owner, mom and pop shop, and his
25 frustration with a homeless scenario and approached

2 the NYPD, approached the BID and continued to reach
3 out to all elected officials to find out that no one
4 could help him is the example that resonates with me.

5 BLAISE: Um-huh.

6 CHAIRPERSON GJONAJ: The business owner
7 was devastated by a homeless man that blocked the
8 entrance to his establishment and refused to leave
9 and we were not able to get rid of and apparently
10 there was mental illness involved, but he knew
11 enough, this individual, that he could extort money
12 from the business owner. The business owner had to
13 resort to paying him off to leave. If that is not a
14 complete failure of the checks and balances that we
15 have in our system and an undermining of BIDs and
16 elected offices and the NYPD, I don't know what is.

17 BLAISE: I hear the point. I had not
18 heard that story at all. I would hope those types of
19 situations do get elevated to me so that I can at
20 least do what I can to help. I mean, that is, you
21 know, that's a really unfortunate situation.

22 CHAIRPERSON GJONAJ: What would you have
23 done?

24 BLAISE: Well, I can say actually I
25 recently did, I had a BID reach out to me a few

2 months ago about a homeless challenge and an
3 encampment at a phone booth that was no longer being
4 used and was gonna get replace with one of the
5 LinkNYC's and I brought it to my, I don't have a lot
6 of personal relationship with DHS at the time but I
7 elevated it to my executive office, our chief of
8 staff. I was connected with the Department of
9 Homeless Services, chief of staff. I talked to him
10 several times. He connected me with the right people
11 and it ended up that when it got to it, the field
12 team at DHS and the service provider for DHS was
13 working quite closely with the BID already and, you
14 know, there were certain things they could and could
15 not do. It ended up it was a DoITT challenge because
16 it's a phone booth and they could not move it because
17 of scaffolding. I mean, right, so every single issue
18 is going to have a lot of twists and turns but
19 ultimately, I got DoITT involved, I got the
20 contractor for the LinkNYC involved and ultimately
21 accelerated the removal of the phone booth so that
22 the LinkNYC which will be installed eventually when
23 scaffolding is down so at least two, and this was,
24 you know, a place where it was admittedly, and the
25 BID was saying was impacting a local business so, you

2 know, all I can do is what I can do when these other
3 issues elevate to me and literally take each and
4 every one to try and problem solve and help.

5 CHAIRPERSON GJONAJ: I spent the whole
6 summer battling an encampment of ten homeless men
7 that took over White Plains Road and Pelham Parkway
8 where there is a BID, the White Plains Road BID, and
9 we could not remove them from the corner although
10 they openly smoked K2, drank in public, relieved
11 themselves on that commercial corridor, participated
12 in aggressive panhandling, took over an entire
13 sidewalk where no one can walk by. They had to walk
14 around and through to navigate around them, ten men.
15 DHS, Catholic Charities, Bronx Works, they all
16 participated and knew about these ten men. The NYPD
17 and my own presence approached them and the response
18 of one of the homeless men was do you want me to call
19 my attorney before you address me or after I address
20 you? That's what our businesses are going through
21 and our BIDs. We talk about some of the things that
22 we are, that we have no control over and how we'd
23 like to make things better. Clear Curbs which is an
24 initiative by this administration, SBS was not
25 brought into or made a part of that conversation and

2 the impact that would have on our commercial
3 corridors and it impacted two BIDs in particular.
4 Six month pilot that drove several businesses out of
5 business and these are things that we could control
6 or should have had a seat at the table and be heard.
7 Our businesses and our BIDs are being undermined by
8 the very same people that are supposed to be there to
9 help and I'm not blaming SBS for the lack of putting
10 the time and the energy into it but when the SBS
11 can't facilitate or have a conversation with the
12 administration on the impact that it has on the very
13 people that you're overseeing, how do we expect you
14 to have an influence on the NYPD or New York City
15 Sanitation or DHS or any other city services?

16 BLAISE: Well I would, I would perhaps
17 elaborate a little on the Clear Curb example because
18 I mean, I think it's fair to say that for many of us
19 it was not rolled out perfectly, but that being said
20 once we did become aware of it, which was before it
21 was rolled out, in most cases we got the information,
22 we did distribute that to the BIDs and then we
23 knowing there would be concerns and hearing the
24 concerns loud and clear, we did have the executive
25 office of DOT come to SBS and we invited all the BIDs

2 and we began that dialogue and within, within days
3 and weeks we had the borough offices of the DOT
4 walking the corridors with the BID partners so point
5 taken but that being said, like when we were pulled
6 into it, we acted on it and in some cases obviously
7 policies were changed. Based on the, as I touched on
8 in the testimony, I think DOT and SBS intend to work
9 much more closely together so that those types of,
10 when those types of policies are being considered
11 that we, if they are going to be happening in
12 commercial districts that SBS has an opportunity to
13 inform our partners and to solicit feedback earlier
14 so, you know, our hope is, I think that's real and
15 genuine intent to do better and I think when it comes
16 to other agencies, I think if the situation is
17 elevated to our attention and we can put our effort
18 towards it, I think we would get a similar response
19 from other agencies.

20 CHAIRPERSON GJONAJ: Blaise, I just want
21 to point out the pilot program ended six months later
22 and it was after numerous media hits, meetings with
23 DOT commissioners and stakeholders and pressure that
24 was put on the administration. We could have gotten
25 ahead of this before it was implemented and on paper

2 things may look good but until you implement them,
3 you may not realize the impact. There are literally
4 dozens of businesses that are closed today because
5 someone had a bright idea and there are two BIDs in
6 particular that have been undermined because of that
7 bright idea. The very people that were supposed to
8 be fighting for those small businesses including the
9 relationship that they had with the SBS could not
10 make a difference and that's someone in our own home,
11 our own house. I don't, I want to see if
12 Councilwoman Rivera has a question.

13 COUNCIL MEMBER RIVERA: Yeah, yeah I do.
14 Nice to see you.

15 BLAISE: You're welcome, likewise.

16 [Laughter]

17 COUNCIL MEMBER RIVERA: [No microphone -
18 In distance] I do have a question. Some of the BIDs
19 are not responsible [Inaudible] but also [Inaudible]
20 landlords, owners, advocates [Inaudible] that clearly
21 in mind [Inaudible]?

22 BLAISE: Thanks that's a good question
23 and I think it is one that we, you know, certainly
24 have been monitoring and, you know, as you may see in
25 our BID trends report, I mean the BIDs do provide us

2 with data on sort of their vacancy, you know, the
3 number of storefronts they have, the number of
4 occupied storefronts. We get that data once a year.
5 It is self-reported by the BIDs but that is, you
6 know, a reasonable, well I heard you, that is a data
7 point we have and at this point and time and I don't
8 want to minimize the issue, I think on last year's
9 trend report, it was I think about 7% vacancy so it
10 is unique to the districts. Some districts are
11 having a bigger vacancy challenge than others. I
12 think you're right. I mean, I think on this, on the,
13 I think throughout the existence of BIDs and
14 throughout, and much of neighborhood development our
15 divisions work has been in areas that in the past
16 have suffered from a lot of disinvestment and so we
17 have historically, particularly with our federal
18 community development block grants, you know, it's
19 targeted sort of vacant storefronts and retail mix
20 and how to sort of bring that about so we, in many
21 cases we are working with BIDs especially those in
22 LMI neighborhoods who actually address vacancy issues
23 through like a genuine business attraction strategy
24 where they're actually sort of looking at the current
25 state of their district, what services they need and

2 sort of proactively working with the broker
3 community, property owners and others to attract new
4 entrepreneurs and new tenants to a district to help
5 fill those gaps. I think when there are sort of
6 shutter and I think you mentioned, I mean if it's a
7 truly sort of dilapidated or shuttered storefront,
8 you know, we do have a storefront improvement manual
9 so we have attempted to connect BIDs to sort of best
10 practices around how to encourage and incentivize
11 property owners to kind of make enhancements or to
12 tenants to make enhancements to a physical space so I
13 think on a policy level, I know recently the BID
14 Association did create a working group to sort of
15 start looking into this issue a little more closely
16 so we will again be working with them on that so we
17 can make sure that we're leveraging the bids sort of
18 again local intelligence to ensure that we are kind
19 of, as SBS develops strategies and other programs to
20 address this issue, we're sort of being mindful of
21 what they're seeing on the ground and ideas they may
22 have.

23 COUNCIL MEMBER RIVERA: Okay, you know,
24 so the BIDs they receive the fees, I guess they're
25 called fees, from their businesses and each district

2 or neighborhood is very, very unique and some are
3 clearly, you know, poorer than other areas. Like the
4 42nd Street BID and maybe like the East Flatbush BID
5 aren't necessarily taking in the same sort of fees
6 from their businesses so are you looking at that.
7 Are you looking at some of the demographics in the
8 neighborhoods and some of the socioeconomic
9 influences on the BIDs and trying to really uplift
10 those communities that, you know, quite honestly in
11 mostly these communities of color, the MWBE's and
12 some of your own goals. How are you looking to
13 uplift some of the neighborhoods that aren't
14 necessarily bringing in as much money as Union Square
15 or Grammercy?

