

# CONEY ISLAND



# BUSINESS IMPROVEMENT DISTRICT (BID) PLAN





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# Letter

**LETTER FROM  
CONEY ISLAND BID FORMATION  
STEERING COMMITTEE**

Dear Coney Island Neighbor:

We, the Coney Island Business Improvement District (BID) Steering Committee, are a diverse group of long-time local property owners, business owners, residents, and community members with decades of shared history investing in and advocating for the Coney Island neighborhood. **We are seeking your support for a BID for Coney Island's commercial corridors along Mermaid and Surf Avenues.** This proposal is the outcome of over a year of stakeholder engagement and thoughtful deliberation, and represents our shared vision for a cleaner, safer, more vibrant neighborhood.

Coney Island faces a unique set of challenges, including dirty sidewalks and streets, unlicensed vending, illegal dumping, infrastructure deficiencies, economic disparities, and seasonal fluctuations in tourism. Through the establishment of a BID, we have the potential to address these challenges proactively by implementing targeted initiatives aimed at enhancing safety, cleanliness, marketing, and overall infrastructure within the district.

Conversations about a Coney Island BID date as far back as 2017<sup>1</sup>. However, emerging from COVID, with businesses struggling and City funding for neighborhood services in rapid decline, the need for a BID became increasingly apparent. A Coney Island BID will focus on delivering resources in an efficient, equitable manner, and will prioritize preserving the quality and character of the neighborhood for those who are here year round. The establishment of a BID signifies a commitment to local governance and grassroots revitalization efforts.

As community members who have been actively engaged in the betterment of the neighborhood for many years, we believe that forming a BID is a necessary next step for Coney Island, as it offers a sustainable revenue stream to support much needed services for years to come.

We understand that you may have questions about this proposal, including what services the BID will provide, what it may cost you, and how you can potentially be involved. Answers to these questions can be found at [coneyislandbid.org](http://coneyislandbid.org), and if you have additional questions we encourage you to email us at [info@ConeyIslandBID.org](mailto:info@ConeyIslandBID.org).

We are confident that, together, we can unlock the full potential of our vibrant neighborhood and create a brighter future for generations to come. We sincerely hope that you will join us in supporting this proposal for a Coney Island BID.

**The Coney Island BID Formation Steering Committee**

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<sup>1</sup> NYC SBS Neighborhood 360 Commercial District Needs Assessment (CDNA) - Coney Island  
<https://www.nyc.gov/assets/sbs/downloads/pdf/neighborhoods/n360-cdna-coney-island.pdf>



### **Coney Island Business Improvement District (BID) Steering Committee**

Allen Newman, Safehold (Co-Chair)  
Sam Moore, Coney Island YMCA (Co-Chair)  
George Dove, Mermaid Avenue Business and Property Owner  
Dick Zigun, Coney Island Resident, Business Owner, and Community Activist  
Steve Cohen, Brooklyn Cyclones  
Dennis Vourderis, Deno's Wonder Wheel Amusement Park

James Fitzsimmons, Coney Island USA  
Anne Dove, Mermaid Avenue Business and Property Owner  
Michael Weiss, Red Apple Group  
Maya Haddad Miller, Brooklyn Beach Shop  
Casey Eichner, BFC Partners  
Michael Russo, Gargiulo's Restaurant  
Craig Piper, New York Aquarium  
Eddie Mark, Community Board 13

### **Advisor**

Leslie I. Velazquez, NYC Department of Small Business Services, Director of BID Development & Legislation

# **Executive Summary**

# Coney Island Business Improvement District (BID) Plan: A Shared Vision for Progress

The Coney Island BID proposal represents a collective vision for the neighborhood's commercial corridors, shaped through comprehensive stakeholder engagement. The BID will address the unique challenges and demands of the area by providing supplemental services and district resources, delivered in an efficient and equitable manner.

## Key Objectives:

**1. Informed Solutions:** Shaped by insights derived from district needs surveys, the proposed BID for Coney Island has been deliberately designed to address specific challenges, fostering a cleaner, safer, and more vibrant neighborhood.

**2. Community-Driven Governance:** Rooted in years of local advocacy, the Coney Island BID will emphasize a commitment to local governance and grassroots revitalization. It aims to preserve the neighborhood's quality and character, especially for year-round residents.

**3. Post-COVID Resilience:** The proposal responds to the evolving post-COVID landscape, acknowledging the economic struggles of businesses and the decline in City funding for essential neighborhood services. A BID offers a sustainable revenue stream, ensuring vital services for years to come.

## 4. Engagement and Transparency:

Open communication channels, transparency, and insights from the surveys are integral to building a collective understanding and support for this initiative.

Additional details about the proposed BID, including services, costs, and involvement opportunities, are available at [coneyislandbid.org](http://coneyislandbid.org).

