

**Statement by Deputy Commissioner Calvin T. Brown, NYC Dept. of Small Business
Services
New York City Council, Finance Committee
October 12, 2022**

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, Senior Program Manager and Leslie Velazquez, Program Manager for the Business Improvement District (BID) program. I wish to express our support for the law providing an increase in the amount to be expended in 3 Business Improvement Districts or BIDs.

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 to the City’s network of BIDs and groups who wish to form new BIDs in their communities. Over the past two and a half years, we have provided the BIDs with vital information about SBS programs and resources, City regulations, and changing conditions that affect the businesses in their corridors. My team has coordinated hundreds of hours of interagency response through regular calls and partnerships with other agencies on Open Restaurants, Open Streets, quality of life issues, and other recovery programs. 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. Throughout the pandemic and recovery, BIDs have been called upon to deliver an increased level of services and support to the small business community. 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. In order to respond to these new challenges and opportunities, every single BID has been evaluating their budgets for savings and efficiencies.

Part of our role in overseeing and supporting the City’s existing network of 76 BIDs includes guiding them through legislative processes, including increases to their assessment cap. To propose an assessment increase, 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. Additionally, 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.

As required by law, each of the 3 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 proposed amount to be expended annually. Each BID has also certified that they have mailed a letter to property owners informing them about the proposed assessment increase, and the time and place of this public hearing. Due to this requirement, two other BIDs, 125th Street and DUMBO, were removed from this legislation due to insufficient notice of today's hearing. We plan to re-introduce these two additional BID assessment increases later this year.

It is a priority of SBS that assessment increase proposals focus on enhancing programs and services provided to the district. The 3 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 existing core services currently provided in the business districts, and include funds for 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.

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

- (1) Fifth Avenue Association, from \$6,414,000 to \$8,054,663
- (2) Columbus/Amsterdam, from \$350,000 to \$650,000
- (3) Court-Livingston-Schermerhorn, from \$1,400,000 to \$1,800,000.

The City's 76 BIDs invest over \$160 million into neighborhood economies in the form of supplemental services and programs that serve nearly 25,000 ground-floor businesses across the city. BIDs have been valuable and proven partners in ongoing initiatives of neighborhood revitalization and economic development across the five boroughs, making New York City neighborhoods cleaner, safer, and more vibrant. BIDs are also advocating for small businesses in their districts, helping them to navigate government, facilitating networking among fellow business owners, providing business retention support, and attracting shoppers to the area. BIDs were critical partners in executing the City's pandemic response and continue to be vital players in New York's economic recovery. They are advocates for small businesses, activators and stewards of public space, thought partners in policy decisions, and the City's eyes and ears on the ground in commercial corridors. In partnership with city government, BIDs help spur job creation, improve the quality of life for New Yorkers and visitors, enhance the city's tax base, and strengthen local economies.

Representatives from each BID requesting an assessment increase 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. 0655 2022

in favor in opposition

Date: 10/12th

(PLEASE PRINT)

Name: Calvin Brown, Deputy Commissioner

Address: _____

I represent: Dept. of Small Biz Services

Address: _____

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