Why did the BID get created?

What are the biggest challenges

Tom cusik 5th ave Bid

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I was hired in 1988 by the 5th ave association which was a long standing private comproration which was baesd on voluntary dues from people on 5th ave, property owners, major tenants..and at that time in 1988, things were on pretty bad shape on 5th ave…there were illegal peddlars selling counterfeit mrchandies just about everyone were on the ave, a couple per block..trash receptacles were overflowing by 1030, 11 in the morning. The overall crime rate for things including pickpockets was pretty high. So I was asked to assess what could be done, and that was a period where there were some BIDs that had already been organized, and that model seemed like a much better modle than a voluntary association that couldn’t rasie enough money to provide its own security, sanitation, etc..mostly was limited to advocacy.

BID legislation allows you to go to property owners and tenants and if they agree…have an additional tax on their properties, and that additional tax, reffered to as an assessment can raise substantially more money. So we took a couple of years to convince people to do that, and we started with some experimental programs to convince people how this could change.

In 1993 we launched BID and now we have 39 employees who provide our own sanitation and security.

This is not as stark as it may sound. We don’t take over the work the snatiaton or poice dept do, we supplement it. in NYC the amt of concentration of police and sanitation is spread throughout the entire 5 oborughs, and for a place like 5th ave, the property owners nadn tantns awere convinced that we needed much more attention than the city could supply. So we have our own patrols on 5th avenue. Clled community 50 officers, nad we have our own supplemental sanitation workers, who work during the dya to make sure trash receptacles overflow…the results have been extremely successful…the counterfeit sales stuff is pretty much gone. tehres some of it but its thin, a stroll on the ave and yoll find a fairly clean neighborhood, and the overall crime rate has plunged dramatically 95% since we started operating. So that’s a quick overview…

Some people moved into the BID area years after they starte,d and I used to bring a chart aroun with me when meeting with these people, it showed a chart and this is when giuliana was mayor, of crime dropping 35%..now the chart didn’t have any dates in it, I j ust showed it to them. so id say, you see this drop of crime. Yeah. Well interesting enough this drop in crime occurred before bill bratton was hired as commisinoer. This is reflective what happened on 5th ave. so I can tell you in my expeirnce very clearly that BIDs were ahead of that curve. I might even aruge that a lot of the manhattan crime decreased was that BIDs were working very closely with local precincts.

Example of that: This gets to the heart of it. one of the reasons counterfeit vendors were able to stay on 5th ave is because of court cases where someone would be arrested for selling coutnefeit merch, they would be taken to court in anticipation of a tiral nad arraignemtn, and a lawyer represtning the vendor would say the police officer didn’t see any illegal sales. And the judge would throw out the case. Now why didn’t they see it? the reason is, and this is fascinating, we researched thi and osbserved it…these vendors all worked together and they hired their own spotters. These vendors would get to know how the police wehre, where they were, what their cars looked like, (the underover ) and if someone was cming down to enforce the law agains the counterfeit sales, these spotters would give a signal for the vendors to stop selling. So the ycan literally just stand there. They might have a bag, wrapped up in a blanket…and a police officer shows up , he didn’t see anything, but someone says yeah eh’s the guy that was selling. PF looks into bag see,s CF merch and brings him to court…

So we had our own patrol people out there who would see it, we would then call the police, say come get that guy he is selling counterfeit merch..police officer would show up and see what it was, fill out form, the supporting deposition, guy be brought to court, usual statement in court by defense attorney..he’s correct but I have a private citizen who filled out spporting deposition who did see it, and that hcanged the way those vendors operated and they would get arrested and it would stick.

So cases like this really enhanced what the police are trying to do – provide them an extra ingredient that when the whole mix was put together is more effective.

Form 61..at end of month we go and review 61 forms and pull out all the ones that are within our district and add them up.

5th of December.. to review November data..go with that employee

it’s always the large BIDs that are able to do this. While there are something like 70 BIDs, the large bulk of them cant provide the kind of service that I was just talking about. Generally thinking BIDs with budgets of million dollars or more. We started with 1.8 million and we are now up to 2.9 million over 20 years.

