

NEW YORK CITY DEPARTMENT OF SMALL BUSINESS SERVICES

NYC BID PROGRAM

AN INTRODUCTION TO BUSINESS IMPROVEMENT DISTRICTS



SBS – Who We Serve



Serving Businesses

SBS serves businesses by: providing direct assistance to help businesses start, operate, and expand; and simplifying the way businesses can manage licenses, permits, and other transactions with the City.



Serving Jobseekers

SBS implements a business-driven system of workforce development focused on matching worker training and skills development with employer needs.

Serving Neighborhoods

SBS supports community-based economic development organizations throughout the City in order to create the conditions under which local businesses can grow and thrive.



What is a BID?

A Business Improvement District (BID) is a **public/private partnership** in which property and business owners come together and elect to make a **collective contribution** to the maintenance, development and promotion of their commercial district.

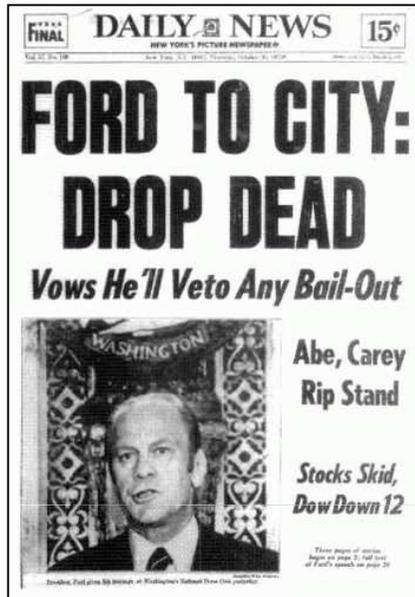
BIDs: Serving NYC Neighborhoods For Over 30 Years



For over 30 years, Business Improvement Districts (BIDs) have been valued and proven partners in ongoing initiatives of neighborhood revitalization and economic development across the five boroughs. NYC's **67 BIDs** – the largest network of BIDs in the country – invest over **\$100 million** in services to **16,000+** ground floor businesses and employ **1,300+** people.



Why Were BIDs Formed?