16 BLAISE: Um-huh, sure, so one, we
17 actually use the word assessment. I think we prefer
18 that and I think that's sort of the way that the
19 money is collected is actually assessed against
20 property owners, right, so technically, you know, if
21 a business, a small business is paying into the BID
22 it is really kind of between them and their landlord
23 via their lease on whether they are paying that fee
24 but otherwise it is the property owners who are
25 actually legal responsible for paying that assessment

2 and the second thing I would say and sort of it plays
3 very importantly into sort of the nature of BIDs and
4 their assessment formulas is a lot of times, as you
5 will kind of clearly see, the BIDs that have the
6 largest budgets tend to be about the density of the
7 area because in central business districts, in areas
8 that have office, upper floor offices, they are
9 assessing those properties as well so I think it's
10 true you will see in less dense parts of the city
11 more retail focused BIDs or even industrial BIDs.
12 Their assessments are based, you know, really on sort
13 of a single level generally, maybe two levels of
14 commercial use so in those cases what our agency is
15 doing, we certainly as I touched on, provide a lot of
16 sort of capacity supports for the organization,
17 certainly those under a certain budget. I mean all
18 BIDs are able to receive certain types of support. I
19 think it does tend to be that those generally under
20 \$500,000 or under a million dollars tend to take use
21 of those services more than the others and then if it
22 is, the BID is located in the lower to moderate
23 income neighborhood as defined by the census, we have
24 a whole sort of additional pot of money, our
25 community development block grant money, that we do

2 make available for both sort of direct grants to the
3 BID as well as sort of capacity building grants where
4 we're actually giving the grant to a third party city
5 wide entity that provides direct technical assistance
6 to the BID.

7 COUNCIL MEMBER RIVERA: I just have one,
8 one last question, Mr. Chair, if you'll indulge me.
9 This is actually a question from I guess one of the
10 BIDs so the BIDs and all of the city's plaza
11 partners, they said they've reached an impasse on new
12 agreements for the maintenance and programming of the
13 city's public plazas. What are you doing to elevate
14 the discussion and ensure that the issues are
15 resolved?

16 BLAISE: Sure I touched on it quickly in
17 my testimony but we work quite closely with the DOT's
18 Plaza Program. They have a team at DOT. They're a
19 public space team, I think they're referred to and we
20 have been working with them quite honestly for years
21 via the working group that the BID Association
22 created so we've had a seat at those tables more
23 recently as I know negotiations over the concession
24 agreement have become more urgent given that I think
25 some are going to be expiring soon. We have gotten

2 very involved and helped to elevate this issue not
3 only within, you know, sort of the Law Department
4 which obviously has a big role to play here but also
5 with City Hall and with DOT to ensure that, you know,
6 we're all working and that they're essentially to
7 ensure that those working sort of from the legal
8 perspective are kind of understanding the
9 programmatic challenges that the BIDs are seeing on
10 the ground and so I know, I mean I'm sure some of the
11 BIDs can speak to this but we have facilitated some
12 conversation recently at City Hall with the Law
13 Department. Those conversations are continuing as
14 far as I know and we will certainly continue to stay
15 engaged.

16 COUNCIL MEMBER RIVERA: Thank you,
17 Mr. Chair and thank you to all the BIDs in my
18 district who are here today.

19 CHAIRPERSON GJONAJ: Thank you
20 Councilwoman so I think you understand, you realize
21 how I embrace BIDs and how I really see their
22 importance in the survival of our commercial
23 corridors and their help in assisting those small
24 businesses keep their doors open. The concern that
25 their budget, and a large portion of their budget is

2 going to city services, in particular sanitation and
3 security which that part of the 2017 report shows a
4 combined 40% of their budgets are going into those
5 two areas and it's just concerning that 32% of their
6 budget is going to marketing, beautification and
7 capital improvements. If we're going to help these
8 BIDs better serve the needs of their small businesses
9 and their commercial corridors, what creative ways
10 can we come up with where they start focusing their
11 revenue and their limited resources into things that
12 would help better the kind of consumer attractiveness
13 and base to add to their business models to continue
14 to let these corridors thrive?

15 BLAISE: Well, as far as, you know,
16 there's probably a lot of creative ideas and
17 opportunities out there and I guess in this situation
18 so, just as an example like in the BID trends report,
19 when we collect that data which is some of the data
20 you're sighting on, you know, dollars going to
21 different program areas, we are also pulling
22 anecdotes and best practices and interest things that
23 BIDs have done so that they can not only learn from
24 each other and potentially adapt and look at those
25 but even the cost numbers you sight, you know,

2 there's an opportunity for BIDs to use this and look
3 out how much they are spending as an individual BID
4 compared to other BIDs in their sort of budget
5 bracket and their similar geographies so they have a
6 sense of whether maybe they should be pursuing the
7 ideas here that you're talking about, essentially
8 looking at where they could either redirect, cost
9 cut, modify the numbers of days they have service,
10 the hours they have service. It's really, I guess in
11 this situation, it's not, we're providing sort of the
12 data for them to make use of but we ultimately are
13 looking to the community, you know, the locally
14 governed board to make that decision on whether they
15 want to spend, you know, all of their budget on
16 something or less on budget, as long as they're
17 meeting the district plan and their contract with us,
18 we're okay but it's sort of their local call on how
19 much and where to direct their budget.

20 CHAIRPERSON GJONAJ: I don't think it's
21 by choice. I think it's by necessity that they're
22 spending this amount of money on those two city
23 services. You yourself were a BID director. What
24 allocation of your budget did you use to those two
25 city services as a, which was supposed to supplement?

2 BLAISE: Right, well I couldn't tell you
3 the exact breakdown anymore but I could tell you from
4 what I recall, the BID I ran and for the benefit of
5 the rest of the Committee, the Myrtle Avenue Brooklyn
6 BID that I ran I think from 2004 to 2014 or something
7 like that and so when that BID was started, it was a
8 \$250,000 BID. We spent, the Board decided to spend 0
9 of the budget on security, at least direct security.
10 We certainly put some of my time and the staff's time
11 toward liaising with the NYPD and their community
12 affairs officers and so we certainly held regular
13 meetings with them and spent time. We spent time
14 thinking about sort of security cameras, that sort of
15 thing but we didn't pay for direct contracted
16 security. I don't remember how much we paid for
17 sanitation at the time but that was an important
18 piece. We did feel that supplementary sanitation
19 which at the time we ensured was, we wanted seven
20 days a week. They wanted it in the morning, they
21 wanted it when school kids got out, they wanted it
22 when people were going to restaurants in the evening.
23 You know, we looked and strategized and ensured that
24 we were getting the best bang for our buck for what
25 they wanted to see. We always looked for cost saving

2 methods and we also, I should say, which is not to
3 say that this is always effective immediately but we
4 thought a lot about waste prevention and education
5 and we actually worked with schools in the early days
6 and worked with [Inaudible] too and others so I'm
7 thinking about, you know, messaging around reducing
8 garbage so the sidewalks weren't as dirty as they had
9 been historically so I mean, even when you're paying,
10 in my view, even when you're paying for daily
11 sanitation supplementary services, it doesn't mean
12 that, you know, you don't want the business owners or
13 the residents and the stakeholders in that community
14 to think about right, why are we having to spend this
15 money on that and so can you add a parallel track to
16 start pushing and educating people to do better.

17 CHAIRPERSON GJONAJ: Based on the numbers
18 that I have, the last year that you were there, 2013
19 for the full year, you spent more than one quarter of
20 your budget on security and sanitation and I'm sure
21 you did it because there was a real need for it but
22 it took away from your abilities to enhance other
23 areas to improve your commercial district and since
24 2013, those numbers have steadily gone up for all
25 BIDs when it comes to those two categories so just

2 making a quick analysis, I would imagine your 25% in
3 2013 would be equivalent to closer to the 40% that we
4 have today that is the norm unless you have something
5 else that, you want to comment on that?

6 BLAISE: Well, I was just trying to see
7 if yeah, verifying it, on sort of changes. Again, I
8 guess I would just say like it's 25%, I mean I guess
9 one could debate whether that is the right amount to
10 be spent but that's again, we don't make that call.
11 I think the board if they felt like things that the
12 district was getting cleaner and they wanted to spend
13 less or alter to redirect it towards holiday, I mean
14 I know for an example since and I think Meredith has
15 nudged me about this since I left, I think the board
16 has preferred to spend more on holiday lights than
17 they did when I was there and that was a real desire
18 and need and so they put more of their assessment
19 dollars to it. They've gone out and fund raised for
20 it. I mean I think, look the nature of the beast is
21 sort of local control and so therefore if a board
22 want to do it. I understand what you're saying. I
23 mean, there are times that, you know, you always wish
24 you could have more resources to do everything you
25 wanted to do but there is aspect of the work that is

2 about being, you know, quick, nimble, efficient and
3 ensuring that you are, you know, doing what you can
4 for the district with the assessment dollars that the
5 district can afford and therefore I think in the
6 cases where we have seen spending increase, I don't,
7 I mean I don't think we've seen anything in our view
8 that seems sort of like out of the ordinary that
9 doesn't in some cases, changes to living wage and
10 costs of living and other things have also come into
11 play where BIDs have spent more.