For questions, email us at [info@ConeyIslandBID.org](mailto:info@ConeyIslandBID.org)

## BID Formation:

As active contributors to the neighborhood's betterment, the Steering Committee sees the establishment of a BID as the necessary next step, offering a pathway to address the identified challenges, unlocking the full potential of Coney Island.

## Call to Action:

With your support, we believe that our proposal for a Coney Island BID has the resources and capacity to significantly improve the quality of life in Coney Island, benefiting the entire community.

**Visit [coneyislandbid.org](http://coneyislandbid.org) to learn more and join us in endorsing the proposal for a Coney Island BID.**

# What is a BID?



A **Business Improvement District (BID)** is a geographical area where local stakeholders oversee and fund the maintenance, improvement, and promotion of their commercial district.

BIDs are public-private entities defined by two essential parts:

#### **Geographic boundaries (BID)**

- Individual tax lots that contribute to an assessment

#### **District Management Association (DMA)**

- Nonprofit organization composed of a board of directors of at least 13 members who oversee the operations of the BID.

Working with the City and community, BIDs serve as a powerful voice for their districts. BIDs invest significant funding back into the commercial district and take on responsibilities that would usually be expected of individual merchants.

## **Advantages of a BID**

- Cleaner, safer, and more attractive business district for all stakeholders
- Reliable funding source for supplemental services and programs
- Quick response to changing needs of the business community
- Increased value for stakeholders in the district

## **What do BIDs do?**

BIDs offer a variety of supplemental services, depending on the conditions and needs of their districts.

The services provided by BIDs are in addition to existing services provided by the City.

**BID services do not replace those provided by the City, and the City does not reduce services because of BID formation.**

**What services  
would the CONEY  
ISLAND BID  
provide?**

The CONEY ISLAND BID will provide a comprehensive range of services, including a dedicated team overseeing day-to-day operations and initiatives:

### **SMALL BUSINESS SUPPORT & ADVOCACY**

Neighborhood advocacy is one of the most critical services a BID can provide. BIDs can collect and use data to highlight local challenges and issues. The BID serves as a central and amplified commercial district voice, ensuring small business concerns are heard and addressed by policy makers. BIDs also provide one on one technical assistance to business owners, helping businesses access financial resources and avoid costly fines.

### **SUPPLEMENTAL SANITATION**

A Coney Island BID will offer additional sanitation services to ensure storefronts remain free of debris, and keep sidewalks clean and unobstructed for pedestrians. The BID sanitation program will include **sidewalk sweeping, bagging of trash, power washing, clearing snow at crosswalks, and graffiti removal.**

### **PUBLIC SAFETY**

A Coney Island BID will implement programs to increase safety and security for district businesses, residents, and visitors. Services may include **neighborhood patrol, security cameras, additional lighting, joint initiatives with the NYPD, pedestrian traffic management, and advocacy to reduce unlicensed vendors.**

### **STREETSCAPE & BEAUTIFICATION**

A Coney Island BID will enhance the aesthetics of public space. Streetscape improvements will include **seasonal**

**plantings, tree pit maintenance, distinctive street lighting, public art installations, banners, and holiday lighting.**



### **MARKETING & PROMOTIONS**

Marketing and Promotions strategies will be geared towards enhancing overall visitorship, boosting tourism, and elevating the recognition of the Coney Island brand. These activities will include the creation of district maps and guides, localized branding initiatives, Citywide tourism initiatives, and campaigns promoting the ethos of supporting local businesses.

### **COMMUNITY EVENTS**

Free year-round public programming will be a staple of a Coney Island BID's offerings. This will include fireworks on summer weekends, Flicks on the Beach, the Polar Bear Plunge, Sand Sculpting Contest, Halloween Parade, and more!

