

PAUL NELSON STATEMENT
BEFORE CITY COUNCIL FINANCE COMMITTEE
May 26, 2011

Good morning Mr. Chairman and members of the Finance Committee, I am Paul Nelson, an Assistant Commissioner at the Department of Small Business Services (SBS). SBS supports the establishment of the Chinatown Business Improvement District (BID) in the Borough of Manhattan.

Geographically, the proposed BID district is generally bounded by Broome Street to the north, Broadway to the west, Allen Street to the east, and Madison and Worth Streets to the south.

Services to be provided in the Chinatown BID include: sidewalk sweeping and maintenance, graffiti removal, holiday lights, retail marketing, transportation management and parking, advocacy, administration, and other services as may be required for the promotion and enhancement of the district. The Chinatown District Management Association will manage the district. The budget for the first year of operation is \$1,300,000.

As required by law, the Chinatown BID Steering Committee mailed the summary of the City Council Resolution to each owner of real property within the proposed district at the address shown on the latest City assessment roll, to such other persons as are registered with the City to receive tax bills concerning real property within the district, and to tenants of each building within the proposed district. In addition, SBS arranged for the publication of a copy of the summary of the resolution at least once in the City Record.

Thank you.

From: Chinatown BID Steering Committee

Rubenstein Associates, Inc.

Public Relations

Contact: Pat Smith (212) 843-8026

Sarah McDonnell (212) 843-9372

www.chinatownbidnow.org

Let Us Help Ourselves

Creating a Business Improvement District (BID) is the most effective way to improve the quality of life for the people who live in, work in and visit our community.

Supporters of this BID proposal just want the right to keep our community clean, something we already are doing successfully under a government grant that is about to expire.

We want to continue our work as a BID, which is true grassroots democracy in action as businesses, property owners, residents, elected officials, Community Board members and other civic leaders work together to determine neighborhood needs and to address them. An elected board hires contractors and staff to oversee programs; then sets a budget and provides the resources.

A BID would allow our community, currently divided into three Community Boards, to act as a unified force to secure government services. Once formed, a democratically elected board representing community stakeholders will decide on a name and will set priorities such as:

- Sidewalk cleaning and snow removal;
- Holiday lighting;
- Advocating for our fair share of government services;
- Traffic improvement;
- Helping existing businesses, preserving the area's unique small-business character;
- Attracting new employers and making the community attractive to residents and visitors.

A BID would provide 30 entry level cleaning jobs for people from the community. These BID-financed workers achieve efficiency of services which individual property owners cannot do.

-more-

Chinatown BID Now – page 2

Since 1976, 64 communities have formed BIDs in New York City, many after contentious disputes by those who were afraid of change or who had a vested interest in preserving the status quo.

No New York City community has ever dissolved its BID, a testimony to the effectiveness of this structure.

Our community sees the success of BIDs in Asian communities in Queens and Brooklyn and neighboring BIDs in NoHo, the Lower East Side, Hudson Square and Downtown Manhattan.

And the people in our community say: It's our turn.

We call on our elected officials and Community Board members to let us help ourselves.

Property owners gave overwhelming support for a BID. In addition, hundreds of business owners and residents wrote letters of support. Long-time groups in our community such as the Chinese Chamber of Commerce, American Legion and Canal Street Jewelry Association support the BID. These hard-working men and women know that a BID would help business owners individually and help preserve the unique character and culture of the neighborhood by supporting small businesses.

The proposed BID would have some of the lowest – perhaps the lowest – assessments of any of New York City's 64 bids:

- 35 percent of owners would pay the minimum \$200 assessment – the cost of two Department of Sanitation summons;
- 74 percent would pay under \$1,000;
- \$1 per year for solely residential properties, including condos.

The proposed BID envisions a first-year budget of \$1.3 million, with 78 percent used for sanitation services and the balance used for holiday decorations and advocacy. **Up to \$1.9 million from other government sources is available if we form a BID.**

The 64 BIDs have a strong record of raising additional money from outside the community – 26 percent in addition to their budget from assessment in 2008 – from government, philanthropy and private sponsorships.

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Chinatown BID Now – page 3

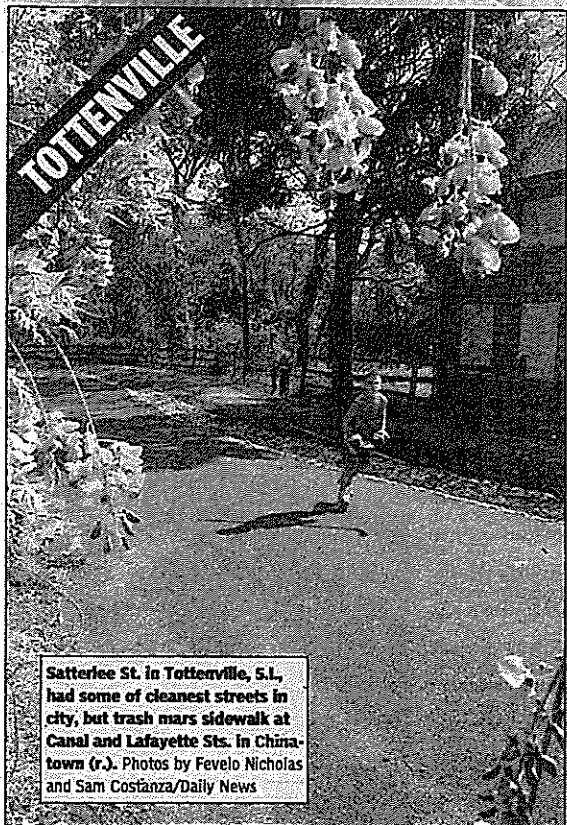
The proposed BID has more than 2,300 tax lots. In consultation with neighboring BIDs and associations, we have proposed a service area bounded by Broome Street on the north, Broadway on the west, Allen and Rutgers streets on the east and White, Worth and Madison streets on the south. The government-owned Confucius Plaza is not included.

The Chinatown Partnership has used government funds to remove 16.5 million pounds of trash from local streets since 2006. But this grant to help keep streets cleaner expires on December 31, 2010. Without another alternative, we fear our neighborhood will once again become infamous for filth. Before the Partnership's cleanup effort, an official New York City study ranked our community as the fifth dirtiest in New York City. And the dirtiest neighborhood, in Brooklyn, has formed a BID.

This unique community, whose special flavor is derived from the preponderance of small family-owned businesses started by immigrants and maintained by their children, can survive only if these business owners and community leaders are allowed to come together with residents, Community Board representatives and elected officials to decide their own destiny. Given that power of self-determination, they can thrive in this community that offers so much to the city and the nation.

Let us help ourselves.

For a detailed map of the service area or for more information, visit www.chinatownbidnow.org.



Satterlee St. in Tottenville, S.I., had some of cleanest streets in city, but trash mars sidewalk at Canal and Lafayette Sts. In Chinatown (r.). Photos by Fevelo Nicholas and Sam Costanza/Daily News

Neighborhoods with highest percent of "acceptably" clean streets:

1. Tottenville, Great Kills and Arden Heights, Staten Island: 99.3%
2. Bayside, Douglaston and Little Neck, Queens: 99.2%
3. New Dorp and Dongan Hills, Staten Island: 98.9%
4. Rego Park, College Point and Whitestone, Queens: 97.4%
5. Riverdale and Kingsbridge, Bronx: 97.4%
6. Jamaica Estates, Fresh Meadows and Holliswood, Queens: 97.3%

Neighborhoods with the lowest percent of "acceptably" clean streets:

1. Bedford-Stuyvesant and Brownsville, Brooklyn: 86.1%
2. East Harlem, Spanish Harlem and Randalls Island, Manhattan: 87%
3. Washington Heights and Inwood, Manhattan: 87.4%
4. Mott Haven and Melrose, Bronx; Morrisania and Concourse Village, Bronx: 87.7%
5. Chinatown and lower East Side, Manhattan: 87.9%

Citywide "acceptably" clean streets: 93.8%

SOURCE: MAYOR'S OFFICE OF OPERATIONS SCORECARDS FOR 2006



DIRT ON OUR NABES

EXCLUSIVE
BY KATHLEEN LUCADAMO
DAILY NEWS CITY HALL BUREAU

NEW YORK neighborhoods have a dirty secret.

City trash-hunters whose job it is to inspect every block have found some near-spotless neighborhoods — and others that badly need a scrub.

The Bedford-Stuyvesant section of Brooklyn had the filthiest streets in the city last year, while the sleepy South Shore of Staten Island had the cleanest, according to statistics obtained by the Daily News.

But that came as no shock to

S.I.'s South Shore has cleanest streets, Bed-Stuy & Chinatown among trashiest

Bed-Stuy residents, who blamed drivers tossing fast-food wrappers out of their car windows for the litter-strewn streets.

"It's a busy area, and people don't care," said Yolanda Jones, 34, an office administrator at Beulah Church of God in Jesus Christ on Marcy Ave.

"It seems every time we sweep, more trash comes," said Jones, pointing to a McDonald's bag, a Newport cigarette carton and a glass bottle lying in the street outside the church.

Trash inspectors with the mayor's Office of Operations found that 86.1% of Bedford-Stuyvesant had "acceptably clean streets" in 2006.

By comparison, inspectors found that 99.3% of the streets in the Tottenville and Great Kills sections of Staten Island, where Sanitation Commissioner John Doherty lives, were acceptably clean.

"Most of our residents are homeowners, which means they take pride in keeping their streets, their sidewalks and their

lawns clean and manicured," said Maria Bodnar, district manager of Community Board 3 in Staten Island, which covers the South Shore.

Dena Michaelson, 30, of Tottenville, agreed that having a high concentration of homeowners helps keep the neighborhood litter-free.

"There also are not too many stores, and there are not a lot of people passing through," she said.

Indeed, the neighborhoods flooded with businesses and bustling with walkers showed a significantly lower percentage of clean streets than those dominated by single-family suburban homes.

For instance, restaurant-packed Chinatown and the lower East Side have the fifth-dirtiest streets.

The leafy Douglaston and Little Neck sections of Queens have the second-cleanest streets, and the tony Riverdale section of the Bronx has the fourth-cleanest streets in the city.