12 CHAIRPERSON GJONAJ: We spoken many of
13 times and we both understand the importance of our
14 commercial corridors and this is about ways that we
15 can come up, the importance of this hearing is so we
16 can figure how to improve the way BIDs are operating
17 so they can focus on expanding and growing and
18 helping the businesses that they're there to fight
19 for.

20 BLAISE: Yeah.

21 CHAIRPERSON GJONAJ: It's their tax
22 dollars that are being used to supplement city
23 services and whether it be 40% or 25% of their
24 budget, their tax dollars that they're paying for,
25 that are put into those two categories, and not other

2 categories that would improve the amount of consumer
3 frequency to that flow area. I think that's where
4 the dialogue should be and if it means increased
5 security presence where we have an NYPD officer there
6 that would enhance the security for a commercial
7 corridor, their presence in itself would alleviate
8 that line item in their budget, so they can focus on
9 marketing and events and other things that would
10 bring in more customers and consumers, I think that's
11 what we would hope to strive for.

12 BLAISE: I understand that, yes, and I
13 think that is exactly what does happen in many cases.
14 I think, and again, it's very, you know, out of
15 caution I'd like, pulling this data together speaks
16 to the BID program as a whole but I'm sure each and
17 every BID will tell a potentially different story
18 around how they may challenge that, address that
19 particular challenge so, and I do think there are
20 cases where BIDs successful in getting a beat cop or
21 in getting allocation from a City Council Member for
22 additional sanitation through the clean-up initiative
23 or, you know, whatever it may be so I mean to a
24 certain extent that really is, you know, I do think
25 there are sort of unique opportunities for each BID

2 depending on the situation to sort of tackle a
3 challenge and think about creative ways where they
4 can redirect assessment dollars if necessary.

5 CHAIRPERSON GJONAJ: I hope we'll
6 continue that dialogue. It is probably to their
7 survival and the frustration of those businesses that
8 aren't seeing the increase in business flow and
9 traffic flow because their dollars are being diverted
10 to other areas that are important but should not be
11 coming out of their budget is my concern. I believe
12 you share the same sentiment.

13 BLAISE: Yeah, be happy to talk more
14 about it.

15 CHAIRPERSON GJONAJ: You have any other
16 questions? All right, I want to thank you for your
17 testimony. We have a list of others that want to
18 testify and be heard and I'm hopeful that you'll
19 actually stick around to hear

20 BLAISE: We most definitely are. Roxanne
21 and I will be here.

22 CHAIRPERSON GJONAJ: Excellent, thank
23 you. For our second panel, we have the New York City
24 BID Association, Southern Boulevard, Westchester
25 Square, Third Avenue and Fordham Road. I think

2 you'll all agree with me that we should let the
3 ladies go first. Could you please introduce yourself
4 and who you represent?

5 MEREDITH PHILLIPS ALMEDA: Can you hear
6 me?

7 CHAIRPERSON GJONAJ: Yes.

8 MEREDITH PHILLIPS ALMEDA: Meredith
9 Phillips Almeda, co-chair of the New York City BID
10 Association.

11 CHAIRPERSON GJONAJ: Good to see you.

12 ANDREA MAHEE: Andrea Mahee, BID manager,
13 Southern Boulevard.

14 MICHAEL BRADY: Michael Brady, Executive
15 Director of the Third Avenue Business Improvement
16 District.

17 CHAIRPERSON GJONAJ: Can we begin with
18 you, Meredith?

19 MEREDITH PHILLIPS ALMEDA: Sure, Chair
20 Gjonaj, I'm grateful for the opportunity to testify
21 here today. My name is Meredith Phillips Almeda and
22 I am the executive director of the Myrtle Avenue
23 Brooklyn partnership which manages the Myrtle Avenue
24 BID in Ft. Greene and Clinton Hill, Brooklyn and I'm
25 also the co-chair of the New York City BID

2 Association. The BID Association represents the 75
3 BIDs across all five boroughs. New York City has one
4 of the largest and most comprehensive BID initiatives
5 in the country. Together our members provide their
6 communities with over \$140 million in supplemental
7 services annually, primarily through private
8 assessment funds paid by property owners in the
9 districts. BIDs represent neighborhoods in all five
10 boroughs and our business stakeholders are as diverse
11 as the city itself ranging from small family run
12 bodegas to large department stores to intimate
13 restaurants to airport storage facilities and
14 everything in between and it's this reach that allows
15 the BID Association to serve as an effective advocate
16 for the city's small businesses and for our
17 commercial districts. All BIDs are very different in
18 terms of neighborhood contacts, the budget and their
19 district priorities. Through the BID Association's
20 working groups which bring together BIDs from across
21 the city around common issues, we have been able to
22 shape policies and processes that impact all of our
23 neighborhoods for the better so these working groups
24 are established to find solutions that cut across the
25 jurisdiction of multiple agencies like DDC, like DOT,

2 NYPD, DSNY, SEPO and on and on and on. Solving
3 problems among multiple agency stakeholders is
4 extremely difficult and complex and we appreciate the
5 Chairman's and this Committee's recognition of the
6 complex problems facing commercial districts. We are
7 already committing our own significant resources to
8 addressing them but we need the city overall to work
9 with us, partner with us and commit additional agency
10 resources to address the challenges in our corridors
11 and in the current small business climate. We know
12 that BIDs as local stakeholders are willing to pitch
13 in and ensure a successful endeavor as partners to
14 the city and these agencies but we need the agencies
15 to meet us half way. Our collective advocacy efforts
16 have been most important in supporting our members
17 with smaller budgets and fewer personnel resources
18 who often feel especially disconnected from the
19 crucial information streams from agencies and my
20 colleagues who are testifying later will elaborate on
21 specific challenges with specific agencies in their
22 districts. So notwithstanding the need for
23 additional resources, there are examples of success
24 and I'd like to share a few. One significant
25 accomplishment I want to mention, a direct result of

2 our collaborative partnership with SBS is the
3 universal model contract. Until last year, if you
4 can believe it, every single BID had a different
5 contract with the City of New York. The language was
6 different, the requirements were different, the terms
7 were different, often this was again, particularly
8 burdensome for the smallest BIDs. Note there are
9 about 30 BIDs with assessments under \$350,000 and
10 about 20 BIDs with two or fewer staff members so a
11 large majority of the BIDs are on the smaller side.
12 The BID Association created a working group and
13 worked directly with SBS as partners and ultimately
14 with the Law Department and today we have a universal
15 model contract with uniformed procurement procedures
16 that governs every BIDs contractual relationship with
17 the city so an example of a great success there. To
18 speak further to our relationship specifically with
19 SBS, the BID Association is encouraged by efforts to
20 further SBS advocacy on an agency level on behalf of
21 BIDs. We are currently working closely with SBS on a
22 number of initiatives. Blaise mentioned a few,
23 designed to improve our relationship both with SBS
24 and other city agencies and we look forward to
25 continuing that important work. We do think that SBS

2 has an important role to play in facilitating
3 improved communication with city agencies to ensure
4 BIDs are able to be responsive to our communities and
5 like I said, we're encouraged with what we've been
6 doing directly with SBS to move that forward. We
7 appreciate the Council's recognition and support in
8 helping to elevate BIDs as partners to agencies in
9 strengthening our neighborhood commercial corridors
10 and I would just, the one word I want to emphasize
11 there is partners. We need agencies to see BIDs as
12 partners because, in fact, we are contractual
13 partners to the City of New York.

14 CHAIRPERSON GJONAJ: Thank you for that.

15 ANDREA MAHEE: Good afternoon Chair,
16 Gjonaj, Council Members Ayala, Levin, Perkins and
17 Rivera. Thank you for the opportunity to speak
18 today. I'm Andrea Mahee, the BID Manager for the
19 Southern Boulevard Business Improvement District
20 which is located in the south Bronx. The Southern
21 Boulevard Business Improvement District was
22 established in 2007 and promotes the growth, vitality
23 and visibility of the premier shopping destination in
24 the Hunts Point section of the south Bronx.
25 Organizational programs include real estate, advisory

2 and retail services, sanitation and security
3 departments that augment the city's own services,
4 small business development services, Streetscape and
5 open space improvements, horticulture installations,
6 robust public programming, event planning and visitor
7 services. As you know business improvement districts
8 are partners, as Meredith stated, of the City of New
9 York and at the very heart of what we do is
10 maintaining the stability and growth of small
11 businesses and commercial districts. Southern
12 Boulevard is home to mom and pop shops and some
13 emerging large franchises. Today I want to focus on
14 two very specific areas of the City of New York. At
15 the very heart of what we do is maintaining the
16 stability and growth of small business and commercial
17 districts. Southern Boulevard is home to mom and pop
18 shops and some emerging large franchises. Lost my
19 place, excuse me. The two areas that I want to focus
20 on are the small business vacancies and the New York
21 City property tax structure. Unlike other
22 counterparts in the Bronx, Southern Boulevard has a
23 relatively high vacancy rate. As we take a deep dive
24 into the reason for these vacancies, many small
25 businesses state that the property tax pass through