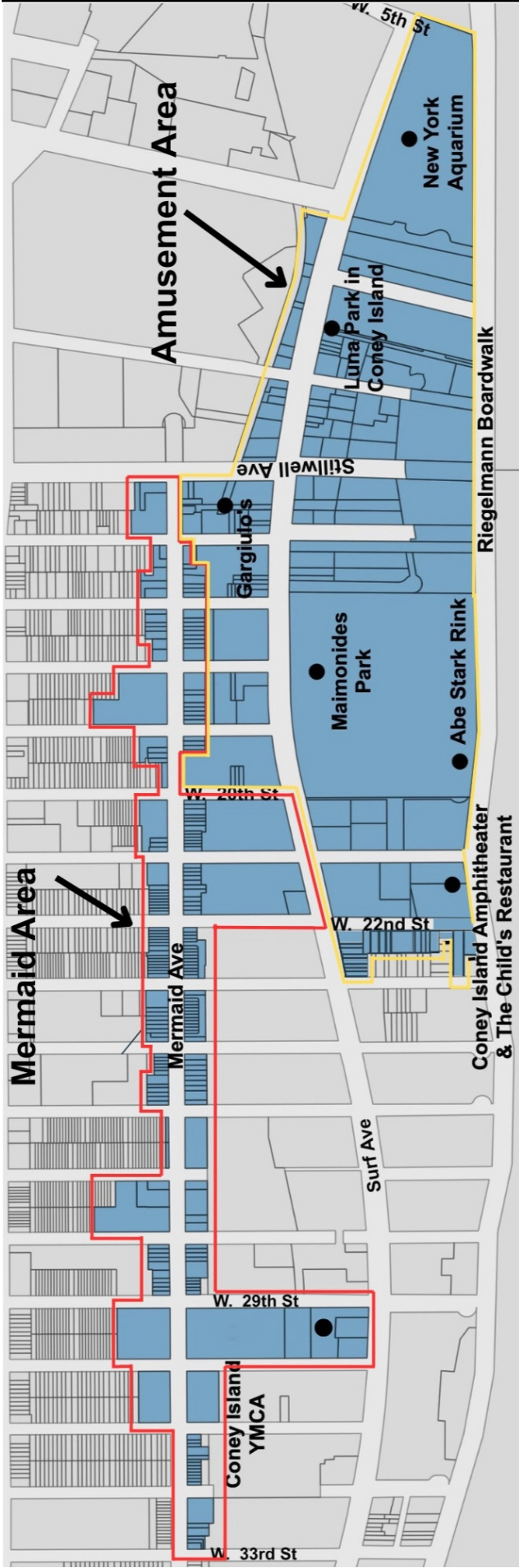
### **WORKFORCE DEVELOPMENT**

A Coney Island BID will actively contribute to the growth and prosperity of the local community by promoting workforce development initiatives, which will enhance the skills and opportunities available to individuals within the district, fostering economic empowerment. Workforce development efforts may include job training programs, career counseling services, and partnerships with local businesses to help connect local residents with jobs within their Coney Island communities.

**20,159**

LINEAR FEET SERVICES

# **Boundaries of Proposed BID**



**BOUNDARIES OF PROPOSED DISTRICT**

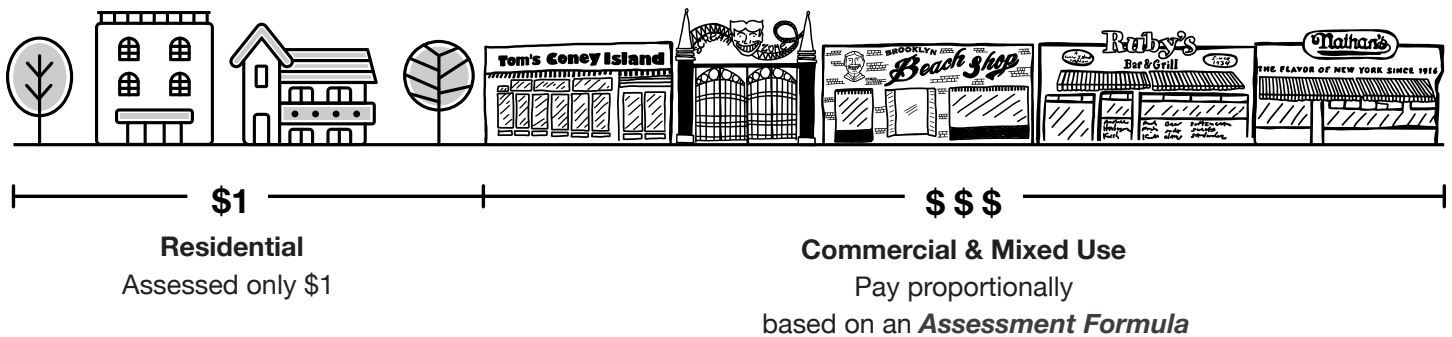
**“Amusement Area”:**

- all properties bounded by the Reigelmann Boardwalk, Surf Avenue, W 5th, and W22nd
- all properties touching W22nd, and all properties touching the South side of Surf Ave between W22nd and W23rd
- all properties with frontage on the North side of Surf Avenue from W. 20th – W. 8th street
- all properties bounded by Surf Avenue, Mermaid Avenue, W.20th, and Stillwell Avenue, minus any properties with frontage on Mermaid, unless also having frontage on Surf Ave.

**“Mermaid Area”:**

- all properties on the South side of Mermaid Avenue with frontage on Mermaid Avenue, from W.33 – Stillwell
- all properties on the North side of Mermaid Avenue with frontage on Mermaid Avenue, from W.31 – Stillwell
- all property bounded by Surf Avenue, Mermaid Avenue, W.29th, and W.30th.