The upper East Side of Manhattan — home to Mayor Bloomberg and Gov. Spitzer — had 95.7% of its streets rated acceptably clean. It was the highest level in Manhattan, but still not good enough to crack the city's top-five most spick-and-span neighborhoods.

The city has enjoyed cleaner streets since the inspections started in 1975. It hit an all-time high of 93.8% of clean streets last year, up from an all-time low of 53% in 1980.

Kucadamo@nydailynews.com

Chinatown Sanitation

All three Community Boards with districts included in the Chinatown BID agree that sanitation is the area's top priority. Since 2006, the Chinatown Partnership has removed 16.5 million pounds of trash from local neighborhoods thanks to a government grant, but funding for that program expires December 31. Below are excerpts of statements of needs from Community Boards 1, 2 and 3, highlighting the necessity for additional sanitation services:

Community Board 1, Statement of Needs 2009:

"The large numbers of tourists flooding Lower Manhattan...contribute to a constant overflow from the litter baskets. This is a significant problem that sullies our streets and exacerbates the noticeable rat problem."

Community Board 2, Statement of Needs 2011:

"Our street trash baskets are often overflowing, especially on the weekends, and it is up to our citizens and merchant associations to supplement the Department of Sanitation pick-ups."

Community Board 3, Statement of Needs 2011:

"We are a very densely populated and still growing district in an area of old tenements...[and] our district is also saturated with nightlife, so on a typical weekend, bags of garbage and overflowing trash baskets increase sidewalk congestion and attract rats."

Also, a 2002 survey of 1,797 Chinatown residents, workers and community leaders found that the top community need was "Sanitation."

A 2004 study concluded that a BID is the only way to sustain sanitation due to the dependence on uncertain funds and mandates that other initiatives rely on. Almost every important business district in the city now has a BID.

A cleaner Chinatown – it has been the top priority for decades, from many surveys of the community, from a long list of volunteer groups and business organizations, from the Community Boards and elected officials and most important, from the people of this community. A BID allows all these groups to work together to get the job done, to keep Chinatown clean and shine.

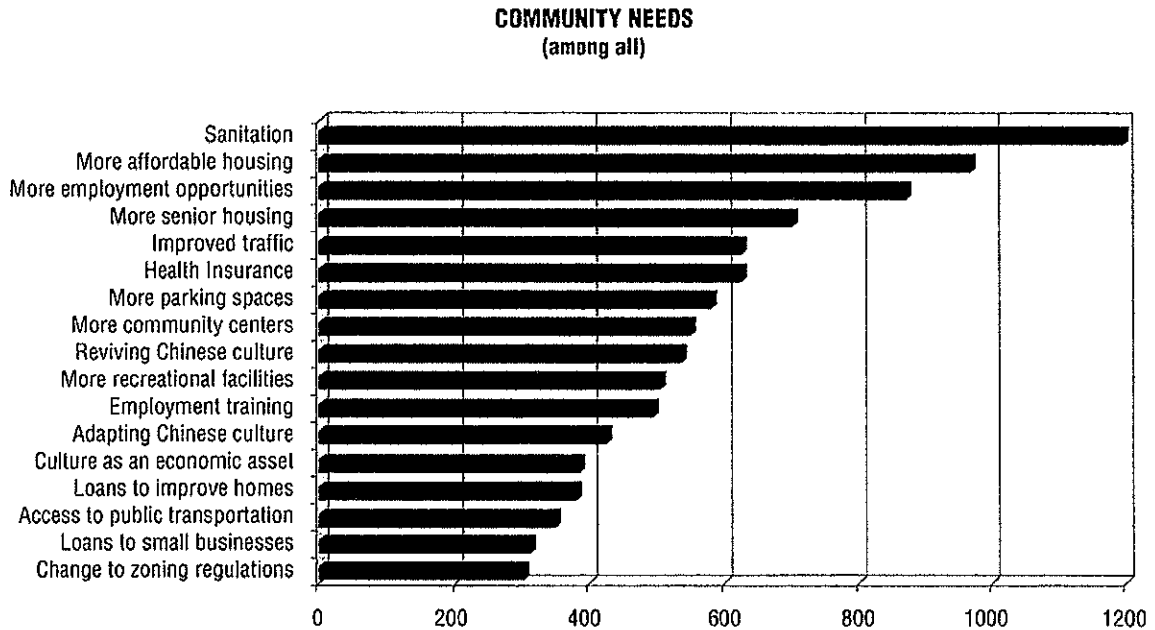
COMMUNITY NEEDS

TOP THREE COMMUNITY NEEDS:

- Sanitation
- Affordable Housing
- Employment and Income Generation

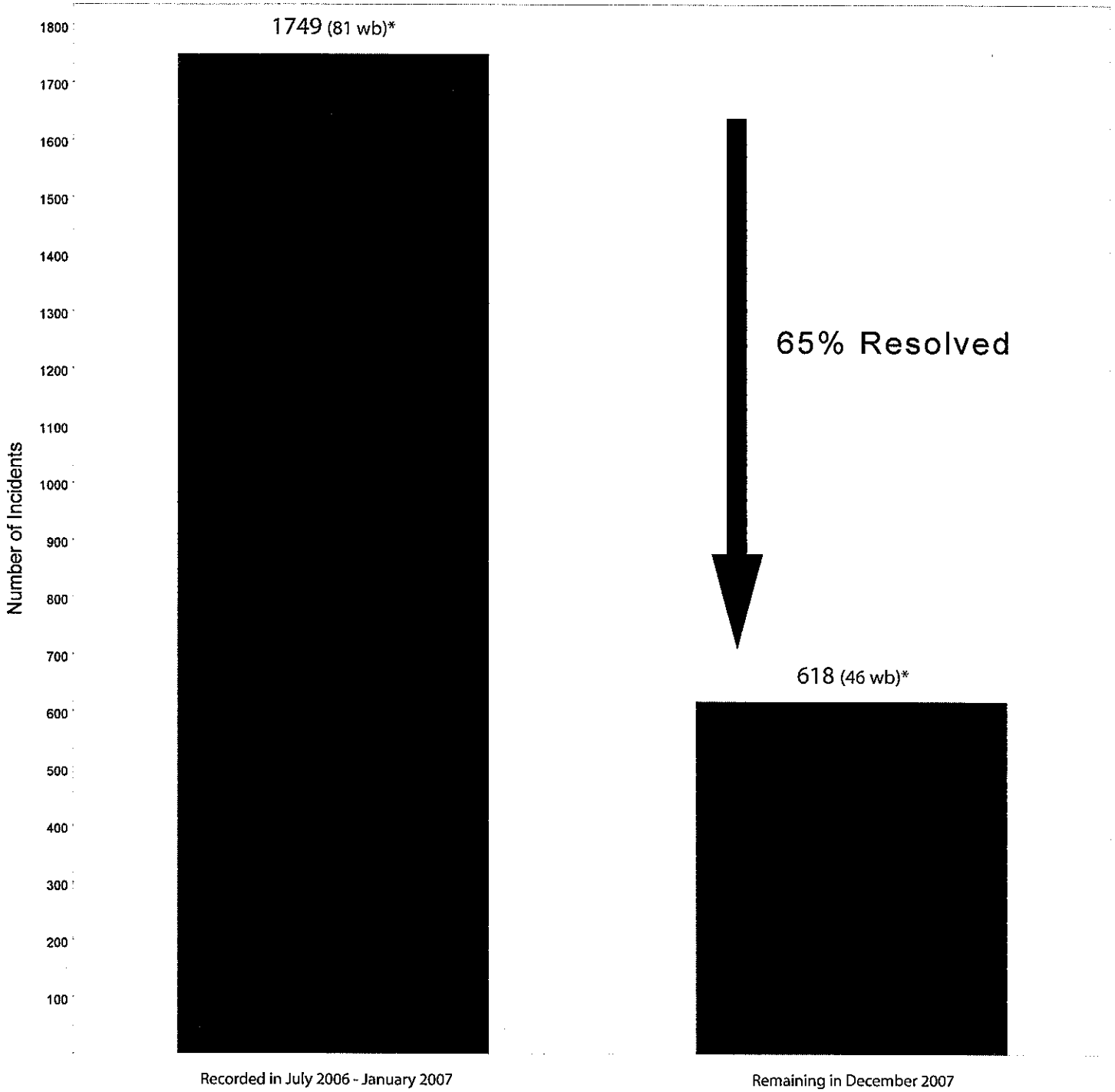
The surveys, interviews and community meetings consistently identified three major community needs or issues in Chinatown: 1) sanitation; 2) affordable housing; and 3) employment and income generation. These issues were closely followed by parking and transportation.

Based on survey results, the overwhelming issue for all respondents was improving Chinatown's 'Sanitation', followed by the need for 'More affordable housing' and 'More employment opportunities'. Improved traffic conditions, and more parking spaces ranked 5th and 7th, respectively, in the order of priorities.