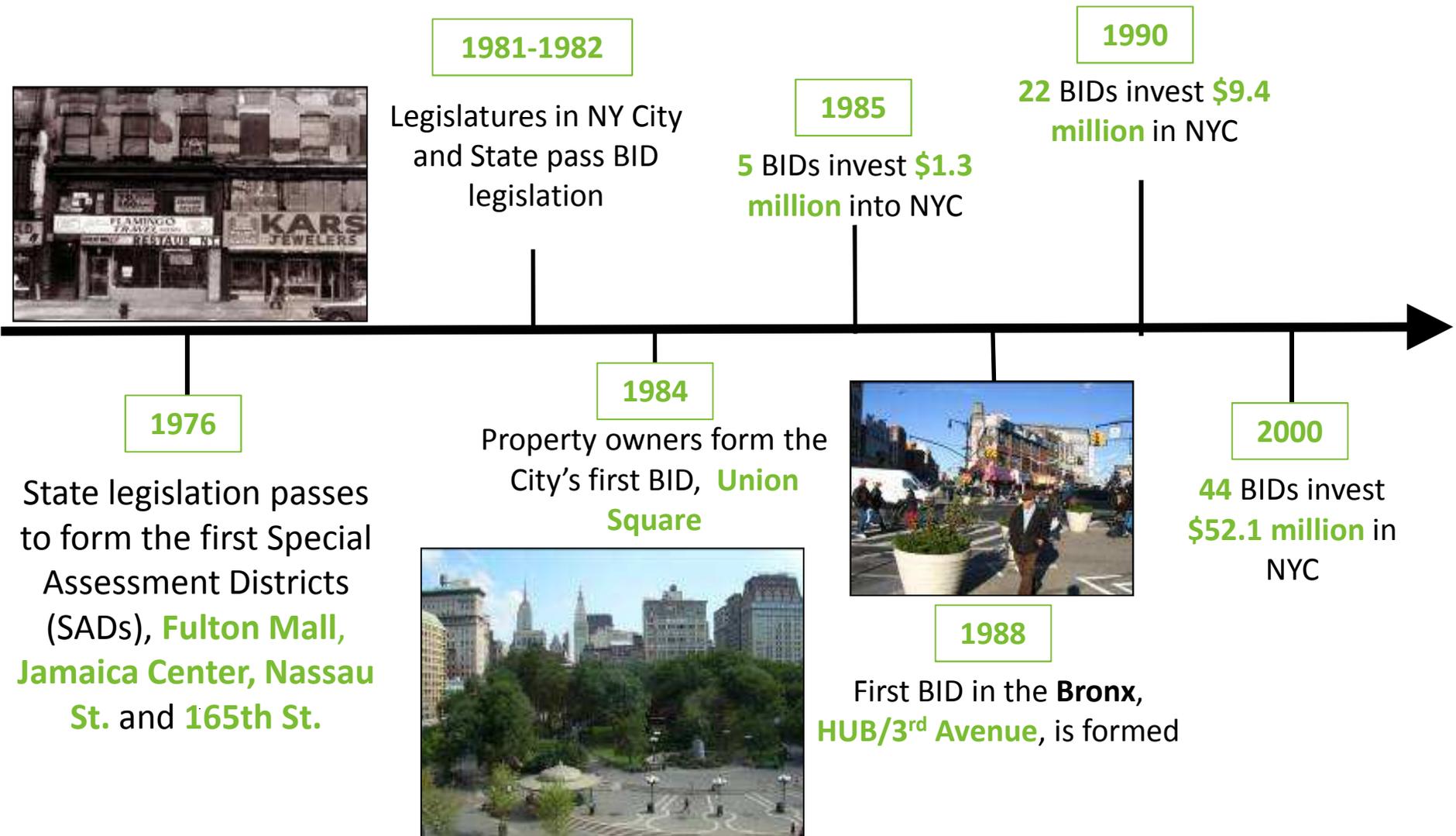


As City services decreased in the 1970s and 80s, litter, graffiti and crime increased and many City areas were considered unsafe.

Retail anchors closed, and vacant lots bred drug use and homelessness.



BIDs: Improving NYC Neighborhoods for 30+ years



The New York Times

April 2, 1998 | By Dan Barry and Thomas J. Lueck

Control Sought On Districts For Businesses

After years of questioning the powers of the city's private business improvement districts, Mayor Rudolph W. Giuliani is about to propose some stringent measures that would give his administration significant control over the semiautonomous agencies.

The new rules would require the city's 39 districts, which provide services like street cleaning and security, to clear virtually every major undertaking with the Department of Business Services, from the staging of street fairs to the purchase of new computers, said several officials from the districts and others who know of the city's plans....

The New York Times

July 29, 1999 | By John Tierney

The Big City; Clean Up City? Not Unless It's City Hall Way

STOP them before they clean again!

For years, city officials stood by helplessly while roving gangs of men in overalls prowled the streets picking up litter. But the Giuliani administration has decided that enough is enough.

Deputy Mayor Rudy Washington has vowed to stop local business groups from expanding their efforts to spruce up neighborhoods. He has turned down every budget increase requested by the city's business improvement districts, a decision the groups say would force them to curtail new programs and reduce their staffs...

The New York Times

February 18, 2002 | By Terry Pristin

**For Improvement Districts,
Restored Alliance With City**

The New York Times

May 15, 2002 | By Terry Pristin

**Mayor Envisions a Bigger Role For
44 Improvement Districts**

The New York Times

July 7, 2002 | By Jim O'Grady

**Under Bloomberg, New Life For
Business Districts**

Mayor Bloomberg and the BIDs



Mayor Bloomberg recognized the impact BIDs have on the economic development of New York City and created a 5-point plan to re-energize the BID Program:

1. Simplify formation and expansion procedures and create one-stop, user-friendly BID Formation guide
2. Allow BIDs to increase budgets and boundaries
3. Streamline the assessment collection and distribution process
4. Provide grants to spearhead formation targeting neighborhoods outside Manhattan
5. Allow issuance of long-term debt



“In these tough times, we must strengthen business improvement districts and local economic development corporations throughout the City.”