# How are BID's Funded?



**BID's are funded through a special assessment that is collected from the properties within their boundaries.**

It is important to note how different property types are typically assessed. While **Residential properties contribute a flat rate of \$1**, Commercial & Mixed-Use properties are assessed based on an Assessment Formula unique to the BID.

The NYC Department of Finance (DOF) bills and collects the assessment fee from the properties in the BID. **The BID assessment is listed as a separate line item on each individual property tax bill.** The assessment rate is subject to annual variations, determined by the upcoming annual budget. However, **the rate will not exceed the maximum rate listed on the ballot.**

After collection, DOF fully disburses the total assessment to the BID.

Like other nonprofits, BID staff can raise additional revenue to pay for supplementary programs and services for businesses in their commercial district.

Across the NYC BID network, approximately 80% of BID funding comes from assessment fees, and 20% of revenue comes from external sources<sup>2</sup>. External revenue sources may include fundraising from events or private donations; program service revenue from advertising or concessions; and philanthropic or government grants.

<sup>2</sup> NYC SBS Comprehensive Guide to BID Formation and Expansion

## Annual BID Budget

The Steering Committee proposes a maximum assessment budget of \$1,400,000 annually. If implemented, the Board of Directors would determine the assessment budget and it could be set lower, however, not to exceed the above maximum. The BID board is expected to implement an initial budget at \$1,000,000, with the intention to maintain this funding level as long as is reasonable through fundraising and diligent fiscal management.

*\*Any proposed increase undergoes a legislative process, necessitating approval from the NYC Department of Small Business Services and the New York City Council.*

**\$1.0M**

FORECASTED BID BUDGET - YR 1

↳ **\$3,028.11**

CLASS A MEDIAN ASSESSMENT RATE

↳ **\$967.92**

CLASS B MEDIAN ASSESSMENT RATE

**\$1.4M**

MAXIMUM BID BUDGET\*

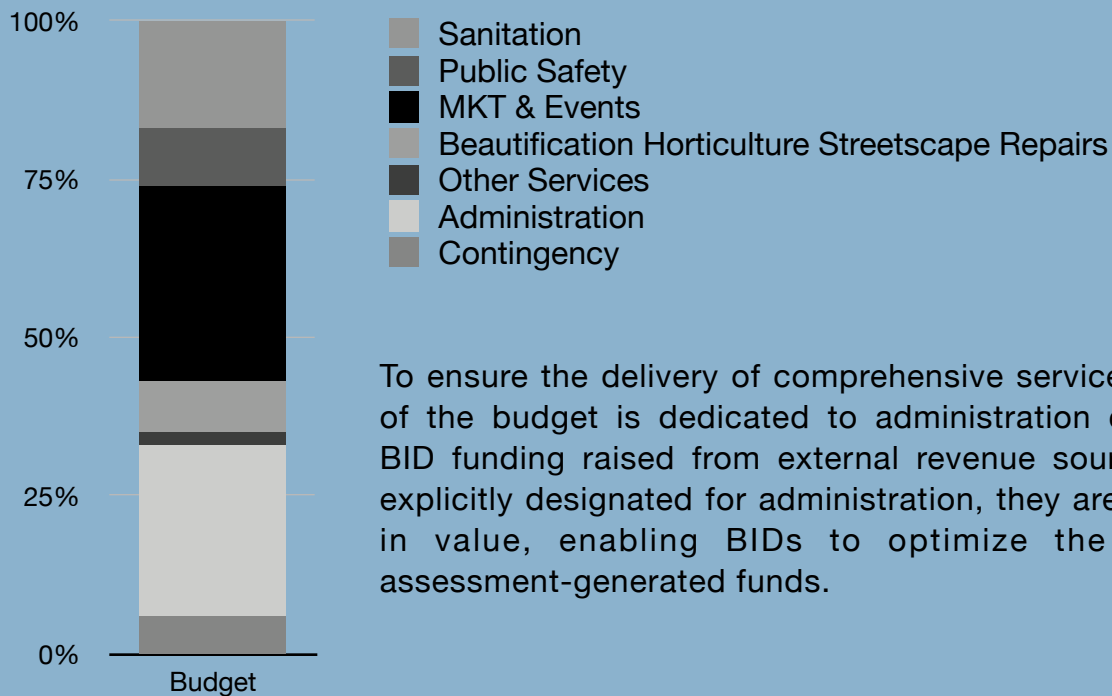
↳ **\$3,974.02**

CLASS A MEDIAN ASSESSMENT RATE

↳ **\$1,302.75**

CLASS B MEDIAN ASSESSMENT RATE

CLASS A Median Lot Size; 5,650 Sq Ft.  
 CLASS B Median Lot Size; 2,000 Sq Ft  
 CLASS A & B Maximum Lot Square Foot Rate \$0.5263744  
 (listed as \$0.53 when rounded on the ballot)



To ensure the delivery of comprehensive services, a portion of the budget is dedicated to administration costs. While BID funding raised from external revenue sources are not explicitly designated for administration, they are often close in value, enabling BIDs to optimize the impact of assessment-generated funds.