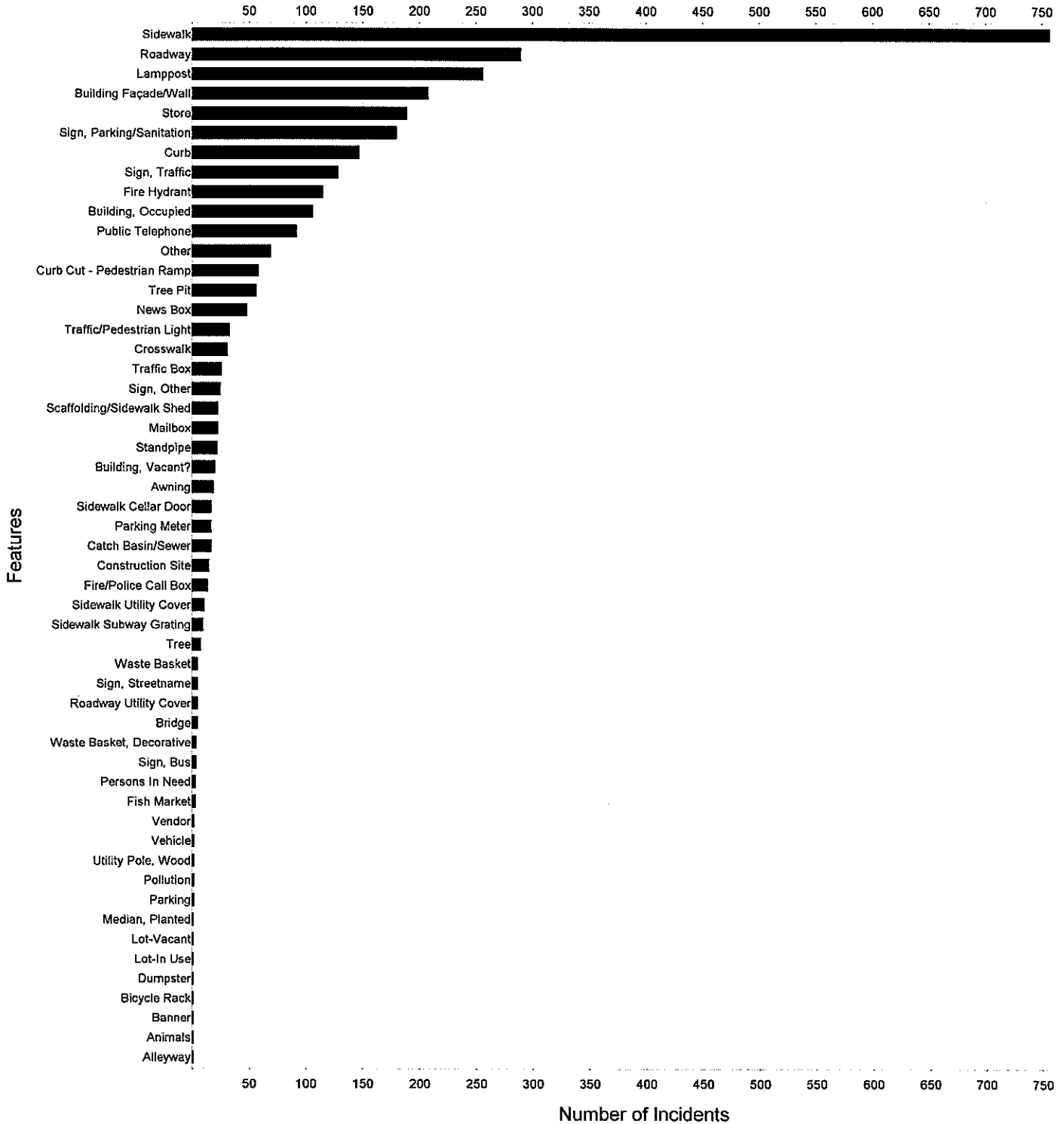
For further analysis, community needs were cross tabulated with key demographic factors of residency, age, and livelihood. *In all instances, the top community needs as identified by the entire survey population remained constant when evaluated by each subgroup, thereby underscoring the urgency of these needs.*

Chinatown Partnership Local Development Corp
All Incidents Observed in the Non-High Traffic Areas



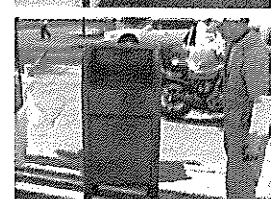
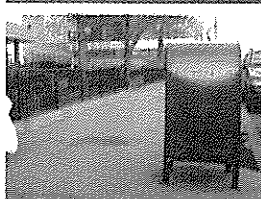
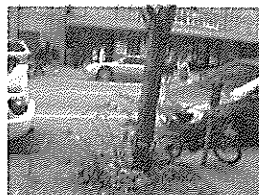
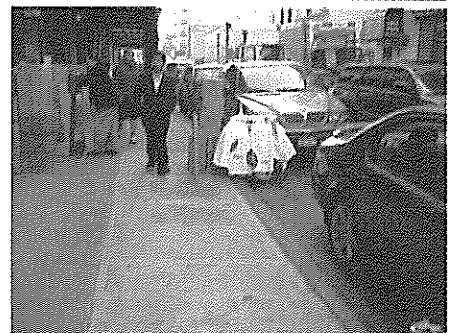
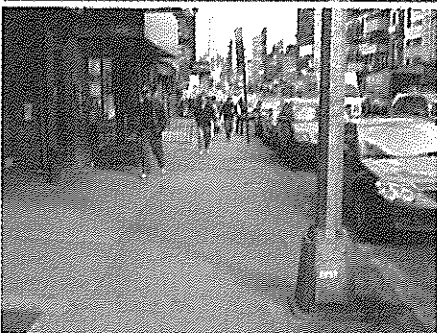
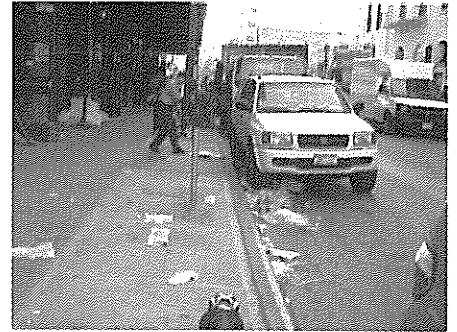
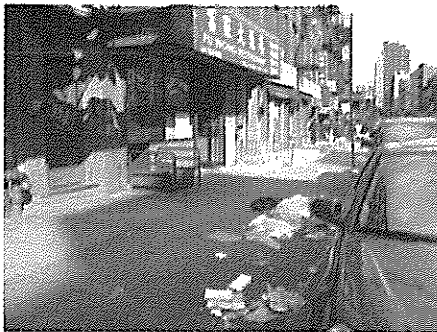
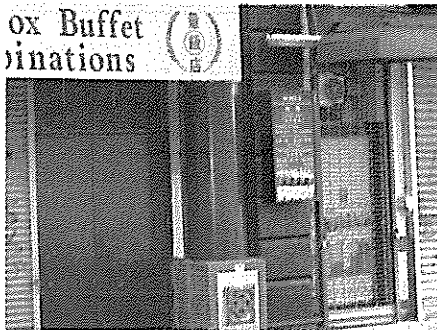
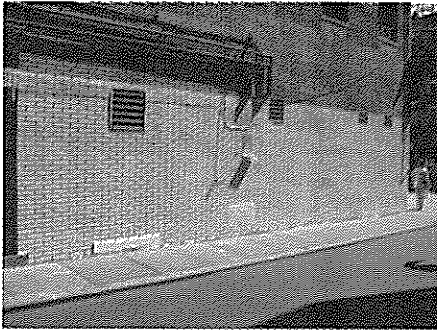
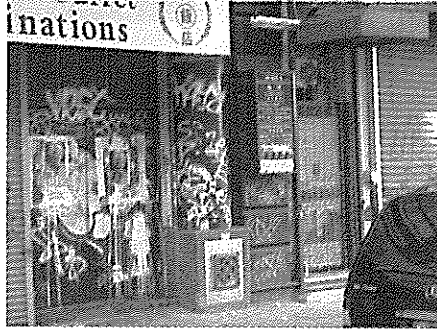
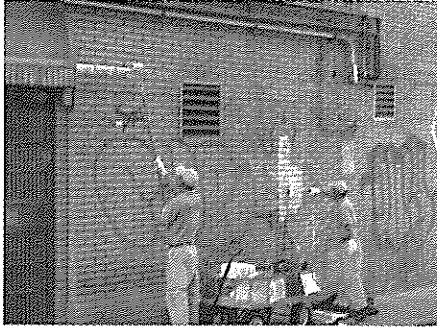
*(_wb) = # of entire blocks where this condition was so prevalent that it was reported as a "whole block" problem and counted only once.
ComNETsm is a project of the Center on Municipal Government Performance of the Fund for the City of New York and the National Center for Civic Innovation.
© Fund for the City of New York, 2008

Chinatown Partnership Local Development Corp
Incidents by Street Feature
Total Incidents as of October 15, 2010: 3082= 100%



Clean Streets Program

Before & After Photos 清潔前後對比



Clean Streets Program

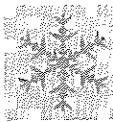
Impact Statistics from October 2006 to December 2009



Weight of Trash Removed / 移除垃圾總重量(lb): **15,767,825**



Bags of Trash Removed / 垃圾袋被使用: **630,713**



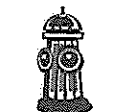
Snow Removed From Corner & Hydrants:
街角和消防栓的積雪被清掃: **4,783**



Graffiti Removed From Walls / 牆面被清除了塗鴉: **10,029**



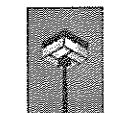
Store Fronts Powerwashed / 店面蒸氣機清洗: **8,728**



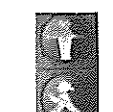
Fire Hydrants Painted / 消防栓被油漆: **376**



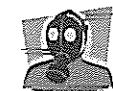
Mail & Traffic Boxes Painted / 郵箱/交通燈箱被油漆: **579**



Lamp Posts Painted / 燈柱被油漆: **1,017**



Pedestrian Crossing Lights Painted / 行人燈柱被油漆: **443**



Odor Abatement / 除臭液: **Service Area / 服務地區**



Pedestrian Assistance / 行人扶助: **23,344**



Motorists Assistance / 駕車人扶助: **4,344**



Weed Patches Removed / 莠草堆被清除: **301**

Chinatown, NYC, Feb 2010 (Before Snow Removal)

What Happens When They Are Gone?