PD websites, break it down by police precincts….90% of our district is within 1 police precinct, midtown north ..go onto midtown north website and see stats going gback to 1990.. (Bids and crime) and see what their data is

General impressions: for instance, the story I just told you about the spporting deposition approach changed the way court action got convictions. Take that as an example. How does that relate to outside of our BID? Well I know for a fact that a number of these people just left this area and went somewhere else..street vending in general has its own rules ,and one of the rules of street vendors is to generally respect the geographical area that some people stake out. So if I stake out 5th ave and 54th street, and I’m there on a regular basis, and someonbody else hows up, there’s a certain street resepct between vendors that they won’t compete. Doesn’t’ always work out. But we get to know those people, thye come to the same locations. Weh ntehy were here we would recognize them from prior days. After they realized that arrests ewre being made because of the vigilance of their employees, tey would go to 6th avenue or madison ave, and stay away from 5th, so some of this was displacement. Over time, in midtown minhattan, concenrtaion of BIDs became so great that a lot of the business was lost. In the most concentrated areas, times square, 5th avenue, madison avenue ….so if tourst were there, tahts where im going to make money. If the toursits don’t go to 3rd ave, im not gingo to make much money there. And if all of the toursits areas oare controlled by BIDs..too strong of word..then the fact is there would be little amount of money they could make in areas that were not tourists attractions.

Over these 2 decades or so a number of BIDs have been formed so that our boundary goes from 46th st to 61st- technical area that we cover. Between 46th st and roughly 46th to 43rd is an overlap of GC partnership district …to about 40th thers another BID, bryan park district…down to 44th st bid, which cover 5th ave…almost all the block 44th 61st …ill go to 42nd st, southern vounatry al the way up to 64th st end of our BID…covered by various stretched by 4 BIDs…

Property owners have seen the change and don’t want to go back to what it was..

It’s a complicated situation .some of it is just economic,s so me of it is longstanding history…but weh ne orngaiizng we used a variation of the field of dreams theme..interesting movie…about a guy who is a farmer and he is also a baseball fan and he starts hearing some voices. The voices say if you build it they will come, and he builds eventually a baseball field and..this is a fantasy movie…and old baseball stars come to the field to play ball – people who passed away – so the inspiration around the movie is if you build it they will come ,and that used to be a very frequently refreed to theme in terms of insprioatn, so we tweaked it a little bit, if you improve it, they will come. And we believe that when you respent a street like 5th ave that’s claen and safe and torusits friendly – as opposed to the opposite –I’d rather do business there.

Things change on a regular basis and you try to adjust to them…when we started the counterfeit things…vendors would put their blankets down and put all their

They might be selling Gucci hand bags in front of guccci store. Now because we work with police…things have changed dramtically from the vendors point of view. He wont put a blanked down and spread his merchandise out because he’ll lose it. so now he puts it in a blanket, ties up a blanket, rests the blanket on ah nad truck so he can run way with it. and he also won’t open up his display and show it to anyone, and as women are walking down on 5th avenue he’ll say – hand bag hand bag, and then lead them down a side street to show them the merchandise. We’ll follow them so ti doesn’t happen that often.

So things change the way the conditison are presented…

Phil Nuzzo Kingshighway

Longest serving BID manager in the city, so from a perspective of a very large BID in the city, I have no clue… I hve small BIDs in

I’ve been around since almost day 1 from the BIDs but I might not be the best source of info because of the life that I lead and all the guys that hire me knew about my double life.

I’ve always been ina BID that is extremely low key.

‘ve been a musician and always been a musician, and if you look at my tax thing….50 50….in fact in 2 weeks fromtoday I will know if we’ve been nominated for a grammy award.

Youre kind of the world…

All the Bid people, they all know, and this is part and parcel of me. they don’t ..ive been doing the Bid stuff and I watched this thing go from 3 different BIDS all the way to 50.

Dan Biderman

Fred Zerullo …dept of consumer affairs commiisioner …city counceilman from staten island…whole political slant ,and give you last 15 years of BID history…

Dept of small business

Leon Fonfa

Longest serving BID lieason 212-513-6462

He’s been doing this…watched the BID program develop for 25 years…he was there almost at the inception nof all that.