- Mayor Michael Bloomberg
2002 State of the City Address

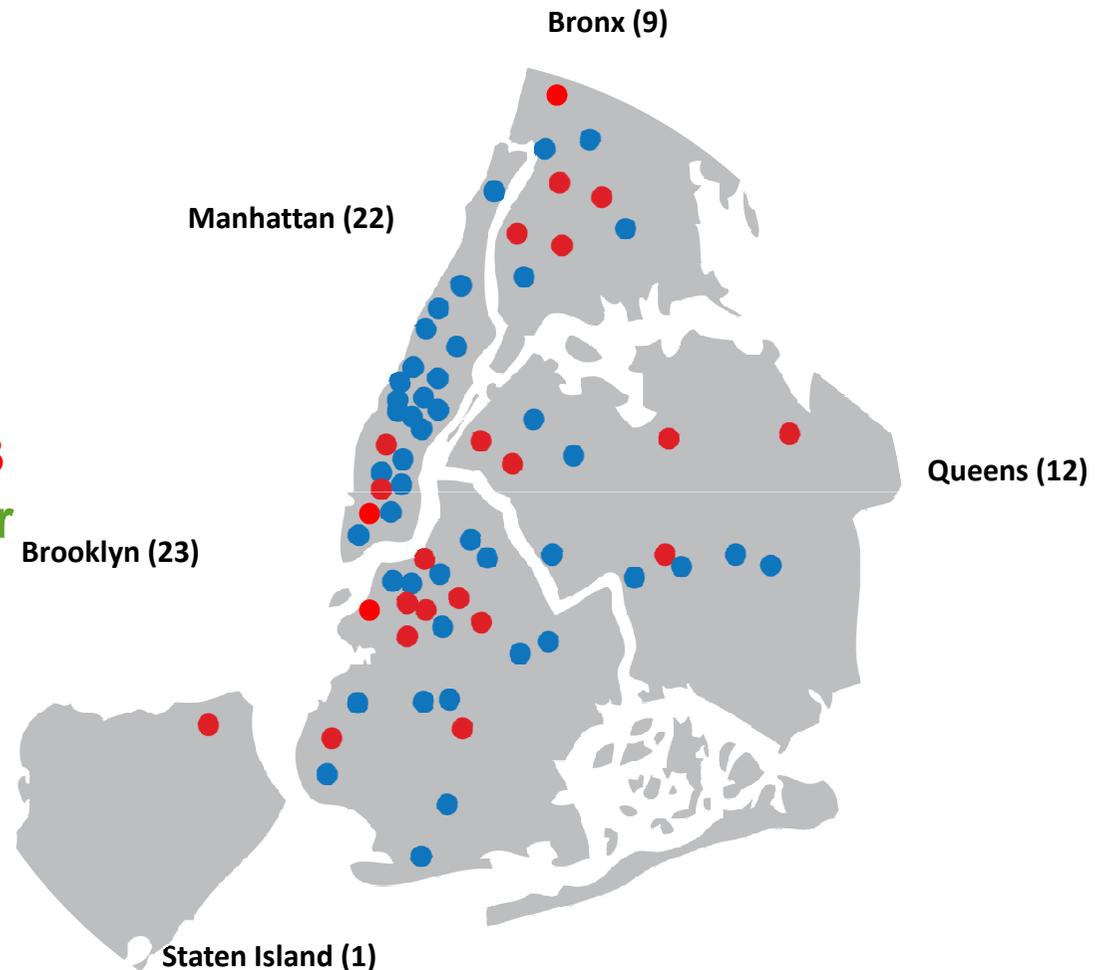
NYC's 67 BIDs...



Invested over **\$105 million** in services in Fiscal Year 2012, providing services to over **16,000** ground floor businesses.