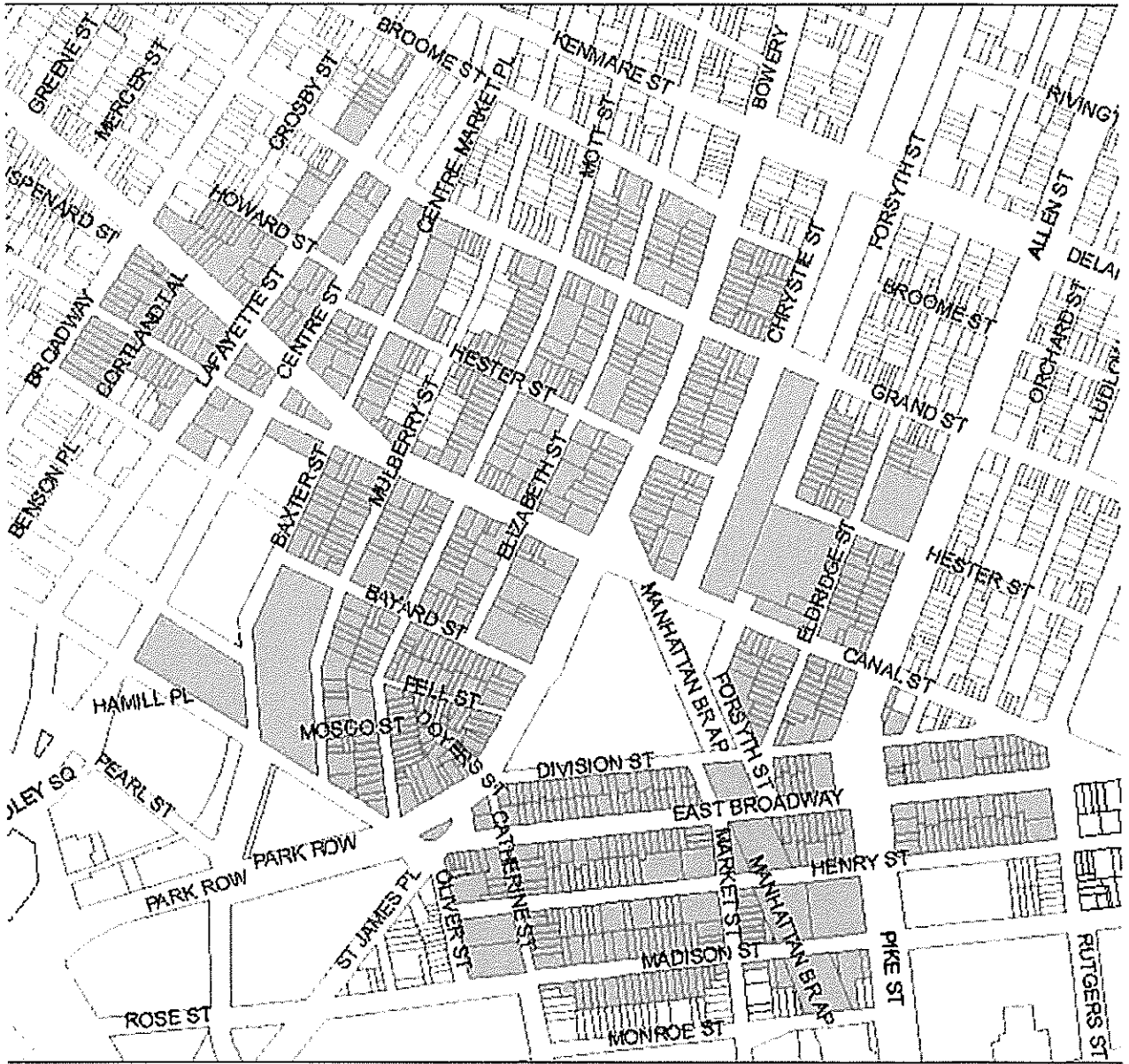
Chinatown, NYC, Feb 2010 (Shot During & After Snow Removal)



Proposed Business Improvement District (BID)

Service Area shaded (深色地區是服務範圍)

August 2010



DAILY NEWS

November 23, 2010

Chinatown businesses hope planned BID will keep streets nice and tidy

BY MICHAEL WURSTHORN
DAILY NEWS STAFF WRITER

http://www.nydailynews.com/ny_local/2010/11/22/2010-11-22_hoping_that_planned_bid_will_keep_chinatown_streets_tidy.html#ixzz16D88Gi6D

Chinatown is bidding on a cleaner future.

The lower Manhattan neighborhood moved one step closer Wednesday toward forming a Business Improvement District, after a survey of 2,300 local businesses found overwhelming support for it.

Proponents of the BID proposal are preparing to take the next step: presenting it to Community Boards 1, 2 and 3. "The benefits of having a BID in Chinatown is that we'd have cleaner sidewalks, we'd have graffiti removed, we'd have an organization [acting as] a direct link to government officials," said David Louie of the Chinese Chamber of Commerce.

For the past three years, Chinatown had been able to perform most of the daily upkeep without a BID, thanks to funding provided by the Lower Manhattan Development Corp. But that program, known as Clean Streets, has been scaled back over the years in the face of dwindling funding, and it is set to end Dec. 31.

"That [LMDC] money is running out this year," Louie said. "We need a vehicle to maintain clean streets and other services."

The proposed BID would have a budget of \$1.3 million for its first year, more than three-quarters of which would be allocated toward street-cleaning and trash removal services.

The LMDC has pledged its support for a BID, and City Councilwoman Margaret Chin thinks it's a necessary step for Chinatown's future.

"The community needs to come together and plan this," Chin said. "The main thing is, is that we don't want to go back to Chinatown where the streets are dirty and the garbage is overflowing the garbage cans."

In order to fund the BID, 35% of business owners would pay \$200 a year, another 74% would pay no more than \$1,000 annually and residents would kick in just \$1 each year.

If the proposed BID received approval from Boards 1, 2 and 3, each of which represents a portion of Chinatown, the City Council would ultimately vote on the proposal.

"We hope to be able to get this approved by March or by the beginning of April," said Louie. "Then signed into law and be operational by July 1."
mwursthorn@nydailynews.com

ChinatownBIDnow.org

Support from the Community

我認為華埠商業要起死回生、要自救。要各生活在華埠的民眾，眼光要放遠一點，要想多一點，少點自私自利的思想，大家有取於社會用於社會。

I believe Chinatown's businesses need to revitalize, be self-help. People who live in Chinatown need to look and think further ahead toward the future, and be less selfish. We take from the community and give back to the community.

Mr. Lau, Restaurant owner on Mott St.

清潔華埠、人人有責!!

A Cleaner Chinatown is everybody's responsibilities!!

Mr. Ren, sign maker on Madison St.

美化華埠、華人光榮!

A Clean Chinatown is an honor for all Chinese!

Mr. Szeng, Food Import Company

公共衛生、人人有責、支持成立!

Public's Hygiene is everybody's responsibilities: I support the formation of the BID.

Mr. Wang, Kitchen supplier on Eldridge St.

The BID is one of solution to improve business as well as better environment for local resident as well as NYC.

Mr. Chan, Business & Property Owner

加油 (Add Fuel)

Mr. Lai, Restaurant owner on Division Street

ChinatownBIDnow.org

Support from the Community

修建紐約華埠牌樓，開放 Mott Street，晚上做步行街和週末步行街。
Build the NYC Chinatown Gate, open Mott Street for night and weekend walks.

Mr. Wu, Restaurant owner on Mott Street

Our Family has operated in this building since 1960. We need a flourishing business environment and are willing to cooperate to make it happen. Chinatown would greatly benefit from a BID and we need to see it a thriving community!

Ms. Lee, Business Owner

We definitely need BID!

Ms. Chen, Chatham Square

Very useful program to maintain value and appearance of neighborhood.

Mr. Chan, Chatham Sq.

Good Job!

Ms. Chang, Chatham Sq.

多謝你們服務!!! 希望以後有更好的改進及發展。
Thank you for your services!!! Wish there be more progress.

Restaurant on Pell Street

Let's all work together to bring back Lower Manhattan.

Ms. Zie, Mulberry Street

Let's keep NYC nice, clean, busy and grow.

Mr. Ng, Canal Street

ChinatownBIDnow.org
Support from the Community

非常感謝各委員會人員及工作人員的辛苦!

Great appreciation for the hard work of the Steering Committee and workers.

Mr. Shum, Canal Street

I hope in addition to providing services, attempts will be made to advocate and improve the quality of our community.

Mr. Lee, Elizabeth Street

Thanks for keeping Chinatown clean.

Mr. Chu, Elizabeth Street

Not only should BID clean up Chinatown, BID should educate store keepers to clean up their own store fronts and public street areas.

Ms. Lo, Bayard Street

Good Luck to your good work for a cleaner and more orderly Chinatown.

Mr. Sung

Well thoughts and improvement for the community. Been doing a great job.

Ms. Wong, Bakery owner on Mott Street

We should also consider planting tree on the sidewalk of certain streets.

Ms. Welch, Lafayette Street

ChinatownBIDnow.org
Support from the Community

Should install more security cameras at different areas, so less graffiti and crime.

Ms. Pan, Elizabeth Street

You guys do great. Keep it up. Keep Chinatown Clean!

Reverend Chen, Madison Street

Keep It Up! Beautify America!

Reverend Yu, Madison Street

做生意當然支持!

As a Business owner, I definitely support it.

Mr. Zhu, Kitchen supplier, East Broadway

清潔華埠、人人有責, 有錢出錢, 有力出力!

A Cleaner Chinatown is everyone's responsibility!! Support it anyway you can!

Buddhist Temple, East Broadway

同意支持! (Agree and Support it.)

Community Association, Division Street

全力支持 (Fully Support it!)

Mr. Lin, Eldridge Street

加油 (Add Fuel)

Mr. Yan, Eldridge Street

ChinatownBIDnow.org

Support from the Community

Chinatown BID made Chinatown a clean & nice place for visitor, give positive effort to the community.

Ms. Leung, Canal Street

支持清潔華埠 (I support a clean Chinatown.)

Ms. Cheung, Bowery

非常支持! 希望政府進一步發展華埠經濟和衛生
I strongly support the BID.

Ms. Lin, Forsyth Street

祝! 希望大家好好努力把環境建得更美好
Thank you. Hope everyone will make an effort to make the streets more beautiful.

Mr. Lee, Eldridge Street

大力支持華埠商業改進區籌備委員會，如一些業主商戶反對以後他們將後悔做錯決定。整合意見，資源，為後代，為社區造福。

I strongly support the BID Steering Committee. Any property or business owners oppose to the BID will eventually regret it. BID benefits are for the community and future generation to enjoy.

Mr. Liu, Grand St.

同意 (Yes to BID)

Mr. Au, Grand St.

ChinatownBIDnow.org
Support from the Community

We profoundly appreciate all "BID" has done for the community. Keep up the good work!

Tony, Grand St.

Thank You!

Ms. Katherine D, Broome St.

I would like to congratulate you regarding your efforts to improve our neighborhood.

Constantinos S., MD, Mott St.