IF you want the city’s side of it, talk to Leon. He’ll be very skittish. Probably a lot of funny anecdotal stuff…

The idea of a Bid is the best deal the property owenrs and merchants get, by far and away. One of the most successful programs I’ve ever seen.

Everybody has an extremely professional attitude – and it’s a lot of charactes, an artis,t and attorney, all the BIDS have hteir own dynamics and quirky personalities. Theres the diamond district and its completely different…lots of places with bars and restaurants …there are desitnation bids, and kingshighway is hwere you go to shop…

Lower than 5% vacancy - in the real estate is basically 0.

Kingshighway merhcnats don’t’ bwnat to be bothered with sales and promotions and baloosn and all that, they want to make sure iti s safe, it looks nice …top 2 sales places in the City. We have 2 of the 5 best stores to sell shoes.

4 or 5 big time jewelers. 2 in particular.

There was no doubt about it. I really don’t know why they watned to create \_\_ downtown…because honestly I worked there 17 years or so…but kingshighywa just made perfect sense. I went to school around the corner. I went to grammar school, and even as a kid, we shopped on kings highway. There was never any equivocation, when we had to buy good clothes it was to go to kings highywa. Crumb cakes and stuff like that it was a big deal.

The onwers go to gehter, I don’t know if the city approached them—seeing the success of other bids deiced this was the best way to go. And it is an extremely successful BID> I gauge it on supplemental service delivery. Is the place clean, is the place safe, is it an inviting environment for people to shopw? Its about shopping on Kings Highway, its not about come to our restaurant and hang out and have a walking tour. Other people like that and htats good, but ours is, we’re here to shop.

We got meters changes to 2 hours. And they look like little trees. Probably earned salary for 10 years just on that little tweak.

Getting that earned your salary for 10 years.

Those are the types of little tweaks that we do. We have new lighting coming, the aesthetic,s what can we do to make it better. very close ties with the local precinct, and our officials, if we need something done short term. But most of the stuff that happens long term, keep kicking at it. I have a couple in the hopper now. it take a good long time to do this. One project has inherent problems

Do I tell the merchants with some minimal promotion…for the most part these are very smart merchants and don’t want me taking their time away from their customers. When they have a complaint they know exactly who to call and exactly how long it should take to get something done. I think for that reason also, theres’ a very positive reaction by the merchants. It’s personalized…

Privatized the lots..and we were involved in making sure that in construction ther was never a problem – not 1 construction complaint in a 2 year construction project. We worked with developers . When I got there years ago we had no skyline. Right now, we have 2 buildings, 8 or 9 stories tall, plus we have another building being taken down and completely rebuilt.

Were talking about a hotel for the orthodox community for the last 10 yeares. Will thath papen I think at som point yes.

Oh that’s al oeaded question how to I answer that politely?

There are 2 other lartge shopping streets in the neighborhood…the celanillnes, the lack of graffiti, the police presence, all these things. I don’t know the right way to say this, but kings highway is a lot classier than other neighborhoods.

We don’t have you go out of business in a year, and that’s it…3 or 4 spots that are going and going out. We have quality quality places. .we have a lot of boutiques now..somehow we’ve been SoHoized?

The things that the BIDs does surely enhances foot traffic, shopping experience. And therefore somebody is about to spend more money in investement in a place that already looks good.

We have lotso f clothing stores, and the fashion at Kings highway has really done very very well. I think you always have your other things…we have wonderful shoes stores, so sthe whole fashion idea…

The biggest challengs for the Bid is maintiaing the site level and B, getting the word out about kingshighway, and we want to deal with the trees, the day to day stuff, not a long term project..the BID challenge is to continue the challenge of beng too involved and not involved at all.on the managerial point of view that’s the big challengs. I don’t sell shoes, I don’t sell watches, so why am I bothering that guy. But on the other guy he’s got to know and feel that I’m there for when a problem does come up. a few years ago the Dept of transport decieded they wre going to pave a street xmas week when shopping was still going on in th eleadup o t Jan1st…newyaers eve is a big shopping day on kingshighway. City was going to close the street. One call from the merchant who found out about it to me, one call to the booroguh superindentn and the job sotpped. So they do know how to call. Would have hurt ubisness.

Working against the flower peddlers out there…illegal flower peddlers for mothers day..