Since taking office in 2002, **23 BIDs** have been created under the Bloomberg Administration.

Of the 23 BIDs created in the outer boroughs, 16 of them have emerged in smaller commercial corridors and have assessments under **\$500,000**.



Red indicates BIDs formed under Mayor Bloomberg (23)

What do BIDs do?

★ BIDs provide an array of supplemental services and improvements to a defined geographic area. Typical services include:

1. Sanitation & Maintenance
2. Public Safety
3. Marketing
4. Capital Improvements
5. Beautification & Landscaping
6. Business Development
7. Community Service



★ BIDs serve as liaisons between City government and their respective communities.

**Services provided by BIDs supplement, not replace, services already provided by the City.*

BID SERVICES: Sanitation & Maintenance



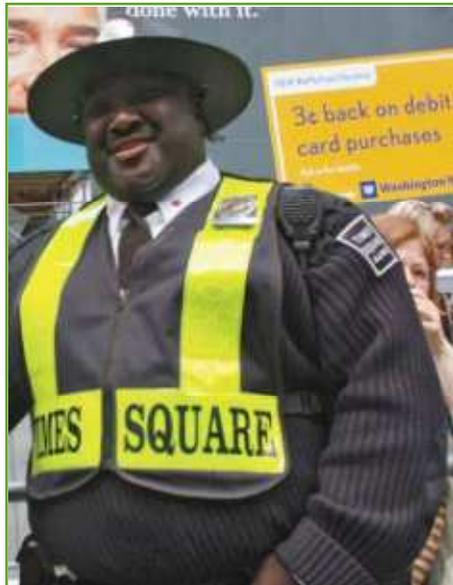
In 2012 BIDs:

- Covered over **3,300** block faces with sanitation services
- Collected nearly **3.5 million** bags of trash
- Removed over **75,000** incidents of graffiti
- Employed over **600** sanitation workers



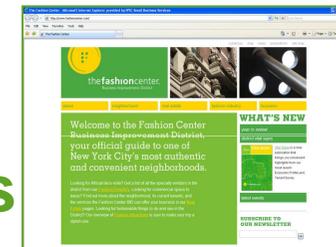
In 2012 BIDs:

- Covered over **2,400** block faces with security services
- Employed over **350** public safety officers who responded to over **1.4 million** incidents or requests for assistance



In 2012 BIDs:

- Held **3,000** public events that drew an estimated **2.6 million** attendees
- Distributed over **2.2 million** district guides
- Installed nearly **2,000** new banners
- BIDs maintain **67 websites** promoting their districts and providing information to visitors



BIDs install streetscape and capital improvements and maintain projects ranging from:

- **Street furniture**
- **Pedestrian-scale lighting**
- **Public plazas**
- **Signage**
- **News racks**



BIDs respond to the unique needs of their districts by providing additional services such as:

- **Business Development**
- **Commercial Vacancy Reduction**
- **Beautification/Horticulture**
- **Holiday Lighting**
- **Social Services**



Who oversees the BID?

All decision-making for the BID is governed locally via a Board of Directors consisting of:

1. Property owners (elected)
2. Commercial tenants (elected)
3. Residential tenants (elected)
4. Four public members (appointed)

The Board of Directors hires or contracts with personnel to manage the BID on a daily basis.



