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THE COUNCIL REPORT OF THE FINANCE DIVISION PRESTON NIBLACK, DIRECTOR JEFF RODUS, FIRST DEPUTY DIRECTOR

COMMITTEE ON FINANCE HON. DOMENIC M. RECCHIA, JR., CHAIR

February 27, 2013

PRECONSIDERD RESO. By Council Member Recchia

TITLE: Resolution concerning the establishment of the SoHo

Business Improvement District in the Borough of Manhattan and setting the date, time and place for the public hearing to hear all persons interested in the establishment of such

district

INTRODUCTION

This Resolution is required by Chapter 4 of Title 25 of the New York City Administrative Code, as amended by Local Law 82 of 1990, which authorized the City Council to establish Business Improvement Districts (BIDs).

The main purpose of this Resolution is to set the public hearing date, time and place for the review of the local law, which would establish the SOHO Business Improvement District.

The hearing on the local law and the BID plan will be held on March 13 2013 at 10:00 a.m. in the City Hall Committee Room to hear all persons interested in the establishment of the District.

This Resolution also directs that all notices required under the BID law be properly given by the Department of Small Business Services and the SOHO BID Steering Committee, respectively.

BIDs, which are specifically established areas, use the City's property tax collection mechanism to approve a special tax assessment with which to fund additional services that would enhance the area and improve local business. The additional services are normally in the areas of security, sanitation, physical/capital improvements (lighting, landscaping, sidewalks, etc.), seasonal activities (Christmas lighting) and related business services (marketing and advertising). The BID demarcates the areas in which services will be enhanced and also establishes the mechanism for the assessment needed to generate the required budget. The program permits the use of the city's taxing authority to levy an assessment on real property located within the district. The assessment is then returned to a local management group, which provides services and improvements to the district that are in addition to those provided by the City.

Geographically, the proposed BID is located in Lower Manhattan (zip codes 10012 & 10013) in Community Board 2 and is comprised of an area of approximately 12 block-fronts, or approximately 280 tax lots. The proposed BID targets the Broadway corridor, and is broadly defined by the east and west side of Broadway from the north side of Canal Street to the south side of East Houston.

The 280 tax lots consist of approximately 70 commercial properties, 48 mixed use condominium properties, 1 vacant property, 1 tax exempt property owned by the Metropolitan Transit Authority, and 160 residential properties (14 cooperatives and 146 condominiums). The area consists of a diverse mix of retail, art galleries and neighborhood services. Buildings within the proposed BID are typically 5 to 12 story loft buildings with commercial uses on the ground floor and joint-live-work-quarters-for-artists on the upper floors.

Services

The services to be provided in the proposed BID are governed by the proposed BID's Amended Plan. The services provided in the proposed BID will supplement municipal services that are already provided by the City in the proposed BID area, will not take the place of services provided by the City on a city wide basis¹. According to the proposed BID's Amended Plan, the following services will be provided and performed under the direction of the DMA:

- Sanitation and Snow Removal: Includes sweeping and cleaning of sidewalks and curbs, maintenance of trash receptacles, graffiti removal, maintenance of street furniture and management of news boxes, as well as snow removal at street corners.
- **Pedestrian:** designed to manage the sidewalk congestion and to mitigate the impact of street vending; due to the proposed BID's emergence as a major retailing destination.
- **Public Safety Services:** includes unarmed patrol; utilizing a licensed and bonded company to provide public safety services under a contract with the SOHO DMA and work in conjunction with the local NYPD Precinct.
- **Advocacy:** The BID will act as advocate on behalf of the stakeholders of the proposed BID to government agencies and elected public officials.
- General & Administration: The proposed BID will be administered by salaried staff which may include, but not be limited to: Executive Director, Project Manager and any other special staff and/or consultants deemed necessary by the proposed BID's Board of Directors. Administrative costs may also include office-related expenses such as rent, telephone, insurance, supplies, fringe benefits and other ordinary, necessary, and reasonable services and supplies.
- Capital Improvements: Street and sidewalk amenities to identify, enhance, and beautify the proposed BID; and capital improvement projects, which may include but are not limited to, storefront and/or façade improvement projects that address issues of signage, pedestrian area lighting.

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¹ See Section 25-411 of the Administrative Code of the City of New York.

Service Cost

The expenses to provide the above services to the benefited real properties within the proposed BID are detailed in the chart below.