2 is just too high and is becoming over burdensome. At
3 the same time, the is not equitably deploying tax
4 dollars derived from property tax so the businesses
5 that are paying in are not getting equitable base
6 line services from the city. This is specifically
7 the case in the areas of homelessness, substance
8 abuse and sanitation. When we look at property
9 taxes, we must be aware of the burden this imposes on
10 small businesses. Not every landlord is greedy. In
11 Southern Boulevard many of the landlords are small
12 businesses themselves and deserve the support, not
13 the demonetization of city government and then the
14 other area is illegal vending. Some of my
15 counterparts in the Bronx and outer boroughs may be
16 more politically correct in stating that vendors add
17 to the lifeblood of our sidewalks and local
18 economies. This may be the case in highly trafficked
19 areas but in my district, these vendors pose a direct
20 threat to brick and mortar mom and pop shops. The
21 vendors do not share in the financial burden by
22 shouldering taxes nor do they support the basic BID
23 services that pick up their leftover garbage or
24 public safety officers that protect them. This is
25 not equitable and at the heart an unfair stack

2 against BIDs that seek to create thriving commercial
3 districts during a time when we are competing against
4 big box stores and on-line retailers. The city must
5 enact legislation that not only fully understands the
6 complexities of vending in New York City but fairly
7 distributed the financial burdens that such
8 activities bring on mom and pop shops in their
9 districts. It is my hope that we can continue a
10 dialogue that helps small businesses in New York
11 City. Thank you.

12 CHAIRPERSON GJONAJ: Thank you. I do
13 have a question. What is the vacancy rate in your
14 BID?

15 ANDREA MAHEE: Approximately 16 to 17%, I
16 believe. Sorry about that.

17 CHAIRPERSON GJONAJ: Have you seen an
18 uptick? Is this a [Inaudible] over the year?

19 ANDREA MAHEE: Yes, and it has been
20 voiced by board members who are also property owners.
21 Yes, there has been an uptick. There has been.

22 CHAIRPERSON GJONAJ: Thank you.

23 LISA SOREN: Good afternoon, Chairman
24 Gjonaj. My name is Lisa Soren. I am the executive
25 director for the Westchester Square Business

2 Improvement District located in the 13th Council
3 District which belongs to the Chairman. I am here
4 today because it is important for this Committee to
5 hear the concerns being echoed across our commercial
6 corridors. In a nutshell, I believe that the
7 criticism of the current system should not focus on
8 the system itself but instead on the delivery of the
9 benefits that this system is supposed to provide.
10 Outside forces complicate business life. In a city
11 like New York, those forces are myriad and sundry and
12 in most cases, the bureaucracy of Siloed agencies
13 work against each other in achieving the stated goals
14 of making New York the greatest city in which to
15 live, grow and achieve. Business improvement
16 districts provide a business plan for all businesses
17 within its district. A BID identified the needs of
18 the local businesses and then speaks with one big
19 voice to advance these needs. One of the most
20 important ways in which this is achieved is the
21 conduit that a BID provides between the individual
22 businesses and city agencies. In the past years, SBS
23 coordinated connections between these agencies and
24 BIDs. Recently that service has been diminished to
25 the point where it is largely now non-existent.

2 Therein lies the problem, the delivery of support
3 thru the BIDs and to our businesses. Properly
4 representing the business needs of thousands of
5 property owners and merchants requires a BID to work
6 efficiently, effectively with all government agencies
7 impacting our corridors and I think the BID
8 Association who's a big support in where these
9 services may be lacking. A recent example of this
10 big problem can be seen in the city's newest business
11 improvement district in Morris Park. Although the
12 Morris Park BID has been established by local law,
13 and although property owners have been assessed by
14 finance for their investment in the BID, to this day
15 the BID is not allowed to function due to a bottle
16 neck at the Law Department which assigned the signing
17 of the new BIDs contract with the city, a contract
18 that was developed by the BID Association, SBS and
19 that same Law Department. It is currently in place
20 with almost every BID in New York. This is not a
21 systematic problem. It is a delivery problem.

22 CHAIRPERSON GJONAJ: Please elaborate a
23 little bit more on that bottle neck.

24 LISA SOREN: As of right now, Morris Park
25 has been signed into law approximately about five

2 months. The contract is still sitting with the Law
3 Department being reviewed for the last almost five
4 weeks.

5 CHAIRPERSON GJONAJ: And there's no other
6 follow-up? It's a wait?

7 LISA SOREN: Unfortunately, it's pending.
8 With all due respect, the Law Department seems to be
9 a black hole that I can't seem to reach.

10 CHAIRPERSON GJONAJ: Thank you.

11 MICHAEL BRADY: Good afternoon, Chair
12 Gjonaj. I'm Michael Brady, executive director of the
13 Third Avenue Business Improvement District located in
14 south Bronx. I apologize in advance. My remarks go
15 longer than three minutes. The Third Avenue Business
16 Improvement District is the Bronx's oldest bid, has
17 approximately 200 member businesses, slated to grow
18 to 800 by 2019 and greets over 200,000 visitors
19 daily. In addition to leading the Third Avenue BID,
20 my organization manages the South Boulevard Business
21 Improvement District to our east and the Bruckner
22 Boulevard commercial corridor to our south.
23 Collectively, these areas represent the majority of
24 the south Bronx with over 700 member businesses
25 slated to grow to 1,500 member businesses by 2019.

2 Some are locally owned mom and pops, others are
3 larger franchises, a healthy mix of destination and
4 convenience retailers and service providers. Our
5 organizations have had great impact on ensuring that
6 businesses, particularly those in the outer boroughs
7 can exist and thrive in the rapidly changing economic
8 landscape that is New York City. As you know
9 business improvement districts are legislative
10 partners of the City of New York. Funded and self-
11 sustained by contributions in the form of a special
12 assessment on property owners, business improvement
13 districts have management agreements with the City of
14 New York and are some of the earliest examples of
15 public and private partnerships. At the very heart
16 of what we do is maintaining the stability and growth
17 of small businesses in commercial districts. In 2017
18 over \$147 million in services were provided by New
19 York City's BID Network of 75 BIDs across all five
20 boroughs assisting over 93,000 small and micro
21 businesses. I'm here today as I was in February and
22 the subsequent hearings thereafter because New York
23 City has still failed its small emerging and micro
24 business communities. We as a city have not created
25 an environment whereby micro businesses can grow nor

2 whereby businesses want to stay nor have we provided
3 an adequate definition of those businesses caught in
4 between. I make the distinction between small,
5 emerging and micro businesses because so many shops
6 and services offered in my district and throughout
7 New York City rarely exceed or even come close to the
8 SBA classification for small businesses. I want to
9 also clarify testimony that I delivered in February.
10 Over the past eight months I have realized that the
11 target of my frustration predominately aimed at the
12 New York City of Small Business Services was
13 misguided. The agency employing over 300 hardworking
14 servants is not to blame for the lack of clarity and
15 support for New York City's small business community
16 rather the City with a big C and the current
17 administration are to blame. No agency is perfect by
18 any means and it means a great deal when a agency
19 listens and acts when confronted with issues that
20 affect the community. New York City SBS has listened
21 to the concerns voiced in February and as evidenced
22 by the testimony of Deputy Commissioner Backer have
23 made strides to remedy and modify service programs to
24 adequately address the on the ground needs of the
25 small business community. I am personally grateful.

2 In that process, I have realized that the
3 administration needs to empower SBS so that the
4 agency may enforce and tackle some of the most dire
5 issues affecting commercial districts and hold
6 accountable other agencies that are simply not doing
7 their jobs effectively. In doing so, the city could
8 publicly strengthen their commitment to being a
9 partner, as Meredith said, to business improvement
10 districts and elevate BIDs to a level by which we are
11 contractually bound. In an era where speculation,
12 gentrification, displacement and the existence of mom
13 and pops are consistently threatened, partnerships
14 with the City of New York need to be strengthened.
15 Positions particularly in the area of supporting
16 small businesses need to be publicly enhanced and
17 special care needs to be given to small businesses
18 that are between five and ten years old. As I
19 mentioned earlier, BIDs are partners of New York
20 City. Unfortunately this partnership falls flat with
21 the current administration. In many instances the
22 office of the Mayor has legislatively dodged or
23 sabotaged business improvement districts for the sake
24 of political gain. Some examples include members of
25 the administration ignoring the pleas of BIDs to have