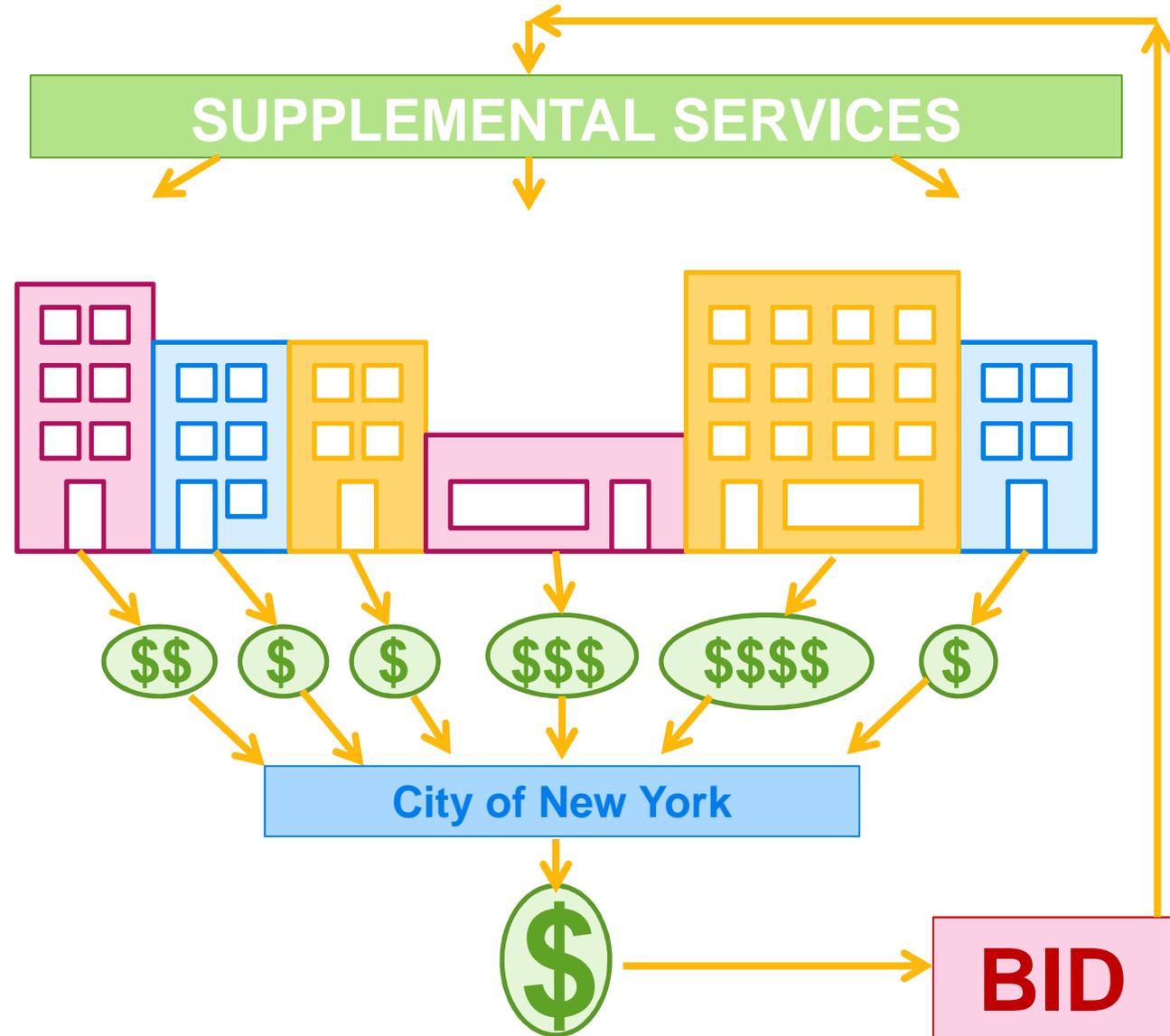
How is a BID funded?



How is a BID funded?

Special Assessments are collected from property owners within the defined area of the district. This is agreed upon by the BID's steering committee during formation

The assessment is billed and collected by the City of New York, then fully (100%) disbursed back to the BID, which in turn delivers the districts services.