The Lo-Down

December 9th, 2010

CB3 Panel Backs Chinatown BID

Tuesday night, Chinatown business and political leaders won an important victory, as Community Board 3's economic development committee voted to support a proposed Business Improvement District. Many more steps lie ahead, including five more community board meetings and assessments by the City Council, borough president and mayor. The next stop: Community Board 2's business development panel, which meets tonight.

It was standing room only in a meeting room on Eldridge Street. Supporters and opponents of the BID plan took turns addressing CB3 members. David Louie, BID steering committee co-chair, pleaded "let's help ourselves," adding, **"we live and work in the community and we want to see it grow and flourish."** City Councilmember Margaret Chin, a lifelong Chinatown activist, echoed Louie's sentiments, saying the creation of a BID would allow businesses and residents working together "to build a better future for our community."

BID backers say there's great urgency to act now because a \$5.4 million "Clean Streets" grant from the Lower Manhattan Development Corp. expires in just a couple of weeks. Without a business improvement district to take over street maintenance, they say, Chinatown will become a dirty, smelly mess.

The Chinatown Partnership, a non-profit organization, has utilized the LMDC grant during the past four years to sweep streets clean, to handle snow removal and to remove graffiti. Speaker after speaker recalled the unsanitary conditions that prevailed before the Clean Streets program began. Peter Lau, who owns two pharmacies, said he fears the city will once again begin fining him for failing to maintain the sidewalk in front of his businesses (as it did before the Partnership was formed). "The BID would save me money," he said. Another business owner agreed, saying **"I would rather pay the BID than pay the city a lot more."**

There was also support Tuesday from some of Chinatown's neighbors. Mark Miller, president of the Lower East Side BID, said the city's business districts effectively advocate for their neighborhoods. "It's almost like having a direct line to city hall," he added. **"Working together, you're stronger, you have a bigger voice," Miller advised.**

But there were also lots of reservations expressed about the Chinatown BID Tuesday. Jan Lee, a Mott Street property owner and leader of the Coalition Against the Chinatown BID, said he feared creating an organization that cannot (easily) be dissolved and which can raise assessments at will.

Other speakers said they were philosophically opposed to the idea of taxing property owners to pay for maintenance the city should already be performing. Another speaker, Eugene Leong, was worried about potentially high administrative costs, saying some BIDs devote up to 36% of their budgets to salaries and office expenses. Jeannie Chin, who lives just outside the proposed BID boundaries, said, "I oppose taxation without representation. No BID, no way!"

If the BID becomes a reality, its board would be elected by property owners and would also include various community leaders. But some opponents fear the Chinatown Partnership would exercise too much power over the organization. Phillip Grossman, the coalition's attorney, said the Partnership's track record (in the Clean Streets program) has lead him to believe the BID would be "top heavy." Based on an analysis of financial records, he concluded the Partnership had spent too much money on administration and not enough on street cleaning. But Community Board 3's district manager, Susan Stetzer, was ready with a rebuttal of Grossman's assertions. "Were you aware that for three years the (city's) Economic Development Corp. was (administering) the cleaning contract (rather than the Chinatown Partnership)?, she asked. Grossman replied, "that should have been disclosed in financial statements."

Following the public testimony, CB3 committee members asked some questions of the BID steering committee members and raised a few concerns. Community board member Thomas Parker put up a pie chart showing the proposed BID budget and said the fact that management costs made up 20% of the budget was concerning.

Herman Hewitt, who represents CB3 on the Lower East Side BID, urged the Chinatown group to look beyond street cleaning. "Landlords can get together to clean the streets – it's not that hard," he said. BID backer David Louie replied that sidewalk maintenance would be the first priority, but only a part of what the organization hopes to do for the neighborhood. The BID would put up holiday lights, look at holding special events (such as a Taste of Chinatown) and serve as advocates for local business owners, he assured committee members.

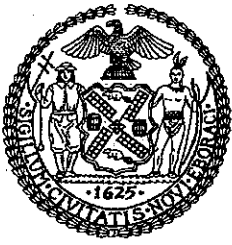
Some issues brought up by the coalition against the BID were not addressed directly in the question and answer session. For example, there was no follow-up to the allegations made about the Partnership's management of the LMDC grant. While the New York Post reported "no discrepancies

have turned up,” BID supporters have not broken down publicly how each dollar of the grant was spent.

There was also not much discussion about another topic – whether a prevailing wage bill recently passed by the State Legislature would force the Chinatown BID to pay workers a lot more than they have anticipated. Yesterday morning on WNYC, BID opponent Jan Lee continued to express concerns about the legislation, which the governor has not yet signed. But in the radio segment, Crain’s reporter Eric Enquist said the issue is a “red herring” since the bill specifically excluded BIDs.

One community board member said he was surprised by the opposition to the BID proposal. Supporters of the initiative, however, believe it’s to be expected. “No business owner likes the idea of having to pay more taxes and fees,” one community organizer told me, in explaining why some people have raised their voices against the plan. BID backers estimated there are about a thousand eligible property owners in the proposed district (condo owners are not included). They said 97% of those who returned their ballots (about 550 individuals) support the creation of a BID. The city requires at least 51% of property owners to agree.

After everyone had their say, the panel voted in favor of the proposal. The hearing room erupted with applause and cheering, as supporters congratulated one another for passing an early but crucial test. We’ll let you know how it goes this evening before Community Board 2’s business development committee. We’re anticipating some fireworks from outspoken Soho activist Sean Sweeney, who believes the Chinatown BID’s boundaries are too expansive.



THE CITY OF NEW YORK
MANHATTAN COMMUNITY BOARD NO. 3

59 East 4th Street - New York, NY 10003
Phone (212) 533-5300 - Fax (212) 533-3659
www.cb3manhattan.org--info@cb3manhattan.org

Dominic Pisciotta, Board Chair

Susan Stetzer, District Manager

January 26, 2011

To: City Planning Commissioners

Community Board 3 Manhattan voted in December, 2010 to support the proposed Chinatown Business Improvement District with an overwhelming majority of 30 yes, 4 abstentions, and 4 present not voting. A copy of the resolution is attached.

Community Board 3 has been working closely and collaboratively with the Chinatown Partnership since its inception. The relationship has been mutually beneficial and positive and productive for the community. For instance, in December we partnered with the Chinatown Partnership to present a bilingual training workshop on rats for Chinatown property owners, market and restaurant owners. Based on past experience with the Chinatown Partnership and our past collaborative experience with the Lower East Side BID, Community Board 3 expects the Chinatown BID to have a positive impact on Chinatown businesses. Street cleaning will continue. We expect to see renewed efforts such as *Taste of Chinatown* to drive economic development as well as wayfinding signs, better lighting, and advocacy and aid for our Chinatown Businesses.



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Dominic Pisciotta, Board Chair

Susan Stetzer, District Manager

December 22, 2010

Hon. Amanda M. Burden, Chair
City Planning Commission (CPC)
22 Reade Street
New York, NY 10007

Dear Chair Burden:

At its December 2010 monthly meeting, Community Board #3 passed the following resolution:

Whereas, Chinatown is an important part of Community Board #3, and

Whereas, a proposal to establish a Business Improvement District (BID) has been submitted by the Chinatown Business Improvement District Steering Committee pursuant to procedures established by the New York City Department of Small Business Services, and

Whereas, the proposed district seeks to enhance sanitation services, holiday lights, marketing, transportation management and parking, and advocacy services, and

Whereas, Community Board #3 has recognized the economic difficulties faced by Chinatown as a result of the 9-11-01 disaster and the current economic recession,

Whereas, Community Board #3 understands that Columbus Park is not included as part of a BID area,

Therefore, Community Board #3 supports the establishment of the Chinatown Business Improvement District.

If you have any questions, please do not hesitate to call.

Sincerely,

Dominic Pisciotta, Chair
Community Board #3

Richard Ropiak, Chair
Economic Development Committee

cc: Jessica Dewberry, Housing, Economic and Infrastructure Planning Division/DCP
Arthur Huh, DCP
Manhattan Borough President Scott Stringer
Council Member Margaret Chin

CPLDC claims to have sent out **56,000 informational mailings** yet not one sheet of paper discloses what they paid their employees or their administrators, or their staff or consultants. There was no balance sheet, no invoices, no board minutes, no copies of their latest IRS filings, nothing.

The Chinatown Partnership's IRS 990 forms and financial statements are not on their website, which by the way, cost over \$70,000.00 to produce. Most reputable 501 3c's post their financials such as ACE in SoHo and Ready Willing and Able, but not CPLDC.

In fact the only financial information available for public review, available by FOIL request ceases at December of 2008.

Now I ask you, is it reasonable for anyone to ask me to jump on board with this scheme while those involved refuse to show me how they spent their money for the last two and a half years? None of you would do that in your private lives, so I should not be expected to make that leap of faith either.

As if that wasn't bad enough, the Chinatown Partnership and Councilmember Chin have **completely ignored** a letter from our coalition of 20 plus property owners on Mott Street who expressed, in no uncertain terms, that they do not want their property to be included in this BID.

This is in sharp contrast to property owners in SoHo and little Italy who expressed exactly the same desire, except they were met with personally and their parcels were quickly removed from the BID map.

This covert financial activity coupled with the complete dismissal of many property owners has fostered a healthy distrust of The Chinatown Partnership among reasonable and successful property owners and businessmen.

Finally, The Chinatown Partnership rather than hire *proven non-profit* cleaning services which exist a few blocks from Chinatown, inexplicably chose to hire a private cleaning contractor in **Tennessee!**

I find that simply reprehensible. How the Councilmember could endorse paying a **private out of state company** with 9/11 recovery funds by the Corporation *she* created is truly beyond me.

So in closing I implore you not to support the formation of a Chinatown BID, to do so will not only repeat this dysfunctional and expensive broom pushing, it will open the doors to rapid gentrification, further displacement of culturally important small business, and the eventual Disneyland conversion of Chinatown at the expense of those who can least afford it.

Good morning members of The Finance Committee.

My name is Jan Lee and I am proud to represent two humble tenement buildings on Mott St. which have been in my family since the 1920's. The Lee family has, over the decades owned and operated a laundry, a drycleaner, a coffee shop, an antiques gallery, and even a small fruit stand where my brother Geoff sold Gino's Italian ices.