2 more resources to combat the growing opioid epidemic,
3 homelessness, pedestrian safety and aging corridor
4 infrastructure. This is compounded by members of the
5 administration touting that business improvement
6 districts are agents of gentrification. I know that
7 many individuals, organizations and groups have
8 strong opinions on the role of business improvement
9 districts. Some welcome them as a method to have
10 property owners pay an additional assessment to
11 insist in maintaining the commercial corridor in
12 communities, others linking BIDs with gentrification
13 movements. I traditionally don't weight in on either
14 side of the argument because the Bronx and most of
15 our outer boroughs represent a very different model
16 to typical BIDs. You see, in my district, we don't
17 have the luxury of completing major capital projects,
18 traveling abroad to scout out the latest trends in
19 bus shelter development or elaborate streetscape
20 programs largely because our programs are making up
21 for over five decades of community disinvestment.
22 Our \$450,000 is spread over supplemental sanitation,
23 accounting for a third of our budget, security
24 services, staffing and public programs. Many BIDs in
25 historically under resourced communities are doing

2 similar work. Our communities never had a real seat
3 at the table and have slowly developed a BID
4 framework that works for us and works for the
5 communities that we serve, a framework that protects
6 our communities and by communities I mean all
7 members, our businesses, property owners, residents,
8 homeless, developers and individuals suffering from
9 mental illness and substance abuse. All are part of
10 our community fabric and all are represented in the
11 conversation. The administration needs to clarify
12 its support of business improvement districts and
13 expand political capital to send a very clear message
14 regarding the important work of business improvement
15 districts and our support of the inner clock of New
16 York City. Quite simply during a time when the Mayor
17 is more focused on political gains and not the day to
18 day management of the City of New York, BIDs must
19 assume the role of city managers in our commercial
20 districts. Rhetoric aside, there are specific
21 actions the City of New York can implement to support
22 small businesses in our commercial districts. Trash
23 and commercial waste - 1) legislate and fund seven
24 day waste pick-up by the Department of Sanitation for
25 all commercial districts. On average, the Third

2 Avenue BID gathers about 125 bags of waste daily and
3 we're on a three day a week pick up schedule. I'm
4 sure you can see there's a problem with that. 2)
5 Ensure that rat proof waste receptacles are
6 adequately distributed throughout the City of New
7 York. My district qualified for 90 and only has 16.
8 The 16 that were provided were only provided after
9 Council Member Salamanca provided the funding. There
10 was no movement on the part of City Hall to address
11 this. 3) Take a deep dive and really examine the
12 unattended consequences of the commercial waste
13 zoning legislation. Politics aside, there must be a
14 middle ground on this legislation that protects small
15 businesses and balances environmental justice
16 concerns. 4) Provide greater transparency and
17 oversight of borough based operations from the
18 central office of DSNY on opioid and substance
19 misuse. The city must do more to get individuals
20 suffering from opioid and substance addiction into
21 care and off the streets. Currently if an individual
22 is overdosing or high and they refuse care from NYPD
23 or an EMT, there is no recourse. I understand the
24 need to address substance misuse with human dignity
25 and care. In fact, my organization and partnership

2 with Acacia Network and Council Member Salamanca, co-
3 chair of the Bronx opioid task force which
4 systemically addresses the issue. However, the
5 ability of service providers, public safety and
6 health officials have been neutered by policies and
7 legislation. This needs to be remedied. 2)
8 Evaluate, coordinate and evenly apply fair share to
9 substance misuse services in districts and prevent an
10 over saturation of those services. In my district
11 alone we have 27 substance providers in a two block
12 radius. This is not to say that those providers are
13 not necessary or do not provide quality services.
14 Rather, it's to underscore that the issue of
15 oversaturation exists and highlights a lack of equity
16 when these service entities are sighted. Of course
17 these services want to be in the heart of the
18 epidemic. Dollars are attached to the number of
19 people you serve. However, we as a city are not
20 doing enough to bring those numbers down nor is there
21 a commitment from the service providers that their
22 vision, their mission should be to reduce the use of
23 substances, thereby reducing their billable client
24 rate over time. New York City infrastructure
25 programs - we have an aging infrastructure program

2 that is holding on by a thread. At the same time, we
3 have a small business community that is also holding
4 on by a thread. When our city embarks on
5 infrastructure or seeks to develop open space, we
6 must do it quickly and on budget while also having
7 built into the budget compensation for small
8 businesses that the infrastructure work is
9 disrupting. In my district, five small businesses
10 have closed on a track of Third Avenue between 149th
11 and 148th Streets. This is due largely to a city
12 project that has gone on for ten years and is still
13 not complete. There's no legitimate recourse for
14 these businesses. Store front vacancies - Thankfully
15 the Third Avenue BID is blessed with a relatively low
16 vacancy rate of 5%. However vacancies continue to
17 plague our city. I understand that the current
18 narrative is that is caused by greedy landlords.
19 This is not always the case. Often vacancies are the
20 result of a tenant holding onto a lease and moving
21 out. Litigation, structural repairs or in some cases
22 because the prospective tenant is not able to
23 shoulder the share of the property tax burden or
24 compete with small businesses and street vendors in
25 the district. I want to make an unpopular statement.

2 Property owners or developers are not often wealthy.
3 I know many people think that they are but if you
4 were to account for a mortgage or multiple mortgages,
5 taxes, especially on properties with vacancies, legal
6 fees, rent delinquencies, building maintenance and
7 fines, partnership payouts, broker fees, concessions
8 and general costs of marketing and doing businesses,
9 it is very rare that an outer borough property owner
10 is making money hand over fist, especially in outer
11 borough markets where micro businesses outnumber
12 large credit rated retail stores. This is not a woe
13 is me for the property owners but a legitimate fact.
14 Protests and demonizing property owners must stop so
15 a legitimate business dialogue can occur. As a city
16 it is time for us take on land scarcity, the changing
17 retail market and abusive tax structures and create a
18 more equitable form for business creation and
19 development. This does not mean that the city bears
20 the burden alone. We must take on predatory leasing
21 and antiquated strategies that do more harm in our
22 neighborhoods than good. We must build the capacity
23 of mom and pop businesses so that they too can
24 compete on the E-commerce platforms. We must combat
25 long held strategies like commercial warehousing or

2 the process in which landlords hold on to property
3 without renting it out in the hopes that its rental
4 value may rise. This leaves many of our older
5 commercial districts with inactive, underutilized
6 upper floor spaces. Currently no penalty exists for
7 property owners who neglect vacant properties or
8 intentionally leave space vacant in order to create
9 commercial affordability and well planned and
10 programmed commercial districts, the city must ensure
11 that landlords who warehouse properties are held
12 accountable whether through significant fines or
13 increased taxation on properties left unleased for
14 over a year. However, I want to tread carefully that
15 this must be guided by accurate data and an
16 understanding of why properties are vacant.
17 Currently no legitimate data set exists for the
18 entire city nor are appropriate agencies speaking to
19 each other to fully understand the reason for the
20 vacancy. Commercial rent stabilization - while I
21 realize there is a push for commercial rent
22 stabilization, I do not think it is wise nor would it
23 have the affect proponents of the initiative would
24 intend. Instead, I would take a deep dive into tax
25 and finance and update systems and procedures for

2 accurate tax data, reduce commercial taxes by at
3 least 2% with a mandated reduction and a tenant pass
4 through on those payments. It is my hope that the
5 newly created Tax Commission is not a sham and makes
6 real recommendations to this Council on how our
7 antiquated tax structure should be reformed. The
8 Small Business Survival Act which I know is recently
9 receiving a hearing. The Council must do more than
10 just a grandstanding hearing of this legislation.
11 There is some real value to this legislation.
12 However, as many of the original writers of the
13 legislation will tell you, there are also some
14 serious flaws and revisions that need to be
15 addressed. It is my sincere hope that this Council
16 will address those flaws before passing an
17 unconstitutional bill for the sake of public
18 relations. This does not benefit anyone and is
19 essentially pimping out our small business community
20 to build political support. Non-compliant vendors -
21 The Third Avenue Business Improvement District urges
22 this Council to take significant and meaningful
23 measures to ensure that any vending bill that is
24 considered before this Council is done in a
25 thoughtful, public manner that embraces evidenced

2 based research while also accounting for unintended
3 consequences related to the passage of any vending
4 bill. We would also urge the Council to have
5 corporation counsel clarify and make a determination
6 on clauses in BID contracts that give BIDs
7 jurisdiction over sidewalks. As you may be aware,
8 the Bronx's commercial districts are experiencing a
9 rebirth. With this birth comes new opportunities to
10 activate vacant spaces, update infrastructure and
11 ensure that sidewalks are safe and well programmed
12 for residents and shoppers while also maintaining a
13 vibrant, regulated and safe street life for vendors.
14 Street vendors add to the essence of the communities
15 across the city and provide a platform for local
16 economies. This is a fact that no one will debate
17 except for maybe Andrea. You as well as the majority
18 of the Council Members have expressed concern for
19 entrepreneurs who run small businesses, the life
20 bloods of our district and our city and backbone of
21 our communities. This administration has publicly
22 noted that the thoroughly irrational regulatory
23 system for street vendors needs to be rationalized
24 because current conditions on city sidewalks are
25 "mayhem". We encourage you to use this time as an

2 opportunity to transform a broken and obsolete system
3 into a more comprehensive and sustainable marketplace
4 for all. The issue deserves careful consideration
5 and not rush judgment. While vendors add to the life
6 blood of our economies and local flavor, the prior
7 legislation introduced to the prior Council will hurt
8 our communities and the vending economy the
9 legislation seeks to protect. There should be a very
10 real evaluation of the number of vendors in New York
11 City and a concerted plan to create sidewalk space
12 for vendors through an organized system, enforcement
13 of New York City vendor regulation and a shared
14 assessment fee and property tax structure imposed on
15 street vendors working in business improvement
16 districts. While the above points do not illustrate
17 the entirety of the challenges New York City has
18 self-imposed, they do represent strategic areas for
19 improvement. If the Mayor of the City of New York is
20 serious about creating the fairest big city in
21 America, then we must start by ensuring our small
22 businesses have an opportunity to fairly compete in
23 the New York City market place. It is my hope that
24 this brief conversation today, although not so brief,
25 can continue a dialogue that changes the course of

2 business development in New York City. If we can
3 accomplish even one or two of these goals, we will be
4 in a far better place than we are today. Thank you.