## Annual BID Assessment Formula

The committee has developed a formula to determine how the total assessment will be distributed across properties within the district boundaries.

**Annual Assessment Rate** for Commercial properties are to be based primarily on the applicable property's **Lot Area**; [or in the case of Class A.1: Amusement Area mixed use properties and Amusement Area properties with above ground floor commercial uses, the applicable property's **Commercial Square Footage**.]

All data used in Assessment Formulas is publicly available through the new **Department of Finance Property Information Portal (PIP)**: <https://www.nyc.gov/site/finance/property/property-digital-tax-map.page>

→ **Lot Area (a.k.a. "Land Area")**: refers to the entire area of the tax lot, including unbuilt space.

→ **Commercial Square Foot (CSF) (a.k.a. "Commercial Area")**: refers to the area of all built commercial space within the tax lot.

*If you need further clarification or assistance calculating your maximum BID assessment, please email us at [info@ConeyIslandBID.org](mailto:info@ConeyIslandBID.org)*

BID Property Class	Property Owner Description	Base Fee	Annual Assessment Rate*
<b>Class A</b>	Amusement Area lots with ground-floor commercial, parking lots, and vacant lots. Includes NYC-owned property with a commercial lease.	\$1000	<b>= Lot Square Foot rate + Base Fee</b> Approximately \$.53 per square foot of <b>Lot Area</b> + \$1000 Base Fee
<b>Class A.1</b>	Amusement Area mixed use properties, or any property in the Amusement Area with above ground commercial use. Includes NYC-owned property with a commercial lease.	\$1000	<b>= CSF rate + Base Fee</b> Approximately \$.53 per <b>Commercial Square Foot (CSF)</b> + \$1000 Base Fee
<b>Class A.2</b>	Amusement Area commercial lots over 90,000 square feet with no above ground commercial use.	\$4000	<b>= Lot Square Foot rate + Base Fee</b> Approximately \$.26 per square foot of <b>Lot Area</b> + \$4000 Base Fee
<b>Class B</b>	Mermaid Area commercial, mixed use, vacant, and parking lots.	\$250	<b>= Lot Square Foot rate + Base Fee</b> Approximately \$.53 per square foot of <b>Lot Area</b> + \$250 Base Fee
<b>Class C</b>	Residential	\$0	\$1
<b>Class D</b>	Government/Nonprofit. Includes City owned property with a commercial license.	\$0	\$0
<b>Class D.1</b>	Contributing Nonprofit	\$250	<b>= Lot Square Foot rate + Base Fee</b> Approximately \$.05 per square foot of <b>Lot Area</b> + \$250 Base Fee

\*The rate displayed on the ballot represents the maximum Annual Assessment Rate. Rates may undergo annual adjustments determined by the budget, yet they are restricted from exceeding the maximum specified on the Ballot.



# How to Calculate Your Maximum Annual BID Assessment

Calculating your Business Improvement District (BID) assessment is a straightforward process. Follow these step-by-step instructions based on your property class:

## Step 1: Identify Your Property Class:

- Determine the classification of your property as Class A, A.1, A.2, B, C, D, or D.1. *If you are unsure about your property class, please email us at [info@ConeyIslandBID.org](mailto:info@ConeyIslandBID.org)*

## Step 2: Follow the guidelines for your property's Class:

**Class A** (Amusement Area lots with ground-floor commercial, parking lots, and vacant lots):

- **Look Up Lot Area** (a.k.a. Land Area) on the [NYC Department of Finance \(DOF\) website](#).
- **Apply the Formula:**  
Assessment=(Lot Area×\$0.53)+\$1000

**Class A.1** (Amusement Area mixed-use properties, or any property in the Amusement Area with above-ground commercial use):

- **Look Up Commercial Square Footage (CSF)** (a.k.a. Commercial Area) on the [NYC Department of Finance \(DOF\) website](#).
- **Apply the Formula:**  
Assessment=(CSF×\$0.53)+\$1000

**Class A.2** (Amusement Area commercial lots over 90,000 square feet with no above-ground commercial use):

- **Look Up Lot Area** (a.k.a. Land Area) on the [NYC Department of Finance \(DOF\) website](#).
- **Apply the Formula:**  
Assessment=(Lot Area×\$0.26)+\$4000

**Class B** (Mermaid Area commercial, mixed-use, vacant, and parking lots):

- **Look Up Lot Area** (a.k.a. Land Area) on the [NYC Department of Finance \(DOF\) website](#).
- **Apply the Formula:**  
Assessment=(Lot Area×\$0.53)+\$250

**Class C** (Residential):

- Residential properties have a flat assessment fee of \$1.