The entrepreneurial spirit runs deep in my family and it was that spirit which kept us living and working on Mott Street after September 11th 2001. We didn't run from New York as many chose to do. **Yet it wasn't easy paying our bills or our taxes.**

Chinatown is still not fully recovered. There've been more commercial vacancies in the core of Chinatown in the last *few* years than I have seen in a lifetime. The millions of dollars spent by the Chinatown Partnership Local Development Corporation didn't contribute in any measurable way to the economy of Chinatown despite a five million dollar street cleaning program.

Year after year I saw my neighboring businesses shutter their storefronts, and then a year and a half ago, after seventeen years, I had to do the same for my own retail store.

As property owners we have frozen both commercial and residential rent increases many times so as to keep tenants who are in good standing rather than risk suffering long term vacancies.

Currently there are three empty storefronts on my block. Two huge buildings on my block have combined **over thirty five thousand square feet of vacant office space.**

This is NOT the time to be levying more taxes on property owners! To suggest otherwise is either ignorant or selfish.

I have three food related businesses in my buildings. My commercial tenants are directly affected by the double digit increase in water rates, insurance hikes, gas and motor fuel costs and of course property tax. All of these have gone up, not to mention workman's compensation, unemployment insurance, fuel surcharges for deliveries, social security tax, phone excise tax, and tolls. And now our Councilmember Chin and her Chinatown Partnership, after using up seven million dollars of 9/11 recovery money want to tax my tenants even more. I hear from my tenants every day. The Partnership and the Councilmember are simply out of touch.

From a business standpoint the BID not a good deal. The BID tax is fluctuating and not a fixed expense since its pegged to an ever-rising property tax. While all other utilities have been rising so too has my property tax, I don't have a choice in paying those other taxes but I do have a say in whether I want to pay this BID tax, and I am saying now that I don't want **yet another tax!**

I don't like it when I'm not told *all* the facts that's why I am here today. **To tell you that we have been kept in the dark.**

The Chinatown BID Will Destroy Our Community

The Chinatown Business Improvement District (BID) is another step towards kicking out long-time residents and small businesses. The BID requires property owners to pay an annual tax. On top of already escalating costs, some commercial buildings would pay on average 6 percent and as much as 20 percent of annual real estate taxes – fees that often get passed on to small businesses in the form of higher rents. However only property owners can vote to form a BID. Real estate interests by design will always heavily outweigh tenants and businesses once the BID is established. No BID in New York has ever been dissolved, which basically means that once it is voted on, the BID will be with us forever.

The Chinatown BID Will Bring Even More Unaffordable, Luxury High-Rises

- The BID is not about cleaning streets. It is a grab for power by unelected individuals to control the community in the interests of outside developers, who will profit by transforming Chinatown into a tourist destination with high-rise condos, commercial buildings, and big box stores. This will increase rents and force existing small businesses and residents out of our community.
- Property owners who do not want to participate in the BID will still be forced to pay.
- Recently in *GlobeSt.com*, developer ABS Properties excitedly perceives the BID as the first step in getting taller, bigger, and more expensive buildings – beginning with Canal Street.¹ ABS Properties has previously called for a rezoning on Canal Street to reach “the highest possible density.”²

The Community Is Being Kept in the Dark

- Future BID management will come from the Chinatown Partnership LDC (CPLDC), which in 2005 received \$7 million in government funds to clean streets and promote a BID. CPLDC has evaded community demands about how the money was spent.
- CPLDC used less than one-third of the grant to clean streets. Where did the rest go?
- *New York Post*'s review of CPLDC's financial statements finds a significant portion of the money awarded for cleaning streets “was instead used to pay for a whopping share of management salaries, ‘outreach’ and office overhead.”³
- Wellington Chen, CPLDC's director and the future leader of the BID, is paid on average \$100,000 annually. Another \$80,000+ per year goes to other “consultants.”
- Meanwhile, Mr. Sun, a former street cleaner who worked for CPLDC from 2006 to 2009, states that he received between \$8.00 and \$8.25/hour with no benefits. Street cleaners who needed time off have been fired.

¹ As BID Heats Up, Brokers Look to Chinatown, *DOWNTOWN MAGAZINE*, Apr. 24, 2011, available at <http://downtownmagazinenyc.com/2011/04/as-bid-heats-up-brokers-look-to-chinatown/>.

² Anton Troianovski, Groups Push Competing Plans for Chinatown, *WALL STREET JOURNAL*, June 14, 2011.

³ Heather Haddon, Chinatown Cleaners Played “Dirty” With Grant, *N.Y. POST*, Dec. 5, 2010, available at http://www.nypost.com/p/news/local/manhattan/chinatown_cleaners_played_dirty_t97JSUrTo8qvx20hy62B50.

- Despite CPLDC's clean streets program, small business owners continue to sweep their own storefronts because they complain that CPLDC has done a poor job.
- CPLDC claimed in its press release that "ninety-seven percent of the community property owners who voted declared their support for a BID," yet the survey results are not public despite many property owners opposing the BID. Even BID supporters acknowledge this number seems unrealistically high.

The BID Is Not in the Public Interest and Fails to Respond to Community Needs

- In 2002, Asian Americans for Equality (AAFE), a non-profit organization co-founded by Councilmember Margaret Chin, initiated a project called the Rebuild Chinatown Initiative (RCI). In 2004, RCI secured a grant to start CPLDC. Among CPLDC's first board of directors was Councilmember Chin, then AAFE's Deputy Executive Director. CPLDC is honoring Councilmember Chin at its fundraising dinner this year.
- Since her election in 2009, Councilmember Chin, along with CPLDC Director Wellington Chen, has ignored requests to meet from BID opponents, including key property owners on historic Mott Street. In contrast, Councilmember Chin and Wellington Chen met with and removed lots at the request of Little Italy and Soho property owners.
- CPLDC's first attempt for a BID in 2004 failed due to resounding community opposition. This time, instead of retaining workers to clean streets, CPLDC decided to hire one of the largest Public Relations firms to manage the media and influence City Councilmembers to promote the BID.

**For more information: www.nochinatownbid.org
Email: info@nochinatownbid.org**

PHILIP J. GROSSMAN
ATTORNEY AT LAW
168 MOTT STREET
NEW YORK, NEW YORK 10013

READ INTO
RECORD

(212) 431- 4893

January 19, 2011

New York City Planning Commission
Calendar Information Office - Room 2E
22 Reade Street
New York, NY 10007

CITY PLANNING COMMISSION
2011 JAN 25 AM 11:52
DEPT. OF CITY PLANNING

Re: January 26, 2011 Calendar No. 14
(CD 1,2& 3 N110156 BDM)

Re: OPPOSITION TO PROPOSED CHINATOWN
BUSINESS IMPROVEMENT DISTRICT (MANHATTAN)

Dear Sir(s) and Madam(s):

**WHEREAS I WILL NOT BE ABLE TO APPEAR at the hearing on
January 26, 2011, I AM SUBMITTING THESE WRITTEN COMMENTS.**

I represent various local property owners and the group known as The Coalition Against The CHINATOWN B.I.D., in connection with their **opposition to the proposed CHINATOWN BUSINESS IMPROVEMENT DISTRICT.**

Some of the reasons for our opposition to the proposed CHINATOWN BUSINESS IMPROVEMENT DISTRICT, are as follows:

1) **The B.I.D. proposal is controversial, and lacks the fully informed consent of a majority of the property owners in the proposed B.I.D.,** whom will have to pay more than \$1.00 per year in B.I.D. taxes. DNA INFO, an online newspaper, reported on 11/18/2010, that the proponents of the B.I.D. allege to have received the support of almost 550 property owners. Furthermore, according to page 5 & 6 of the proposed DISTRICT PLAN FOR THE CHINATOWN BUSINESS IMPROVEMENT DISTRICT there are 2300 properties in the district, of which 786 are condominium units. It should further be noted that, according to page 22 of the District Plan, solely residential properties and condominium units will only pay \$1.00 per year in B.I.D Taxes.

Therefore it follows logically that if only 550 property owners responded out of 2300 property owners, of which 786 property owners are condominium owners, that the B.I.D. plan has the support of less than 25% of property owners in the proposed CHINATOWN BUSINESS IMPROVEMENT DISTRICT, and therefore 75% of property owners oppose the proposed B.I.D.

It should also be noted that, no impartially supervised election, with poll watchers was held on the issue of the B.I.D., so therefore it is reasonable to assume that this proposed B.I.D., due to it's lack of support, is opposed by 75% of the local property owners, whom do want to pay a tax increase. This is supported by my personal experience in talking to local property owners, whom believe that their silence is an effective means of opposing the proposed B.I.D.

tax, and whom do not understand the need to take affirmative opposition action to stop the proposed B.I.D.

It should also be noted that on 2 prior occasions, the proposed B.I.D. was rejected by the local community boards, due to the lack of support by local property owners! !

2) The failure of the proponents of the CHINATOWN BUSINESS IMPROVEMENT DISTRICT, in soliciting support for the proposed CHINATOWN BUSINESS IMPROVEMENT DISTRICT, to disclose negative aspects of BUSINESS IMPROVEMENT DISTRICT's, such as:

A) that the B.I.D. Law does not have any automatic sunset provisions, which would require a periodic majority vote of approval by property owners, in order to continue the B.I.D.* ; and

B) that each property owner in the proposed B.I.D. district, has not been mailed a notice stating what the proposed B.I.D. Tax would be, if a B.I.D. was formed; and

C) that in as much as the proposed B. I. D. Tax is based in part on a percentage of the annual assessed valuation, that the tax without any rate increases, will increase as the assessed valuation of the property affected increases; and

D) that under Section 25-412 (b) of the New York City Administrative Code, the B.I.D. TAX RATE COULD POTENTIALLY BE INCREASED TO A RATE OF AS MUCH AS 20 PER CENT of the annual assessed valuation of the affected property, TO PAY FOR THE proposed BUSINESS IMPROVEMENT DISTRICT (B.I.D.); and

E) that under Section 25-412 of the New York City Administrative Code, the B.I.D. may go into debt and borrow money; and

F) that under Section 25-415 of the New York City Administrative Code a B.I.D. may not be dissolved as long as the B.I.D. is in debt and owes money; and

G) that under Section 25-415 of the New York City Administrative Code, it is very difficult to dissolve a B.I.D. as it requires the passage of a local law of the City Council upon its own motion or upon the written petition of (1) the owners of at least 51 percent or more of the total assessed valuation of all benefitted real property...and (2) at least 51 percent of the owners of the benefitted real property.