Services	Budget
Sanitation and Snow Removal	\$200,000
Pedestrian and Public Safety	\$150,000
Advocacy and General Administration	\$200,000
Capital Improvements	As needed
TOTAL FIRST YEAR BUDGET	\$550,000

Preconsidered Resolution

Resolution concerning the establishment of the SoHo Business Improvement District in the Borough of Manhattan and setting the date, time and place for the public hearing to hear all persons interested in the establishment of such district

By Council Member Recchia

Whereas, Pursuant to the authority granted by chapter 4 of title 25 of the Administrative Code of the City of New York (the "Law"), the Mayor, by authorization dated October 12, 2010, provided for the preparation of a district plan (the "Plan") for the SoHo Business Improvement District (the "District") in the Borough of the Manhattan; and

Whereas, Pursuant to Local Law No. 82 for the year 1990, the City Council assumed responsibility for adopting legislation establishing Business Improvement Districts; and

Whereas, Pursuant to section 25-405 (c) of the Law, the New York City Department of Small Business Services ("SBS") submitted the Plan to the City Planning Commission (the "CPC") on October 26, 2010; and

Whereas, Pursuant to section 25-405 (c) of the Law, the CPC submitted the Plan to the City Council on October 29, 2010; and

Whereas, Pursuant to section 25-405 (c) of the Law, the CPC submitted the Plan to the Council Member representing the council district in which the proposed District is located on October 29, 2010; and

Whereas, Pursuant to section 25-405 (c) of the Law, the CPC submitted the Plan to the community board (Manhattan Community Board Number 2, hereinafter the "Community Board") for the community district in which the proposed District is located on October 29, 2010; and

Whereas, Pursuant to section 25-405 (c) of the Law, the Community Board notified the public of the Plan in accordance with the requirements established by the CPC; and

Whereas, On November 18, 2010, the Community Board voted to oppose the establishment of the District; and

Whereas, Pursuant to section 25-405 (c) of the Law, the CPC reviewed the Plan, held a public hearing and prepared a report certifying its qualified approval with recommendations for modification of the Plan; and

Whereas, Pursuant to section 25-405 (c) of the Law, the CPC submitted its report to the Mayor, to the City Council and to the Council Member representing the council district in which the proposed District is located; and

Whereas, Pursuant to section 25-405 (c) of the Law, a copy of the CPC's report, together with the original Plan, was transmitted for filing with the City Clerk on January 26, 2011; and

Whereas, Pursuant to section 25-406 (a) of the Law, a copy of the Plan and the CPC's report are annexed hereto and are made part of this Resolution; and

Whereas, Pursuant to section 25-406 (a) of the Law, the Plan is on file for public inspection in the Office of the City Clerk, 141 Worth Street, New York, New York; and

Whereas, Pursuant to Section 25-406 (b) of the Law, any owner of real property, deemed benefited and therefore within the District, objecting to the plan must file an objection at the Office of the City Clerk within thirty days of the conclusion of the hearing held by the City Council, notice of which is provided by this Resolution, on forms made available by the City Clerk; and

Whereas, Pursuant to Section 25-406 (b) of the Law, if owners of at least fifty-one percent of the assessed valuation of all the benefited real property situated within the boundaries of the District proposed for establishment, as shown upon the latest completed assessment roll of the City, or at least fifty-one percent of the owners of benefited real property within the area included in the District proposed for establishment, file objections to the Plan with the City Clerk within the thirty-day objection period, the District will not be established; now, therefore, be it

Resolved, That the Council of the City of New York, pursuant to Section 25-406 of the Law, hereby directs that:

- March 13, 2013 is the date and 10:00 a.m. is the time and the City Council Committee Meeting Room, 16th Floor, 250 Broadway is the place for a public hearing (the "Public Hearing") to hear all persons interested in the establishment of the District;
- ii. the SoHo BID Steering Committee shall, not less than ten nor more than thirty days before the date of the Public Hearing, mail a copy of this Resolution or a summary thereof 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 proposed District, and to the tenants of each building within the proposed District;
- iii. the Department of Small Business Services shall arrange for the publication of a copy of this Resolution or a summary thereof at least once in the City Record or a newspaper in general circulation in the City, the first publication to be not less than ten nor more than thirty days before the date of the Public Hearing; and
- iv. in the event that the SoHo BID Steering Committee mails, or the Department of Small Business Services arranges for the publication of, a summary of this Resolution, such summary shall include the information required by section 25-406 (c) of the Law.