5 CHAIRPERSON GJONAJ: Thank you, Michael.
6 That was just two minutes on the dot.

7 [Laughter]

8 MICHAEL BRADY: Perfect, I thought so.

9 [Laughter]

10 CHAIRPERSON GJONAJ: And I do want to
11 acknowledge that you often refer to micro businesses
12 which is an important segment. I'm introducing a
13 piece of legislation which is going to eventually
14 define a micro business as a mom and pop and then
15 perhaps when we do so, we can offer the additional
16 services and help that they need to succeed and stay
17 afloat so I want to thank you all but you did
18 mention, you mentioned quite a bit. I'm surprised
19 that your vacancy is only 5%.

20 MICHAEL BRADY: One of the reasons why
21 our vacancies are so low, particularly on the ground
22 floor, is a lot of our merchants actually own their
23 buildings so it makes the math work. For example,
24 the building where our office is housed, the property
25 owner owns all the businesses on the ground floor and

2 the math just pencils out a bit more. However, with
3 the recent increase in property taxes, that's not the
4 case. You take a property that was originally paying
5 roughly \$250,000 a year in property tax and now
6 they're paying about \$400,000 a year.

7 CHAIRPERSON GJONAJ: We have much to do.

8 MICHAEL BRADY: We do.

9 CHAIRPERSON GJONAJ: Thank you.

10 MICHAEL BRADY: Thank you.

11 CHAIRPERSON GJONAJ: Oh, your service
12 pick up, in this budget we allocate additional
13 funding for more frequent pick up of trash cans. You
14 are not a recipient of that benefit?

15 MICHAEL BRADY: Not yet, we are working
16 on it with SBS to have a meeting with Sanitation to
17 really try to figure out the sanitation needs of the
18 Bronx's busiest commercial corridor and it's
19 something that's been neglected for quite some time.

20 CHAIRPERSON GJONAJ: I'll look into for
21 you, Michael, and I'll speak to Salamanca but you
22 should have benefited from the, I think it was \$3.5
23 million that was allocated to certain commercial
24 corridors for more frequent pick up.

2 MICHAEL BRADY: I would even be happy
3 instead of three to have five. You know, we'll take
4 baby steps right now.

5 CHAIRPERSON GJONAJ: Thank you.

6 MICHAEL BRADY: Thank you.

7 CHAIRPERSON GJONAJ: For the next panel,
8 NYC in Brooklyn, Flat Iron Partnership, 125th Street
9 Bid, Lincoln Square.

10 BARBARA ADKINS: We're gonna go south to
11 north. You're the oldest.

12 MONICA BLUM: I'm the oldest.

13 BARBARA ADKINS: You okay with me going
14 first?

15 CHAIRPERSON GJONAJ: Sorry, no particular
16 order but I'm a big fan of starting with the teenager
17 at the table.

18 MONICA BLUM: Oh, the teenager at the
19 table. Oh, you heard what I said I guess. How do I
20 turn, am I on? Yes, I'm on. Hi, my name is Monica
21 Blum. I'm the president of the Lincoln Square
22 Business Improvement District. I serve on the Board
23 of the BID Association and I co-chair the BID
24 Association's mentoring and outreach committee.
25 Thank you, Chairman Gjonaj and members of the

2 Committee for this opportunity to testify today.

3 I've been president of the Lincoln Square BID for 21
4 years. I'm the founding president and when I started
5 in this position, I had to create a non-profit
6 organization from scratch, a start-up. I relied on
7 the knowledge and assistance of fellow BID directors
8 and the Department of Small Business Services to help
9 me get our organization up and running and programs
10 started. Then in 1996, there were 39 BIDs. Today as
11 you've heard, there are 75 and in many ways new BIDs
12 and some of us as well still rely on the extensive
13 network of colleagues and Department of Small
14 Business Services to learn the ropes. Today the New
15 York City Bid Association is a formal entity with a
16 board, working groups and several committees,
17 including the mentoring committee which as I said I
18 co-chair with my colleague Matt Bower from Madison
19 Avenue. The mentoring and outreach committee
20 includes BID directors from small BIDs, large BIDs
21 with representation from all five boroughs. Our goal
22 is to help new BIDs and new BID directors avoid
23 reinventing the wheel. As you know, BIDs are unique
24 non-profits incorporated in the State of New York and
25 are governed by a board of directors with fiduciary

2 responsibility. Our boards are required by law to
3 include property owners, commercial tenants,
4 residential tenants and representative of each of the
5 following, the Mayor, the Comptroller, the borough
6 president, the City Council. We each have contracts
7 with the City of New York. Our relationships with
8 the city are key to our success. What distinguishes
9 New York City's 75 business improvement districts is
10 that each of our programs is different and reflects
11 the specific needs and wishes of our business
12 communities and the neighborhoods we serve. Our
13 programs include sanitation, area maintenance, public
14 safety, joint marketing, holiday promotions,
15 streetscape and beautification, creative event
16 programming, graffiti removal, restoration of retail
17 facades and many projects that support neighborhood
18 organizations and engage youth and older adults.
19 BIDs must comply with a whole host of City and State
20 mandates including minimum wage laws, paid sick
21 leave, paid family leave, sexual harassment, etc. We
22 must put procedures in place, get them adopted by our
23 boards. If we provide services, we must identify
24 providers and go out to bid. We work closely with
25 our government partners to leverage government

2 support and funding for projects that improve the
3 quality of life for our neighborhoods, its
4 businesses, employees, property owners, residents and
5 visitors. The BID association has worked closely
6 with SBS on a number of initiatives designed to
7 improve our relationship with SBS and city agencies.
8 SBS has also been a pioneer in identifying and
9 opening up avenues of funding for smaller BIDs
10 including Avenue NYC and the Neighborhood 360 Fellow
11 Program which enables small BIDs to expand their
12 capacity and strengthen commercial corridors with
13 talented people interested in working in the BID
14 world. SBS helps coordinate Small Business Saturday
15 and provides a roundtable to help BIDs begin planning
16 for this important retail initiative. Capacity
17 building for small BIDs has been a key objective of
18 SBS and the New York City Bid Association. We
19 recognize the smaller BIDs just don't have the staff
20 to do what some of the larger BIDs do so just
21 complying with the all new mandates is time consuming
22 and takes staff away from programming. We hope that
23 in the coming year SBS will expand its training and
24 roundtable sessions to cover such things as sexual
25 harassment training, fiscal management, non-profit

2 management, uniform database, etc. I over the years
3 have attended many of these and have found them
4 extremely helpful. We think that SBS could also
5 facilitate and I know others have spoken about this,
6 improved communication with city agencies to ensure
7 that BIDs are able to be responsive to our
8 stakeholders. There have always been public/private
9 partnerships with communities taking responsibility
10 for improving the quality of life in their own
11 neighborhoods. BIDs are one form of creative
12 public/private partnership that harnesses the
13 resources, ingenuity, energy and commitment from the
14 business community. In order for New York to
15 continue to thrive and flourish, we all need to do
16 our part in sustaining and supporting New York's
17 vibrant economic revitalization. Thank you.