3) The PROPOSED \$5000. B.I.D. TAX CAP PER PARCEL, IS A REGRESSIVE POOR TAX ON SMALL PROPERTY OWNERS, IF A B.I.D IS FORMED.

If the proposed B.I.D. is formed, the proposed \$5000.00 B.I.D. tax cap per parcel, discriminates and unduly burdens small property owners with excessive taxes, as the large property owners of Canal Street office buildings, and large hotels, and large developers, will not be paying their fair share of taxes. For illustration purposes only, assuming a large Canal Street office building had a \$10,000,000. assessed valuation and 100 foot frontage, that property owner should be paying under the current proposed tax rate, \$16,500.00 annually to start, if taxed the same way as small property owners. However under the current B.I.D. proposal, such a large property owner, would only have to pay \$5000.00 per parcel, thereby shifting the tax burden to small property owners, whom will have to pay a lot more taxes to make up the shortfall, if the proposed B.I.D. is formed.

4) **STACKED DECK TO MAINTAIN CONTROL OF BOARD OF DIRECTORS BY B.I.D. INSIDERS.**

Because of the large percentage of essentially non-paying *fully* residential property owners (paying only \$1.00 per year,) within the proposed B.I.D. district, the proposed B.I.D. tax unduly burdens small residential building owners with ground floor stores, whom will bear the full disproportionate burden of the B.I.D. tax without representation, in proportion to their potential tax liability. This provision is designed by the proponents of the B.I.D. to insure that the B.I.D. will never be dissolved, and that the B.I.D. insiders will maintain *voting* control of the B.I.D. *Board Of Directors*, as they will have a pool of fully residential property owners, whom will vote *for Board Of Director members*, without consideration for the tax burden imposed on other property owners with commercial space.

5) The B.I.D. proposal fails to consider the financial burden on small business owners, whom will ultimately have to pay the B.I.D. tax, through pass through rent increases.

6) Local property owners do not want, or need another layer of government, which will most likely act solely to benefit B.I.D. insiders, and the developers whom are behind the B.I.D.

7) The failure of the proponents of the B.I.D. to disclose in full detail the proposed B.I.D. budget:

A) Such as the failure to disclose the dollar amount budgeted, for sub-contracted out street cleaning services; &

B) such as the failure to disclose the dollar amount budgeted, for in-house, non-management employees providing actual street cleaning services; &

C) such as the failure to disclose budgeted management & executive salaries; &

D) such as the failure to disclose actual office overhead; &

E) such as the failure to disclose in full detail, how they arrived at all budgeted program expenses.

8) Recently, an amended complaint was filed with the Lower Manhattan Development Corp. (hereinafter referred to as LMDC) based on an analysis of financial statements for the period from January 01, 2006 to June 30, 2009, **and additional information, recently received from the LMDC**, in which it appears that the CHINATOWN PARTNERSHIP LOCAL DEVELOPMENT CORP. (hereinafter referred to as CPLDC) expended 4.1 million dollars of the LMDC's clean streets program grant money, **and wherein it is alleged that only 45% of said money was actually expended on Street cleaning and maintenance, and that the other 55% was expended on overhead and 2 layers of management personnel** (3 management personnel at the subcontractor level, and another 3 management personnel at the CPLDC level.)

Furthermore, representatives for the proposed B.I.D. have alleged that their budget is based on past experience with CPLDC, so it is logical to deduce that only 45% of money budgeted for street cleaning, will actually be expended on street cleaning, and that the other 55% will be wastefully expended on management personnel, and overhead.**

9) Because the CHINATOWN PARTNERSHIP LOCAL DEVELOPMENT CORP.'s financial statements lack transparency, it is logical to assume, that if a B.I.D. is formed, the financial reports prepared by B.I.D. management, will not be transparent, based on past experience.**

10) The full details of the proposed B.I.D. plan have not been disclosed by a written mailing to all property owners in the proposed B.I.D. District.

11) In order to justify the B.I.D., the proponents of the B.I.D. rely in part on an old, out of date, 2002 push poll survey, which is not reliable.

12) The CHINATOWN PARTNERSHIP LOCAL DEVELOPMENT CORP.'s has a history of failure to achieve it's program objectives, such as successfully promoting business throughout CHINATOWN, street cleaning & etc. This history of program failure is likely to be repeated, if their management operates the proposed B.I.D.

13) There are significantly less expensive alternatives to a B.I.D., that may more effectively help local small businesses, and property owners, at much less expense. Such as the example set forth by the Little Italy Merchant's Association, on Mulberry Street in Manhattan, for which participation by merchants is voluntary.

14) Many of the blocks included in the proposed CHINATOWN B.I.D. are not in CHINATOWN, and should not be part of the proposed huge 50 block CHINATOWN Business Improvement District, and which proposed land grab, would include parts of LITTLE ITALY, SOHO, TRIBECA, THE JEWISH LOWER EAST SIDE, THE MANHATTAN BRIDGE AREA, and THE FOLEY SQUARE AREA.

For example the renowned MTJ, a famous Lower East Side Jewish yeshiva on East Broadway, is not in CHINATOWN, but is included in the proposed CHINATOWN B.I.D. Another example of this, is that on Broome Street, THE HOLY UKRAINIAN ORTHODOX church, is not in CHINATOWN, but is included in the proposed CHINATOWN B.I.D.


However, it is peculiar that the renowned and huge, CHINATOWN, Confucius Plaza development with commercial space, is not included in the proposed CHINATOWN B.I.D., as same may be B.I.D. taxable.

15) At the community board level, the representatives of The Coalition Against The Chinatown B.I.D., were not given equal time with the Community Boards and their executive committees, to present their opposition case against the proposed CHINATOWN BUSINESS IMPROVEMENT DISTRICT, as was given to the proponents of the proposed CHINATOWN BUSINESS IMPROVEMENT DISTRICT to present their claims.

CONCLUSION

In conclusion, local property owners do not need or want the proposed B.I.D., which will primarily enrich B.I.D insiders, and developers, and very large commercial office and hotel building owners, and therefore, it is **respectfully requested that the B.I.D. proposal be denied.**

Thank You,


Philip J. Grossman

*It should be noted that, Community Board 3, while supporting the B.I.D. proposal stated, "that the ...BID canvas the community after a 3-year period as to the consideration of a "sunset provision" addressing the effectiveness of the BID."

** Please be advised that the CPLDC financial statements analyzed, are available for review on the New York State Attorney General's web-site. Please further note, that said financial statements reviewed, did not provide full disclosure of all expenditures made under the LMDC street cleaning grant to CPLDC. Subsequent more complete disclosure of CPLDC expenditures under the LMDC street cleaning grant, was recently provided by the LMDC.



ASIAN AMERICAN LEGAL DEFENSE AND EDUCATION FUND

99 HUDSON STREET, 12th FL, NEW YORK, NY 10013-2815 212.966.5932 FAX 212.966.4303

Read Into Records

My name is Bethany Li. I am a staff attorney at the Asian American Legal Defense and Education Fund (AALDEF), a civil rights organization founded in 1974 and a member of the Coalition to Protect Chinatown and Lower East Side. We join the widespread community opposition to the Chinatown Business Improvement District (BID) because of the unfair process in which the BID is being pushed through and because of the devastating impact it will have on small businesses and residents in Chinatown.

Yesterday, AALDEF submitted a Freedom of Information Act request to Small Business Services asking for items submitted by the Chinatown Partnership LDC (CPLDC) in its BID application. Among those items is a survey that CPLDC has used to push through the BID, claiming that 97 percent are in favor. What is missing from this rosy picture is that this number is based only on those surveys returned. Therefore this 97 percent could be based on 10, 100, or 500 surveys. CPLDC has evaded answering this question. The outreach and methods used to collect surveys also are not public. In a neighborhood where many landlords live outside the community, it is doubtful that many even knew what was happening.

In contrast, the barriers for opponents of the BID are much greater and practically insurmountable. For the BID to be rejected, more than half of the property owners within the proposed district must file an official objection form within thirty days of this hearing. The relevant total number in this case is all proposed lots in the District – not just those who return their forms. According to the District Plan, the BID would encompass more than 2,300 unique properties. That means more than 1,000 property owners must go to the City Clerk's office to get the form, sign the form, get it notarized, and provide proof of ownership. In order for the community to be made aware, volunteers must reach out themselves to keep neighbors informed because the City sent out notices about how to object only in English. It was not translated in Chinese. This entire process is inherently biased towards approving the BID – no matter how great the opposition.

Furthermore, only property owners can vote to form a BID, but the impact is felt by the entire community – mom and pop shops, residents, and workers. Chinatown is first and foremost a residential, working-class community – a gateway for new immigrants. The BID represents a direct rebuke to a community that has remained vibrant and vital for so many years. The BID is not accountable to community needs. Rather it responds to the demands of outside developers and big business.

With the BID, property owners will be charged an annual fee, which often gets passed to commercial tenants. Small business owners already cannot pay the escalating costs associated with running a business. Many have stated that if another tax is added on, they will simply leave once their lease ends. While this scenario may be attractive for real estate developers, the wholesale fleeing of small businesses will decimate this community.

The BID will accelerate the building of luxury condominiums, high-class hotels, and unaffordable boutiques and commercial establishments. Developers are already circling. Recently GlobeSt.com reported that developer ABS Properties excitedly perceives the BID as the first step in getting taller, bigger, and more expensive buildings – beginning with Canal Street.¹ ABS Properties has previously called to rezone Canal Street to “the highest possible density.”²

Bigger, more expensive buildings are not what Chinatown needs. If you talk to residents and small businesses, they will tell you that they need to keep the spaces they currently live and work in affordable. They will say that the City needs to build more housing affordable for a community whose median income is about \$35,000 per year and provide more protections for small businesses facing drastically rising costs.