**Class D** (Government/Nonprofit):

- Government and nonprofit properties have no BID assessment, with a fee of \$0.
- *Note: Class A, A.1 & A.2 include Amusement Area NYC owned properties with a commercial lease.*

**Class D.1** (Contributing Nonprofit):

- **Look Up Lot Area** (a.k.a. Land Area) on the [NYC Department of Finance \(DOF\) website](#).
- **Apply the Formula:**  
Assessment=(Lot Area×\$0.05)+\$250

**Who manages the  
BID?**

BIDs are managed by a nonprofit organization with a board of directors.

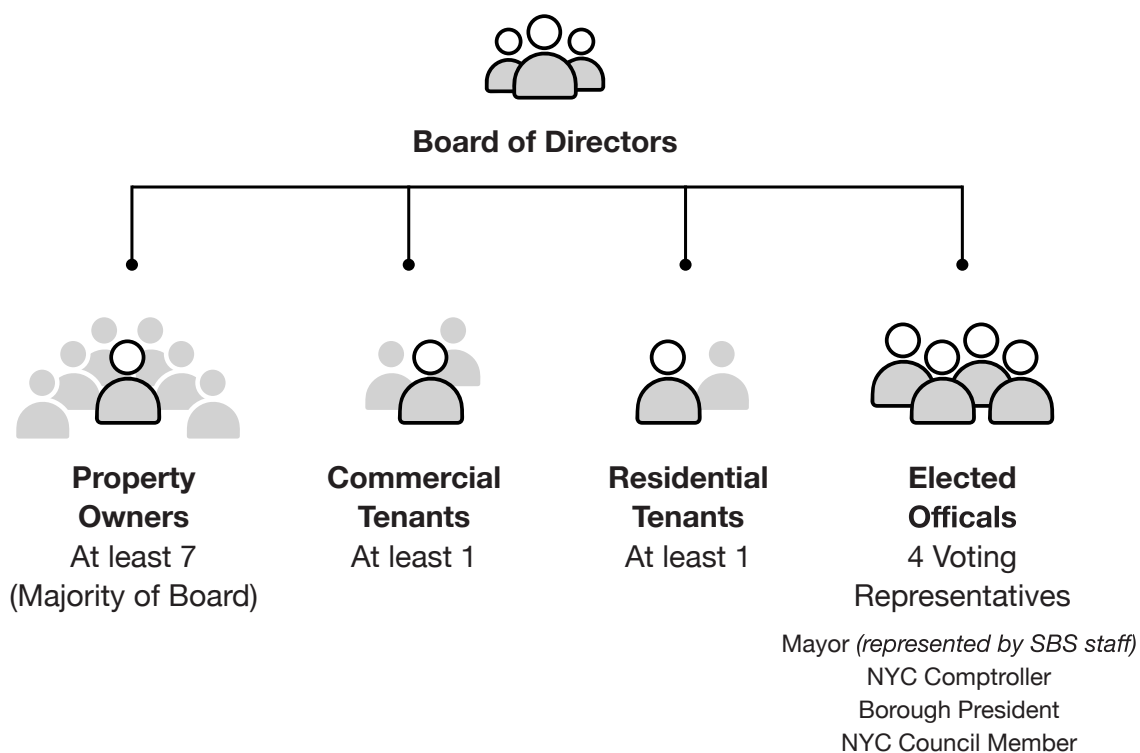
**By law, each board must have at least 13 members, and a majority of voting members must be property owners:**

- Seven must be property owners
- At least one must be a commercial tenant
- At least one must be a residential tenant
- Four are elected officials