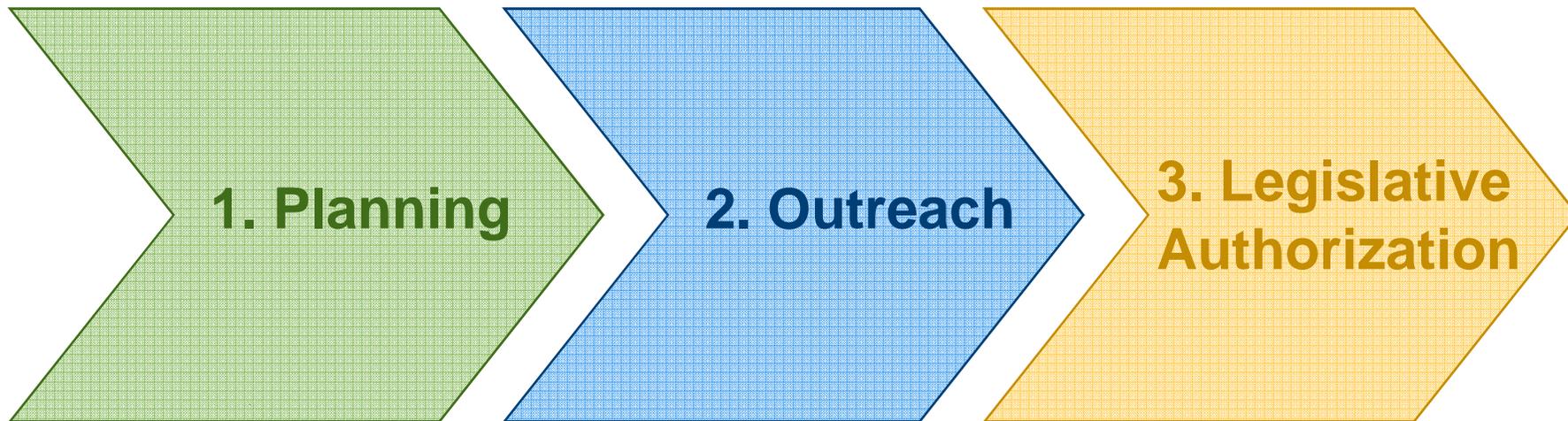
Does everyone pay?

The amount paid by each property owner is determined by a unique formula that each steering committee collectively agrees upon for its district during the formation process. Formulas are often based on property type, street frontage, size and/or value.

- **All commercial property owners within the district's defined boundaries contribute to the BID's total assessment (total fixed budget).**
- **Not-for-Profit properties do not pay.**
- **Residential properties generally pay only \$1 per year.**
- **City, State and/or Federal Government agencies do not pay for the BID.**
- **Total fixed, yearly budgets (or total assessments) for BIDs in NYC range from \$50,000-\$16,000,000.**

How is a BID formed?

BID formation is a three phase process that includes **Planning**, **Outreach**, and **Legislative Authorization**.



1. Planning Phase

During the Planning Phase a group of property owners/merchants that are interested in forming a BID:

- a) Establish a steering committee
- b) Determine boundaries for the new district
- c) Identify services needed within the new district
- d) Create a budget and assessment formula
- e) Write a formal plan for the BID



2. Outreach Phase

During the Outreach Phase the steering committee:

- 1) Communicates with all property owners and commercial tenants in the proposed district to gain support for the new BID and explain the formation process.
- 2) Obtain statements of support from as many members of the district as possible
- 3) Hold public meetings to inform them of the plan



3. Legislative Phase

During the Legislative Phase (~9 months) the plan for the proposed district is submitted for review/approval to:

- The City Planning Commission
- Community and Borough Boards
- City Council
- Mayor

Support for the proposed district is assessed through:

- A series of public hearings
- Review of documented support, collected during phase II

The BID is established when the Mayor approves the plan and signs the BID into law.