Yelena Brighton Beach

It got crated before I came to the US, so it was created…not by the busiensses even by the

But business property owners, ok? So they were working on it for a few yars ago, and finally ti was established in 1987. So why did they decide to put the BID togehte,r I cannot tell you for sure, but form talking to some people who were spart of the initiative then, ti can tell you they were looking for additional services and marketing. And also it corresponds to the history of Brighton beach. Long time ago, long long time ago, more than..you know, 100 years ago, it was predominatnly jewish area, with jewish immigrants from eastern Europe. You can find something about this immigration through ellis island and the LES, but lots of people coming from russsia Poland other countires and many settled in brighton beah. It was additional way because at the end of 1940s because of Nazis..many people came..but in the 60s brighton became completely different. Some people passed away, children grew up and moved out of brighton, so end of 60s beginning to 70s actually a lto of empty stair fronts, some gangs, and so on…and end of 70s new wave of Russian speaking immigrants came, and also settled in brighton. And end of 70s beginning of 80s…started new life as Russian capital of US…so I do believe that even though the BID was establisedh in 1986 but what I was told they were working on it and papwerok woor for quite some time. So I understand they were looking for other services like sanitation, security, holiday lightsn and marketing. That is why we have one of oldest BIDs in the city.

I can’t promote one standalone business, but we can promote Brighton at large by placing ads in diff newspapers, daily news explored Brooklyn ,we took ads, we publish brochures,

It’s 15 blocks shopping stretch, food store, furniture sotre..we do provide additional snatiaont and servies. W also deal with 90 percent of business owenrs or even more are immigrants but not only Russian, paktianti, Korean chinese etc..so we included in our day to day operation an educational component, because its kind of hard to navigate the city. We also do marketing, we do holiday lighting, and I am not spending 100 percent of my time in my office, I’m spendting 35-40% of my time outside, helping businesses to apply for licenense, deal with fines nd on and on. And what I believe …suche organizations unite businesses. When it comes to revenue and comes to marketing each business is on its won, but I do think we are helping business, by promoting birghton as the area, we bring tourstsi, some seasons we have more ,some seasons we have less. Between april and October I work with several travel angeies, some of them out of state, and we have eaver 50 60 buses coming to brighten.

I do believe that regardless of many programs that are open for small busineses, but there is a big difff between the definitions of small bsienss that you can find on SB admin and reality because most of the ubesiness in our area are microbusinesses, and because they are micro busineses, many of them are not eligible for many programs, and they do rely on us to find something for them. but its also a problem for infrastructure, especially after Sandy. It’s too painful ..the biggest… but I still beleivei tis not aenough atnetion, not enough funds being allocated to help microbusinesses.

We are not funded by the city, we are funded through the city..a special assemsent and a property tax collcted by the city..so our budget is conted by the storefront. Certain amount of money is being charged. We hae a small budget…is it enough, not really, depends what we want to do. If I asked for increase it would be granted by city council, but I don’t feel comfortable tasking for that, because this assesement in most part is part of each and every lease for each of the businesses, and I would not say the buesinese are fine today, prices, economy..i don’t feel comfortable to put extera burden on the business.

We have an annual meeting and business sowners and property owners…last time we asked for an increase, we have board of directors…board of directors ..when people get letters specially htose micro businesss, and many of htose pay by cash, and many of them do not even pay attention to those letters. When 5 years ago we had no choice but to increase our budget due to price jump in snaitaiton servies. I spoke to businesses, I asked the analyst of the dept of sbs to give me the average number, how much it will be, it was just pennies, but still I spoke to business, but yb law we just have to notify the Bid membmers.

The difference is..i would not say we are spotlessly clean, but it’s a very busy avnue, a lot of foot traffic, it’s much cleaner. It’s…I believe that businesses are getting much more help and much more educated when it comes to the regulations, when I see new business coming in I speak to the owner right away and tell them what should be done in order not to get fines…store policies,how to post prices, what they can do and what they cant do without license or without permit and I do believe by doing so I’m saving a lot of money for businesses…

Not so much turnover…depends outside the BID area…I don’t see what I close to sheepshead bay…mostly busineses owned by Pakistani community, honeslty I cant tell you about turnover, because if it is a halal meat store and says new management, its still a halal meat store.