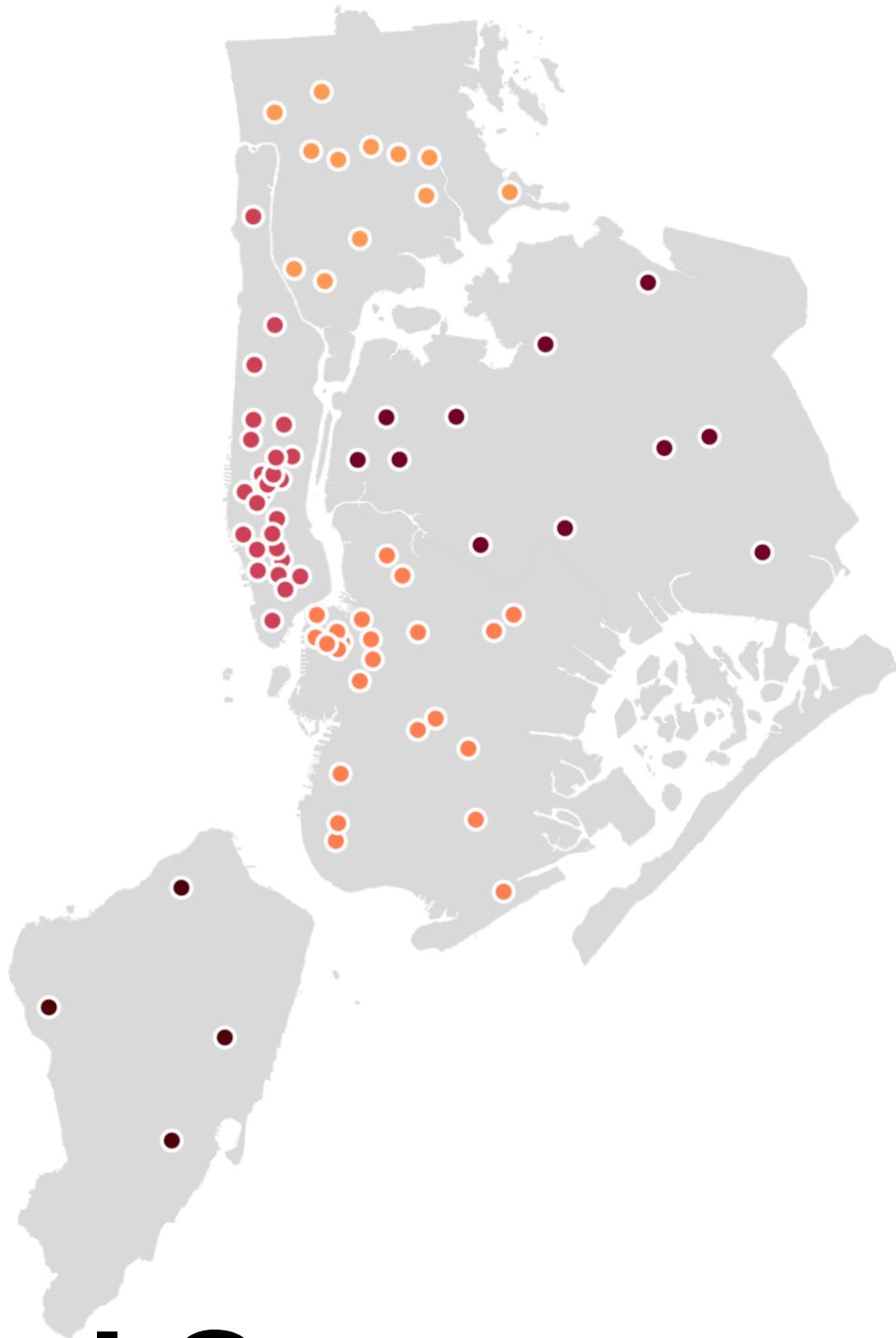
BID board members are elected by property owners and tenants from the district and have a fiduciary responsibility to the BID.

The board is also responsible for recruiting and overseeing the BID executive director, who manages the day-to-day BID operations.

Many BID boards also include non-voting members that may represent the Community Board or other local nonprofit organizations.



Credit: NYC SBS FY22 NYC BID Trends Report



# Local Success Stories

## BIDS in New York City

With a legacy spanning over 45 years, Business Improvement Districts (BIDs) have been instrumental and proven collaborators in continuous efforts for neighborhood revitalization and economic development throughout the five boroughs. These partnerships contribute to creating cleaner, safer, and more vibrant NYC neighborhoods. The city boasts the largest BID program in the nation, comprising over 70 unique, locally governed BIDs, including two nearby; **the Brighton Beach BID** (along Brighton Beach Ave) and **the Kings Highway BID** (along Kings Hwy from Ocean Ave to Ocean Pkwy). Each BID channels 100% of its assessment dollars directly back into its district, embodying its respective distinct character and priorities.

To learn more about NYC BID's, visit [nyc.gov/bids](http://nyc.gov/bids) or email [neighborhoods@sbs.nyc.gov](mailto:neighborhoods@sbs.nyc.gov)

**ELISSA OLIN**

Green in BKLYN

Myrtle Avenue BID Member



“

*The BID has been like having a business partner without actually having a business partner... They've helped me in nearly every aspect of building, sustaining & growing my business over 15 years. As a sole owner, it's been life changing to have the BID in my corner.*

“

**EVAN FRANCA**

Brooklyn Crepe + Juice

North Flatbush Avenue BID Member



“

**The BID helps keep our streets clean and engages with the local community to organize events. They also keep businesses informed on the City's regulatory changes and are a crucial support system that advocates on our behalf.**

“

# More FAQ's

## **Who will pay the BID assessment?**

A BID is funded by commercial property owners and commercial tenants within the BID geography. Residential property owners within the district will pay a token \$1.

Property owners are liable for paying the assessment, however, depending on the terms of a commercial tenant's individual lease, the tenant may be responsible for paying a portion or all of the assessment.

The City collects the BID payments and returns the money in its entirety to be used for the services and improvements.