City Council can reject the BID if thousands of property owners are somehow made aware and go through the process of filing an official objection within this narrow period of time. City Council can also reject the BID if it finds that the BID is not in the public interest. We urge City Council to listen to the many property and small business owners and residents here today who are telling you that this BID will destroy Chinatown.

Bethany Y. Li
Staff Attorney
212-966-5932, ext. 213
bli@aaldef.org

¹ As BID Heats Up, Brokers Look to Chinatown, DOWNTOWN MAGAZINE, Apr. 24, 2011, available at <http://downtownmagazinenyc.com/2011/04/as-bid-heats-up-brokers-look-to-chinatown/>.

² Anton Troianovski, Groups Push Competing Plans for Chinatown, WALL STREET JOURNAL, June 14, 2011.

READ INTO RECORD

The Chinatown BID Will Destroy Our Community

The Chinatown Business Improvement District (BID) is another step towards kicking out long-time residents and small businesses. The BID requires property owners to pay an annual tax. On top of already escalating costs, some commercial buildings would pay on average 6 percent and as much as 20 percent of annual real estate taxes – fees that often get passed on to small businesses in the form of higher rents. However only property owners can vote to form a BID. Real estate interests by design will always heavily outweigh tenants and businesses once the BID is established. No BID in New York has ever been dissolved, which basically means that once it is voted on, the BID will be with us forever.

The Chinatown BID Will Bring Even More Unaffordable, Luxury High-Rises

- The BID is not about cleaning streets. It is a grab for power by unelected individuals to control the community in the interests of outside developers, who will profit by transforming Chinatown into a tourist destination with high-rise condos, commercial buildings, and big box stores. This will increase rents and force existing small businesses and residents out of our community.
- Property owners who do not want to participate in the BID will still be forced to pay.
- Recently in GlobeSt.com, developer ABS Properties excitedly perceives the BID as the first step in getting taller, bigger, and more expensive buildings – beginning with Canal Street.¹ ABS Properties has previously called for a rezoning on Canal Street to reach “the highest possible density.”²

The Community Is Being Kept in the Dark

- Future BID management will come from the Chinatown Partnership LDC (CPLDC), which in 2005 received \$7 million in government funds to clean streets and promote a BID. CPLDC has evaded community demands about how the money was spent.
- CPLDC used less than one-third of the grant to clean streets. Where did the rest go?
- New York Post’s review of CPLDC’s financial statements finds a significant portion of the money awarded for cleaning streets “was instead used to pay for a whopping share of management salaries, ‘outreach’ and office overhead.”³
- Wellington Chen, CPLDC’s director and the future leader of the BID, is paid on average \$100,000 annually. Another \$80,000+ per year goes to other “consultants.”
- Meanwhile, Mr. Sun, a former street cleaner who worked for CPLDC from 2006 to 2009, states that he received between \$8.00 and \$8.25/hour with no benefits. Street cleaners who needed time off have been fired.

¹ As BID Heats Up, Brokers Look to Chinatown, DOWNTOWN MAGAZINE, Apr. 24, 2011, available at <http://downtownmagazinenyc.com/2011/04/as-bid-heats-up-brokers-look-to-chinatown/>.

² Anton Troianovski, Groups Push Competing Plans for Chinatown, WALL STREET JOURNAL, June 14, 2011.

³ Heather Haddon, Chinatown Cleaners Played “Dirty” With Grant, N.Y. POST, Dec. 5, 2010, available at http://www.nypost.com/p/news/local/manhattan/chinatown_cleaners_played_dirty_t97JSUrTo8qyv20hy62B50.

- Despite CPLDC's clean streets program, small business owners continue to sweep their own storefronts because they complain that CPLDC has done a poor job.
- CPLDC claimed in its press release that "ninety-seven percent of the community property owners who voted declared their support for a BID," yet the survey results are not public despite many property owners opposing the BID. Even BID supporters acknowledge this number seems unrealistically high.

The BID Is Not in the Public Interest and Fails to Respond to Community Needs

- In 2002, Asian Americans for Equality (AAFE), a non-profit organization co-founded by Councilmember Margaret Chin, initiated a project called the Rebuild Chinatown Initiative (RCI). In 2004, RCI secured a grant to start CPLDC. Among CPLDC's first board of directors was Councilmember Chin, then AAFE's Deputy Executive Director. CPLDC is honoring Councilmember Chin at its fundraising dinner this year.
- Since her election in 2009, Councilmember Chin, along with CPLDC Director Wellington Chen, has ignored requests to meet from BID opponents, including key property owners on historic Mott Street. In contrast, Councilmember Chin and Wellington Chen met with and removed lots at the request of Little Italy and Soho property owners.
- CPLDC's first attempt for a BID in 2004 failed due to resounding community opposition. This time, instead of retaining workers to clean streets, CPLDC decided to hire one of the largest Public Relations firms to manage the media and influence City Councilmembers to promote the BID.

**For more information: www.nochinatownbid.org
Email: info@nochinatownbid.org**

**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: 5/26/11

Name: Patrick Yu (PLEASE PRINT)

Address: 79 Bayard St

I represent: BID

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

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

in favor in opposition

Date: 05/26/2011

Name: DAVID J. LOUIS (PLEASE PRINT)

Address: 202 Centre Street

I represent: CHINESE CHAMBER OF COMMERCE OF NY

Address: 33 BOND ST

**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: _____

Name: _____ (PLEASE PRINT)

Address: _____

I represent: LIAM HONG TONG

Address: 207 Centre St NYC

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

**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: 5/26/11

(PLEASE PRINT)
Name: PETER LAU

Address: _____

I represent: CONFUCIUS Pharmacy

Address: 25 BOWERY, NYC.

**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: 5-26

(PLEASE PRINT)
Name: DAVID RECK

Address: 512 GREENWICH ST

I represent: CB #2

Address: 3 WASH. SQ. VILL

**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: 5/26/11

(PLEASE PRINT)
Name: Michael Salzhauer

Address: 254 Canal Street NYC

I represent: Benjamin Partners

Address: 589 Broadway NYC

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

**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: 5/20/11

(PLEASE PRINT)

Name: Bob Zuckerman LES BID

Address: 54 Orchard St.

I represent: _____

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

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

in favor in opposition

Date: 5/26/11

(PLEASE PRINT)

Name: Paul Nelson

Address: NYC Department of Small Business Services

I represent: _____

Address: _____

**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: MAY 26 '11

(PLEASE PRINT)

Name: MR. JAN HEL

Address: 21 MOTT ST.

I represent: OPPOSITION TO BID

Address: _____

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

**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: 5/26/11

Name: Sam Xing on (PLEASE PRINT)

Address: _____

I represent: _____

Address: _____

**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: 5/26/2011

Name: Yitao, ZHANG (PLEASE PRINT)

Address: 22 Chatham Square.

I represent: _____

Address: _____

**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: 5-26-11

Name: GABE MUI (PLEASE PRINT)

Address: 191 CANAL STREET, NYC

I represent: AMERICAN LEGION

Address: 191 CANAL STREET, NYC

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

**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: 5/26/11

(PLEASE PRINT)

Name: Bethany Li

Address: 991 Hudson St, 12th Fl., NY, NY 10013

I represent: AADEF

**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: _____

(PLEASE PRINT)

Name: Antony Wong

Address: 208 Centric St #1

I represent: Resident, Member CB2

Address: _____

**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: 5/26/11

(PLEASE PRINT)

Name: FANG WONG

Address: _____

I represent: AMERICAN LEGION

Address: _____

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

**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: 5/26

(PLEASE PRINT)

Name: WEE K. WONG

Address: 55-04 FARRAGUT RD. B'LN. NY.

I represent: _____

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. 08192011

in favor in opposition

Date: 5/26/11

(PLEASE PRINT)

Name: Raymond Nak

Address: 37A Orchard St, NY, NY

I represent: 173 Mott St, NY NY

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. 5/26/11

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Margarita Ng (Bayard operating Inc Co)

Address: 55 Mott Street

I represent: the owner

Address: _____

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

**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: 5/26/11

(PLEASE PRINT)

Name: D. Yee

Address: _____

I represent: D.K. Corp.

Address: 83 ELIZABETH ST.

**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: 5/26/11

(PLEASE PRINT)

Name: MDI RONG SONG

Address: 82 East Broadway #143 New York NY 10002

I represent: _____

Address: _____

**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: _____

(PLEASE PRINT)

Name: PETER CHENG

Address: 39 Bowery St 5B NYC 10002

I represent: Chinatown Partnership LLC

Address: _____

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

**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: _____

(PLEASE PRINT)

Name: LIU Zhong Ming

Address: 15 ELDREDGE ST 17 NY NY 10002

I represent: _____

Address: _____

**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: 5/26/11

(PLEASE PRINT)

Name: DAVID MAD

Address: 181 E BROADWAY

I represent: MDI REALTY INC

Address: 181 E BROADWAY

**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: 5/26/11

(PLEASE PRINT)

Name: JACKSON MAD

Address: 32 E. Bway NYC NY 10002

I represent: _____

Address: _____

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

**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: 5/26/11

(PLEASE PRINT)

Name: MR. WING I YEO

Address: 141 Hudson St

I represent: MTA

Address: Same

**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: 05/26/11

(PLEASE PRINT)

Name: PHILIP J. GROSSMAN

Address: 168 Mott St. NY, NY

I represent: VARIOUS PROPERTY OWNERS AGAINST THE CHINATOWN BID

Address: _____

**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: _____

(PLEASE PRINT)

Name: STEPHEN CHEUNG

Address: 74 FORSYTH ST

I represent: OWNERS

Address: _____

**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: 5/26/11

(PLEASE PRINT)
Name: WELLINGTON CHEN

Address: _____

I represent: CHINATOWN PARTNERSHIP

Address: _____

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

**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: _____

(PLEASE PRINT)
Name: SUSAN STETZER

Address: _____

I represent: CB 3

Address: _____

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

**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: _____

(PLEASE PRINT)

Name: Angela Rossi

Address: LMOC

I represent: _____

Address: _____

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

**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: 5/26/11

(PLEASE PRINT)

Name: Frank GEF

Address: 740 Harbor Cove Tower SEEN

I represent: GEF Boy and Family Assn

Address: _____

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