They cannot, we have our boundaries…it’s not only organization based on membership.

Its geographical if youre not in boundaries you cant be a BID member. But its not a membership organization.

When people bought commercial buildings they were already part of the BID so how do they feel – I don’t know. People might count money. It should be an initiative from a local council member and merchant groups..there was some talk yeares ago about connectin brighton and sheepsehad bay..and I know they tried to do something on avenue U and sheepehesad idd not want to…people who do not understand the benefits they get..and its kind of hard to explain to people outside of this area what and why they are paying extra money, especialy now when each and everyone one is compliaingin about high property taxes. People don’t know what tis about, tis hard to explain, and it depends, for example, corner prorpety pays more, because hteir footage is bigger. And when you speak some people ..eextra 1000 a year, people say why do I have to pay an extra 1000s a year how do I benefit, and you tlel people you will clean the street, you will do that, sometimes its hard. Sometimes in this part of brookly, south boroklyn, avenue u is the Chinatown in this part of Brooklyn, you are dealing with immigrants with a compeltley different mentality.

But once again, ti was not yesterday..and Chinatown bid in manhattan the clientele is a lot of tourists and for them its essential to have some kind of united marketing force and cleaning sanitation cservies, and if ou are talking about the same Chinatown in avenue U its mostly local services, health shops, restuarnts it’s not an area that somehow might attract tourists. They don’t see the use of certain services.

I believe a BID is good if it is run property. I do believe a BID brings a lot to the area by being not only entity providing santiation services ,and I can speak about my BID in NY , weare no only involved in a neighborhood, but we are ambassaodrs to many city angecies \*\*\* when it comes to mico business ores immigrant business I’m not sure that they are always capable to navigate these city cagencies on their onw. Sometimes I go to court to fight fines. Even though tis 15 bloks and im in my office from july 2002 believ me I know each and every business owner and who they are and what kind of problems the faced.

Little boutique where only 2 people and one sales person. Microbusiness is a food store, that serves low income , elderly clients,

Right…

To me all this talk…it depends. You cannot compare small bids like ours and grand central partnership, for example. We have different issues, we have… I am a one woman show, im the only employee, every summer I haea n intern from the local collegs, but only during the summer. We do not have a lot of corporate tenants, we do have banks and cellphone company storefronts, but the majority of our business are those small microsubsiness..so yes… I do not have budget I have subway on top of my head for 11 blocks , so I cannot do even if I want some kind of beautifuicaltion project ike flowers and on and on..so my main role to make sure birghton is clean…I would say to finally get cities to pave the streets, now I have to make the city to pave the avenue, because roads were in a terrible condition after sandy, I deal with DOT when I need stores to clean…but you compare little 2 bedroom apt with a big castle. It depends.I don’t know what other …im a one woman show, I don’t rely on any one or middle man, such as SBS, even though they are doing tremendous job, they are helping BIDs a lot,… I am working on my own. I see as Itold you, the BID test is part of each and every lease, commercial tenant, so I see my roel is advocate for businesses, so this is why I don’t understand such sentimetns that this is going to be harder fo businesses to survive. Youre going to be getting certain cervices, you are going to be bgetting marketing, youre going to hae osmeonebody in the office every time you have a problem. I know about at least 70 percent of each and every ticket people get.

I used to go to many meetings…Business solution center, great idea, job training, technical assistance..i used to go to meetings, I sued to go to presentations, I don’t go anymore…I do what I can do. I see my roel differently. I got phone calls a few months agao from someone in philly region ,they were talking about establishing a Bid and the young gentlemen called and was complaining that people were not jumping up and down about it…I said listen…the area he was talking about is also immigrant area. I said liestne poepl are not going to jump up and donw unless they know what kinds of benefits they will get. After sandy – we have small budget – the garbage is begint taken care of by private companies…and people saw so many bags outside because of problems, because of debris…they wanted more money…ti got call, we were able to make a deal and pay them so the business did not have to.

I understand it is peantus, but still. when you lose merch and equipmetns for 100s of htousdnads of dolllars, if someone is helping you with the pay for 3,,00 4,000 dollars its good. If you get at icket and you have someone to come with you that is not a lwyer that you have to pya. Thatis what I do.