18 BARBARA ADKINS: [Not close to microphone
19 - Difficult to hear] Good afternoon. Thank you
20 Chairman Gjonaj for your [Inaudible]. My name is
21 Barbara Adkins and I am president and CEO for the
22 125th Business Improvement District, one of 75 BIDs
23 in New York City. All BIDs aim to expand sustainable
24 economic activity, improve the quality of life in the
25 City of New York and maximize the ability of local

2 residents, businesses and institutions to benefit
3 from any and all opportunities created by commercial
4 revitalization efforts. A core part of the 125th
5 Street BIDs mission is to monitor and maintain the
6 sanitation conditions of the streets and sidewalks of
7 the BID corridor. Today I am here to testify in
8 support of the use of discretionary funding to
9 provide services where city agencies do not meet the
10 needs. This funding allows community groups such as
11 BIDs to strengthen its partnership with the city for
12 the [Inaudible] that we all do for our constituents.
13 Over the past three years, the availability of
14 discretionary funds to us coupled with the BID
15 assessment dollars allocated to our sanitation
16 program have enhanced our work to reduce street
17 litter and work toward a cleaner and healthier
18 neighborhood. The problem - for over two centuries,
19 125th Street has been a symbol of urban vitality and
20 rebuilding. Many know 125th Street as the birthplace
21 of the Harlem Renaissance and one of the nation's
22 most vibrant cultural and entertainment center
23 showcasing the African American experience. The
24 successful revitalization of 125th Street has been in
25 no small measure due to the creation of the 125th

2 Street BID. Now the BID is facing an important
3 challenge that comes from the transformation of 125th
4 Street into a hub for tourism and districts in New
5 York City and goes to the heart of this issue. The
6 challenge is the accumulation of trash in the street.
7 While the New York City Department of Sanitation and
8 private trash chartering services used by the
9 business community have the primary responsibility
10 for trash pick-up, there has been a continuing need
11 for the BID clean team to augment these services.
12 Trash is a problem that affects the quality of life
13 of all community residents. It has public health
14 implications and affects the economic vitality of the
15 street. Initiatives funded through discretionary
16 funds - Allocation's made by City Council member
17 [Inaudible] allowed us to add four additional workers
18 to supplement the existing BID sanitation cleaning
19 program and spend our [Inaudible] and create
20 awareness programs for businesses. Although
21 conditions improved, we immediately realized that
22 there was a need for something more than merely
23 picking up litter. Allocations made by Council
24 Member Perkins allowed us to seek greater solutions.
25 The BID partnered with Columbia University of

2 International and Public Affairs to better understand
3 what is contributing to the trash problem of 125th
4 Street. We examined the type, quantity and source of
5 street trash and determined its relationship to
6 existing services and street activity. A conceptual
7 model to focus the analysis was created for better
8 understanding. This analysis yielded recommendations
9 intended to assist the BID in customizing its litter
10 reduction campaign and in developing new initiatives.
11 A second allocation from Council Member Perkins
12 allowed us to build on the recommendation of the
13 first study. We determined it was important to
14 understand the quantity, type and origin of trash
15 beyond 125th Street given that city average
16 statistics do not characterize our problems and if
17 the problem is not properly characterized, it will be
18 hard to identify effective means by which to solve
19 it. We continued our partnership with Columbia
20 University and surveyed 125th Street as well as five
21 blocks along 115th Street and five blocks along 135th
22 Street. Stopping trash where it starts in Harlem is
23 our approach and will continue to a clean, healthier
24 Harlem. This public/private partnership approach
25 still takes a much more proactive and inclusive

2 planning effort in a targeted area on an on-going
3 basis than city engages in today. Recommendations
4 implemented - Our first report yielded 11 chief
5 findings and 12 policy recommendations that guided
6 us. We developed our first education awareness
7 campaign call Harlem Just Dunk It. [Closer to
8 Microphone] We created and circulated literature to
9 businesses and the community outlining sanitation and
10 trash handling regulations. Working with Manhattan
11 Community Boards 9 and 10, we increased the number of
12 community groups involved in cleaning initiatives.
13 We piloted Big Belly solar trash compactors with
14 expressions from Harlem artists and placed them on
15 two intersections in the district. We advocate for
16 the New York City Department of Sanitation to
17 increase pick-up frequency along the 125th Street
18 route. We advocate for city government to create
19 street vending zones within the BID corridor and
20 trash disposal regulations for vendors working in
21 these zones. Summarizing discretionary funding
22 allowed the 125th Street BID to increase hours of
23 cleaning service, conduct research in data
24 collection, create community partners that bring the
25 community together, launch clean campaigns and on-

2 line competition and educate the community on the
3 need to get involved with keeping their neighborhood
4 healthier and cleaner. We draw one major conclusion.
5 The trash problems we are experiencing will not be
6 solved with one organization. It required the
7 community, government, academia and health agencies
8 and providers working in tandem toward the goal of
9 making their neighborhoods cleaner and healthier.
10 BIDs are the perfect organizations to bring these
11 entities together but we also are very clear. None
12 of this would have been possible for us without the
13 help from the City Council providing the funding and
14 New York City Department of Small Business Services
15 facilitating the receipt of the funding and guiding
16 the BID in compliance and effective implementation of
17 the accepted program. I close by giving special
18 thanks to my Council Member William Perkins and I
19 submit this model can be replicated by any BID.
20 Identify the problem, apply for discretionary
21 fundings with your local Council Member, create
22 partnerships with your local university, the
23 community and city government. Collect data, develop
24 policy recommendations from the data, implement

2 policy change and evaluate the effectiveness of new
3 policies. Thank you for the opportunity to speak.

4 CHAIRPERSON GJONAJ: What percentage of
5 your budget were you using for sanitation?

6 BARBARA ADKINS: We used about, for
7 sanitation, sanitation and public safety combined is
8 about 50%.

9 CHAIRPERSON GJONAJ: 50?

10 BARBARA ADKINS: The two combined,
11 sanitation and public safety, yes, and the reason for
12 that I'd like to say is our owners and our boards
13 feel that without clean and safe, nothing else
14 matters.

15 CHAIRPERSON GJONAJ: Thank you and what
16 is your percentage of vacancy if you know?

17 My vacancy, I give two rates. My vacancy
18 total is 8% but vacancy and available, so vacancy and
19 available is about 4% because we're going through a
20 growth and there are properties that are vacant, up
21 for sale, people trying to decide what they're going
22 to do so they're vacant but not available. We also
23 have businesses who left but still pay the rent so we
24 have vacant but they're not available.

2 CHAIRPERSON GJONAJ: Thank you and the
3 vacancy rate for Lincoln Square.

4 MONICA BLUM: About 4.5%.

5 CHAIRPERSON GJONAJ: Thank you.

6 JENNIFER BROWN: Good afternoon Chairman
7 Gjonaj. I'm Jennifer Brown, the executive director
8 of the Flatiron/23rd Street Partnership, a BID that
9 was formed in 2006. Before I continue, our vacancy
10 rate is 6% ground floor. Upper floor is about 4% and
11 we spend about 52% of our budget combined on clean
12 and safe. Our district lies as you may know in
13 midtown south in Manhattan and has experienced
14 tremendous growth and change since it was
15 established. It is inclusive nearly 22 million
16 square feet of commercial office space, 560 ground
17 floor tenants, more than 4,500 upper floor tenants
18 and 5,000 residential units. I believe it's fair to
19 say that the BID has had a transformative effect on
20 the neighborhood through a series of programs and
21 initiatives. These include clean and safe,
22 beautification and streetscape, marketing and
23 promotion of the neighborhood's businesses and the
24 district at large, community programming, public
25 space management and homeless outreach. Every day

2 and through all measures we act as a steward of the
3 area and as an advocate for all stakeholders
4 including property owners, businesses, residents,
5 cultural institutions and visitors. In all of our
6 work, we begin with the relationship with SBS. SBS
7 has long been our partner and I know firsthand that
8 its neighborhood development team is committed to
9 assisting BIDs and communities. Their relationship
10 between our BID and SBS has always been a strong one
11 with shared respect for each other's work and
12 challenges. This has been the case across
13 administrations, commissioners and staff. Earlier
14 this summer, in the aftermath of the steam pipe
15 explosion on 5th Avenue, I found SBS at all levels
16 from the program staff up to the commissioner himself
17 to be very helpful partners to us in our business
18 community. Unfortunately some of the most vexing
19 issues facing our community fall outside of SBS's
20 direct purview. The Flatiron Partnership has
21 dedicated substantial resources to addressing two
22 complex issues, public plaza management and street
23 homelessness. Both of these are critical to our work
24 and to the quality of life in our district and
25 neither has a simple solution. The Flatiron

2 Partnership has been one of the pioneers in the area
3 of plaza development and maintenance. The unique
4 geometry in the heart of our district at Broadway,
5 5th Avenue and 23rd Street was a key place to create a
6 series of pedestrian plaza and we have been the
7 city's maintenance partner and program partner from
8 day one. Public plazas have been proven to be
9 extremely popular with the public not only in our
10 neighborhood but many others around the city in large
11 part because of the efforts made by BIDs like ours
12 yet we continue to struggle with certain aspects of
13 the relationship with the city. Street homelessness,
14 pan handling and related issues are also a chronic
15 problem in our neighborhood as well as many others.
16 In a recent survey sent to all 75 BIDs citywide we
17 confirmed through responses received by more than
18 half of the BIDs that this is a challenge for many
19 districts. In Flatiron we ask the on our annual
20 community survey about the biggest challenge facing
21 the district and for several years running this issue
22 has topped the list. In order to help those in need
23 and better understand the problem, we have used our
24 own resources to hire a non-profit agency to conduct
25 outreach as a supplement to the city's services.

