

**Statement by Deputy Commissioner Calvin T. Brown, NYC Dept. of Small Business
Services**
New York City Council, Finance Committee
November 15, 2023

Good morning, Chair Brannan and members of the Finance Committee, I am Calvin T. Brown, Deputy Commissioner of Neighborhood Development at the Department of Small Business Services (SBS). I am joined by Emily Edwards, Executive Director of BID Program and Leslie Velazquez, Director of BID Development and Legislation. I wish to express our support for the laws providing an increase in the amount to be expended in 4 Business Improvement Districts (often referred to as BIDs) and authorizing the amendment of the District Plan for Westchester Square BID.

At SBS, we are working hard to open doors for New Yorkers across the five boroughs – focusing on creating stronger businesses, connecting New Yorkers to good jobs, and fostering thriving neighborhoods. We oversee and support the City’s network of BIDs and groups who wish to form new BIDs in their communities. We believe BIDs are central to these efforts as valuable and proven partners in fostering the vitality of the City’s neighborhoods and commercial districts. The Mayor’s Economic Blueprint also places the BIDs front and center in several initiatives to rebuild and reinvent our commercial corridors and central business districts.

Part of our role in overseeing and supporting the City’s existing network of 70 plus BIDs includes guiding them through legislative processes, including increases to their assessment caps and amendments to their District Plans. To propose an assessment increase or an amendment to a District Plan, BIDs must complete a multi-step review process overseen by SBS. The BID Board of Directors—which includes local property owners, merchants, and residents, as well as representatives from the City Comptroller, Borough President, City Council, and SBS—must review and approve the proposed assessment increase or plan amendment. For assessment increases, SBS requires all BIDs to submit a five-part justification outlining how the increase will be allocated, minutes from the Board meeting when the increase was approved, and letters of support by all City Councilmembers represented in the BID boundaries. SBS then reviews these justifications and determines whether they are sufficient to bring to City Council. The

District Plan amendment goes through a similar process, plus an additional requirement to host a public meeting to present the plan and allow for stakeholder comment.

As required by law, each of the 5 BIDs published a notice of this public hearing at least once in a local newspaper having general circulation in the districts specifying the time and place of today's hearing and stating the change to their assessment amount or district plan.

It is a priority of SBS that assessment increase proposals focus on enhancing programs and services provided to the district. The 4 BIDs proposing assessment increases are doing so to address vital needs and changing conditions on the ground. The increases will further expand, reinforce, and strengthen core services currently provided in the business districts, and include funds for additional streetscape improvements, Open Streets programming, new public events, and added staff capacity. Additionally, portions of these increases will be used to sustain or increase current levels of sanitation and public safety programs and services impacted by the rising costs related to inflation and minimum wage increases.

The proposed increases vary according to budget size, district size, and proposed changes in programs and services. The proposed increases are:

- (1) Brighton Beach Avenue BID, from \$220,000 to \$300,000
- (2) Fordham Road BID, from \$1,010,000 to \$1,510,000
- (3) Meatpacking Area BID, from \$3,200,000 to \$6,200,000
- (4) Village Alliance BID, from \$1,400,000 to \$1,900,000

A District Plan amendment is most often used to revise the assessment formula to more equitably assess the properties within a district. The proposed Westchester Square BID district plan amendment will provide additional detail to their assessment formula, which will address any ambiguity about the assessment of corner properties. Currently, corner properties are assessed based on the length of the longer side of their building. This proposed law would amend the method of assessment to clarify that corner properties should be assessed based on the linear frontage along the main retail, commercial, or professional side of the property. The amendment also increases the base fee for corner properties and properties with commercial uses that are

above groundlevel from \$300 to \$500. This amended method of assessment is more equitable because it is based on the length of commercial frontage rather than the longest linear frontage.

Representatives from each BID requesting city council finance committee approval for their legislative changes are present to answer any questions pertaining to their specific requests. However, I am happy to answer any questions you may have. Thank you.

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: 11/15/2023

Name: Calvin Brown, Deputy Commissioner SBS
(PLEASE PRINT)

Address: 1 Liberty Plaza

I represent: SBS

Address: _____

◆ Please complete this card and return to the Sergeant-at-Arms ◆