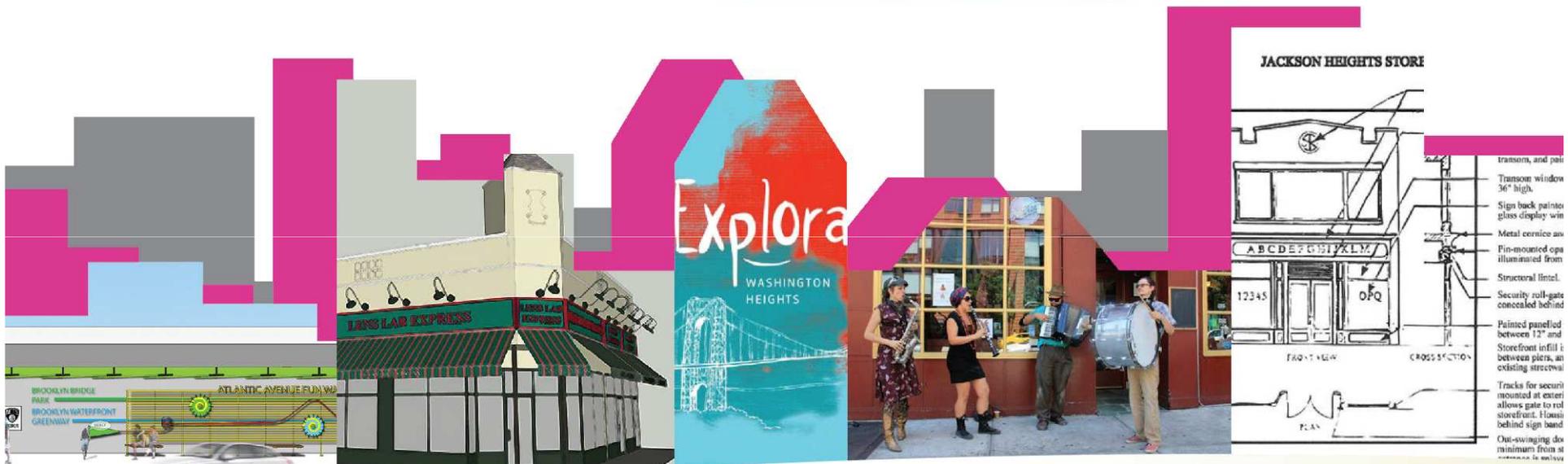
How will a BID help my neighborhood?

- **Cleaner, safer, more attractive commercial districts**
- **Creates a steady and reliable funding source for supplemental services and improvements**
- **The ability to respond quickly the changing needs of the business community**
- **The potential to increase property values, improve sales and decrease commercial vacancy rates**
- **A district that is better able to compete with nearby retail and business centers**

NYC

Michael R. Bloomberg
Mayor

Small Business
Services



BID CHALLENGE

2012-2013 AWARDEES

Innovate. Enhance. Create. Expand.

The International Downtown Association
selects NYC for its



2013 Annual World Congress

www.ida-downtown.org



Visit us at:
www.nyc.gov/neighborhoods

or our blog:
www.nycneighborhoods.tumblr.com

The screenshot shows the NYC Neighborhood Development website homepage. At the top, there is a navigation bar with links for Search, Email Updates, and Contact Us. Below this is a header with the NYC logo and the text "Neighborhood Development". A main content area features a large image of a street scene with a "PERFECT RENOVATION" sign. Below the image is a text box stating "Avenue NYC provides \$1.6 million annually to non-profits across the city for commercial revitalization initiatives." To the right of the image is a social media feed with tweets from @Jonathan_bosley and @SwannGalleries1. A sidebar on the left contains a menu with links to Home, About NDD, Business Improvement Districts, Avenue NYC Program, Neighborhood Leadership Program, Workshops & Technical Assistance, Resource Library, Calendar, and Contact. At the bottom of the sidebar is a "Visit Our Blog" button.

The screenshot shows the NYC 2013 Neighborhood Achievement Awards Call for Nominations page. The page has a green header with the text "2013 Neighborhood Achievement Awards" and "Call for Nominations". Below the header is a navigation menu with links to HOME, ABOUT US, CONTACT US, and ARCHIVE. The main content area is divided into three columns. The first column features a "Jamaica Revealed" event, with a photo of four people holding blue bags and a text box describing the event. The second column features a "FREE movies at Fordham Plaza" announcement, with a text box describing the program and a "SHARE" button. The third column features a "Church Avenue Street Fair" announcement, with a photo of the street fair and a text box describing the event. At the bottom of the page is a "Visit our sister blog: NYC BUSINESS SOLUTIONS" link.