2 About one-third of the respondents to that city wide
3 survey that I mentioned indicated they also contract
4 directly with the service provider to tackle this
5 issue. The challenge that I and many of my colleague
6 have is not that we don't want to or don't think we
7 have to allocate resources to help our overall
8 environment and assist those in need but that it
9 truly is a city wide issue and the efforts at the
10 local level can only go so far in making a true and
11 lasting impact. We would welcome a more robust
12 response from the city regarding how to address the
13 problems associated with homelessness and pan
14 handling. Chronically homeless, service resistant
15 individuals often have a very complex set of
16 challenges including mental health and substance
17 abuse issues among others and they need a complex set
18 of solutions. Thank you for providing us with this
19 opportunity to testify today. I appreciate this
20 hearing and you giving us a forum to illustrate how
21 New York City BIDs are leveraging their unique
22 resources and expertise to address the challenges.
23 We do look forward to continuing to work with you and
24 your Committee to create additional tool and
25 solutions to ensure our neighborhood's viability.

2 CHAIRPERSON GJONAJ: I want to thank you
3 and you're not alone as you heard from the others
4 that testified and this is a widespread issue and I'm
5 looking forward to coming up with creative and
6 permanent solutions to addressing these issues and
7 working alongside of us, yes, to do so. Thank you.

8 JENNIFER BROWN: Thank you.

9 BARBARA ADKINS: Thank you.

10 CHAIRPERSON GJONAJ: Is there anyone that
11 wants to, yes?

12 JAMES ELLIS: James Ellis, North
13 Flatbush. They didn't have my slip?

14 CHAIRPERSON GJONAJ: James, I guess, yep
15 we thought you weren't coming but thank you for
16 joining us.

17 JAMES ELLIS: Do you have my slip?

18 CHAIRPERSON GJONAJ: I have your slip.

19 JAMES ELLIS: All right, good afternoon.

20 Greetings Chairman Gjonaj and the esteemed members of
21 the New York City Council Committee on Small
22 Business. My name is James Dean Ellis. I am the
23 contracted executive director of the North Flatbush
24 Business Improvement District in Park Slope, Prospect
25 Heights, Pacific Park, Brooklyn. Our district runs

2 along the Flatbush Avenue artery in Brooklyn from
3 Atlantic Avenue to Grand Army Plaza. On behalf of
4 the over 170 businesses, 200 properties and countless
5 area residents I'm here to share with you the
6 important role the North Flatbush Business District
7 has in our community. Allow me to take you back to
8 the New York City blackout of 1977. A hot July
9 evening, the city was facing a severe financial
10 crisis and the loss of power across New York City
11 brought about a crime wave leaving buildings and
12 storefronts looted across the five boroughs. North
13 Flatbush Avenue experienced its share of destruction
14 and in response a concerned group of neighbors,
15 property owners and business operators rallied to
16 bring resources to improve the area's conditions.
17 When the city was inundated with these problems, the
18 neighbors responded, concerned stakeholders, in fact,
19 some of these stakeholders or their legacy family
20 members are still involved as board members or
21 business operations and in some instances both
22 continuing in the work over 40 years later. They are
23 dedicated, entrenched and full of neighborhood
24 knowledge that informs the decisions the BID makes to
25 this day. The BID was formed in 1986 and has since

2 stewarded many projects to benefit our neighborhood.
3 In fact, we are in the middle of a \$63 million
4 infrastructure and pedestrian safety project that has
5 been in progress for 14 years and harkens back to the
6 original Triangle Parks Better Committee that has
7 since evolved into the BID. North Flatbush is home
8 to unique intersections where the Park Slope Avenues
9 cross Flatbush to form interstitial spaces that until
10 our organization became involved were nothing but
11 deserted and undeveloped traffic islands. Over the
12 years they have undergone a few incarnations and our
13 current project will further enhance these green
14 street spaces and provide for increased pedestrian
15 safety throughout our corridor. Triangle Parks
16 aside, although a very important part of and a reason
17 for our existence, we continue to be the voice for,
18 ombudsman to, and cheerleader and champion of our
19 neighborhood, its businesses, residents and
20 properties. My colleagues here today who have spoken
21 before me and after me share similar missions, day to
22 day experiences and fight the good fight to address
23 their area's ever evolving concerns and micro issues.
24 While we are fundamentally similar, every place and
25 space has its nuances. These little things we know

2 are what makes us experts in what we do. While the
3 city continues to address city wide issues with
4 policy, regulations and resources, we pound the
5 pavement listening diligently to our constituents,
6 hearing about the trash cans that have gone missing,
7 concerns of counterfeit bills being passed in
8 businesses and parking issues. Oh, the parking
9 issues. The North Flatbush BID has recently
10 experienced the sweeping hand of this
11 administration's desire to address issues of traffic
12 congestion with the clear curbs pilot program, a
13 pilot that in my opinion was ill conceived and not
14 take a look at the local machinations of traffic and
15 impacts of such restrictive parking regulations and
16 militant enforcement. The BID stood up and expressed
17 concern, not just being a whinny nimbi but by
18 speaking with our neighbor businesses, hearing the
19 issues and amplifying these concerns to our community
20 boards, city representatives and agencies with viable
21 solutions. One voice makes noise, many voice makes
22 things happen. Those of us at the BID knew what was
23 right for district's businesses and consumers because
24 we speak with them regularly and we kept pressure on
25 to remove these over restrictive regulations.

2 Success came when the pilot program was discontinued
3 earlier than scheduled and our parking rules reverted
4 back to the original regulations. BIDs are not
5 always at odds with city agencies. North Flatbush is
6 working with the Department of Transportation to
7 bring additional horticulture and environmentally
8 valuable trees to the district. Collaborating with
9 the amazing team members at DOT's urban design group
10 and with New York City Council discretionary support,
11 North Flatbush has custom designed and is completing
12 installation of 22 planters on our sidewalks today.
13 Not just any ordinary planters. These planters were
14 specifically designed to promote additional trees in
15 the district, a district with aging trees and
16 underground limitations due to seven subway lines.
17 This represents a locally designed solution. The
18 first phase also represents an approximate \$75,000
19 investment in beautification and there are plans for
20 future phases at similar costs. New York City's
21 DOT's urban design group was instrumental in
22 stewarding our project through the public design
23 commission and spent countless hours consulting us
24 and advising the BID on necessary parameters and best
25 practices. We look forward to what this project will

2 do for our streetscape and air quality and are
3 grateful for the support of New York City DOT on
4 this. While BIDs tirelessly work to improve
5 conditions, address issues and polish and shine our
6 little corner of this great city, it would be
7 impossible without the support and guidance of New
8 York City Small Business Services. As a BID with the
9 seventh smallest assessment of the 75 BIDs in New
10 York City, our fiscal resources are limited and we
11 pride ourselves on doing a lot with a little. SBS
12 and their team consistently support our efforts to
13 improve our governance and our non-profit compliance
14 with our oversight and by providing valuable
15 workshops and resources to bring back to the district
16 such as business regulation compliance checklists and
17 practice inspections and as a sounding board or jump
18 off for other engagement. I also want to mention the
19 Core Leadership program that I and my staff have both
20 taken part in to increase our leadership skills and
21 this is where I would like to add that the city can
22 do better. New York City BIDs individually or with
23 the New York City BID Association are constantly
24 working with various city agencies, sometime spending
25 countless emails, phone calls, hours or weeks trying

2 to identify the appropriate personnel that can help
3 us with our specific issue. The city is a big
4 operation with many issues to resolve but the
5 disconnection between these agencies is frustrating
6 and time consuming. Intra agency coordination can be
7 terrible as the agencies act like silos with no
8 consideration for agency overlap or the resulting
9 ramifications. BIDs provide a ton of resources and
10 investments across the five boroughs and it would be
11 amazing if some of our time is not spent researching
12 who to speak with. Thus, I would suggest a better
13 intergov community affairs portal for BIDs to engage
14 that would direct us to the appropriate agency and
15 personnel that could be of assistance as we trouble
16 shoot the issues we may have in an expedient manner.
17 Finally, the value of business improvement districts
18 should be recognized by all city agencies, not just
19 when they need something to share or a program to
20 pass along, etc. but recognized as experts of our
21 community, dedicated representatives fighting for our
22 neighborhood, the voice of our district's business,
23 neighbors and property owners just like those of you
24 in City Council, like the partners BIDs were designed
25 to be. Thank you for your time.

2 CHAIRPERSON GJONAJ: Thank you. What is
3 the dollar amount of your budget?

4 JAMES ELLIS: Our assessment is \$150,000
5 a year.

6 CHAIRPERSON GJONAJ: What percentage of
7 that do you use towards sanitation and security?

8 JAMES ELLIS: 41.3% and that's only
9 sanitation. We don't offer security.

10 CHAIRPERSON GJONAJ: Vacancy rate?

11 JAMES ELLIS: Approximately 12.5%

12 CHAIRPERSON GJONAJ: I want to thank you
13 for your time and your testimony.

14 JAMES ELLIS: Thank you.

15 CHAIRPERSON GJONAJ: I want to thank
16 everyone for their time and their testimony and for
17 being so patient and I want to thank SBS for
18 remaining here and hearing all the others testify.
19 Thank you. [gavel]

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C E R T I F I C A T E

World Wide Dictation certifies that the foregoing transcript is a true and accurate record of the proceedings. We further certify that there is no relation to any of the parties to this action by blood or marriage, and that there is interest in the outcome of this matter.



Date September 28, 2018