## **How much will this cost me?**

The cost to each individual property is determined by the formula outlined on the BID ballot, and is a function of the property's lot size or commercial square footage, depending on the type of commercial property. To view the formula and determine what your property will pay, go to [page 16](#).

If you are unsure about your property class, or need further clarification or assistance calculating your maximum BID assessment, please email us at [info@ConeyIslandBID.org](mailto:info@ConeyIslandBID.org)

## **Why is an "assessment" different from a "tax"?**

A tax comes out of your pocket and goes to the government, who gets to decide how your money gets spent. With an assessment, the money you pay comes directly back to the Coney Island community, where it gets invested in the collective good of the commercial corridor.

## **Shouldn't the City pay for this?**

The BID provides supplemental services, which are higher level and more targeted to local conditions. By law, City services cannot be diminished because of the presence of a BID. In fact, BID advocacy often leads to increased and more responsive City services.

## **What do I get for my money?**

Flip to [page 7](#) for a list of BID services!

## **Who controls the funds?**

Decisions about budget, including how much gets billed each year, are made by a local [board of directors](#), elected by the BID membership. The ability to control funds at the hyper-local level means more flexibility in resource allocation from the exact people who know local conditions and can respond more quickly to issues and concerns. You have the opportunity to be an active participant in the BID, and control how the money is spent!

## **Why can't the Alliance provide these services?**

Since 2012, the Alliance for Coney Island has served a BID-like role in the neighborhood, cleaning the sidewalks, installing supplemental lighting and holiday

decorations, providing technical assistance and marketing support to local businesses, hosting events and programming that draw visitors, and much more, all for the greater benefit of the neighborhood. The Alliance has been extremely fortunate over the years to receive significant government funding to support these activities. However, much of this funding stream was tied to Sandy recovery, and will not continue indefinitely.

The formation of a Business Improvement District in Coney Island is a proposal to create a sustainable structure and mechanism for continuing and expanding upon the work of the Alliance for years to come.

### **Why a BID in Coney Island? Why Now?**

A BID offers a model that incorporates a sustainable revenue stream (funding) to support supplemental programming and services for our commercial corridors, including supplemental sanitation, events, collective marketing, holiday lights, and more. Grant funding is never guaranteed, and we need to find a model to sustain commercial revitalization services for years to come.

In the BID model, **every** property/business within a geography contributes – it's **not** optional.

New developments, including housing and additional commercial space, bring additional opportunities to the district. The fact that there has been a lot of recent investment in the neighborhood is a good indicator for neighborhood growth – developers are betting that people want to live and do business in Coney Island. A Coney Island BID would leverage the impact of this investment to provide the types of

services and events that the neighborhood needs, but would also ensure that the history and culture of the neighborhood is preserved.

### **What is the difference between the “maximum assessment” and the “annual BID budget”?**

The “maximum assessment” is the maximum amount that can be billed to properties within the geography. This number is generated with longevity in mind, with contingencies built in to account for cost increases in the future (inflation, cost of labor, etc). The board of a BID can, and very often does, choose to bill less than the maximum assessment, in the interest of not overburdening assessment payers.

When the BID is formed, the budget for each year is decided by a vote of the board. The amounts in different sub categories are not locked in, and the board can decide to move money around from year to year depending on need.

Additionally, BIDs are adept at leveraging assessment funding to generate supplemental revenue through grants and sponsorships. Any funds raised are additional revenue for the organization, above and beyond what gets billed for the assessment. On average about 20% of BIDs total budgets are generated through grants and sponsorship, and do not come from the assessment. That speaks to how BIDs use their administrative capacity to direct additional revenue to their commercial districts.

**How do I assure that my assessment won't increase each year beyond my control?**

A board of directors will control the BID budget each year, and decide how much gets billed to the properties within the BID boundaries. The board is elected by members of the BID – aka YOU – to represent you. The amount billed to properties in the district cannot exceed the maximum.

**Who gets to vote for the BID?**

Only stakeholders within the proposed district boundaries get to vote. "Stakeholders" are those that own or rent a mixed-use, parking, commercial or residential space in the determined geography. See map on ballot for tax lots in the geography.





**Works Cited**

1. NYC SBS Neighborhood 360 Commercial District Needs Assessment (CDNA) - Coney Island  
<https://www.nyc.gov/assets/sbs/downloads/pdf/neighborhoods/n360-cdna-coney-island.pdf>
2. NYC SBS Comprehensive Guide to BID Formation and Expansion  
<https://www.nyc.gov/assets/sbs/downloads/pdf/neighborhoods/bid-formation-expansion-guide.pdf>
3. NYC SBS FY22 NYC BID Trends Report  
<https://www.nyc.gov/assets/sbs/downloads/pdf/neighborhoods/fy22-bid-trends-report.pdf>