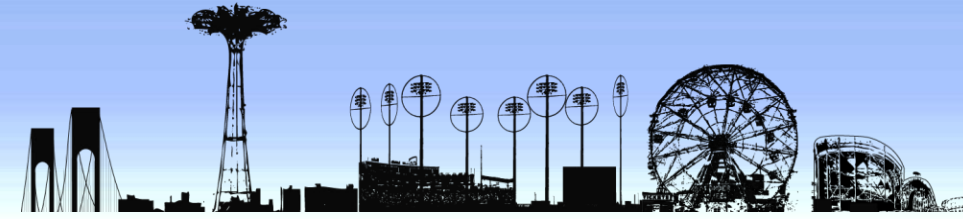




Proposed Coney Island Business Improvement District BID Planning Committee – Meeting # 4 February 14, 2018

BID Team



- Alliance For Coney Island



- NYC Department of Small Business Services



- Barbara J. Cohen – Real Estate & BID Consultant



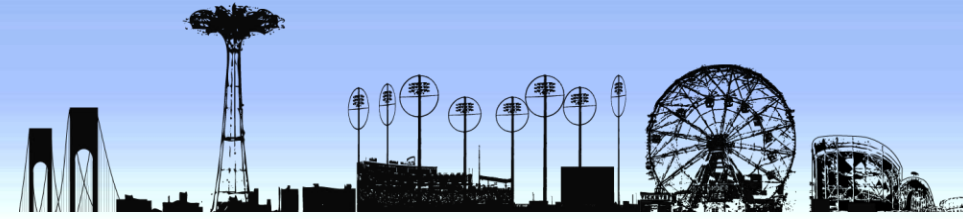
Barbara J. Cohen

Real Estate & Planning Consultant
PO Box 1285 • Murray Hill Station
New York, New York 10156

917.562.4290 • bjcohen@att.net

-
- NYS/NYC BID Law
 - NYC SBS Guide to BID Formation
 - Visit www.ConeyIslandBID.org for more information

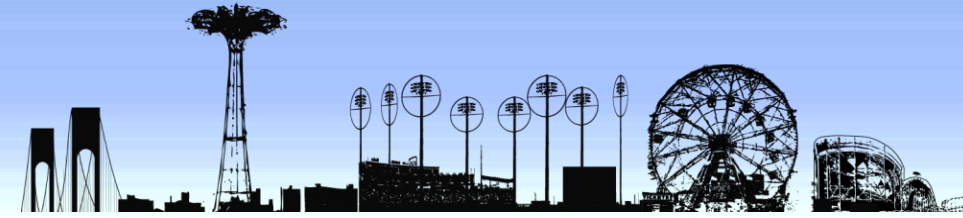
Agenda



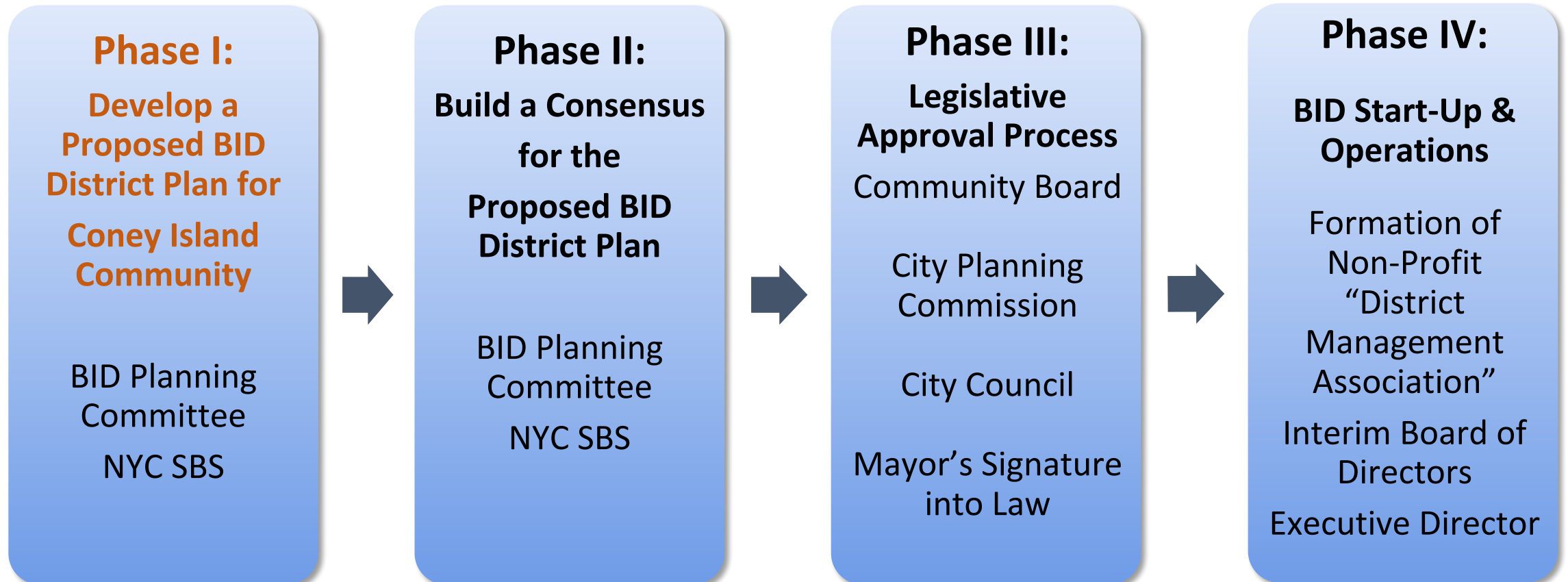
BID Planning Meeting # 4

- ❖ Updated Committee Services Survey Results
- ❖ Elements of BID District Plan
- ❖ Guidelines of BID Annual Budgets
- ❖ Developing BID Assessment Formula
- ❖ NYC BID Properties - Selected Examples

NYC Business Improvement District (BID) Formation

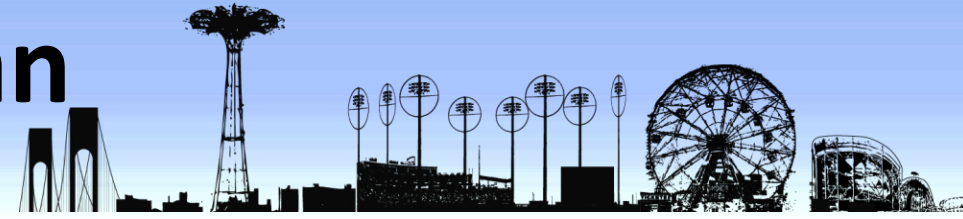


BID formation is a NYC legislative process that follows BID law and New York City guidelines



BID District Plan

Key Elements of BID District Plan



Coney Island BID District Plan

- Legal Document associated with the BID legislation, adopted by City Council, signed into law by the Mayor

➤ BID District Boundaries

➤ BID District Profile

➤ Services & Improvements

- District-Wide Services and Improvements
- Advocacy & Administration

➤ Annual BID Budget

➤ BID Assessment Formula and BID Property Classifications

CONEY ISLAND BID TARGET PROPERTIES



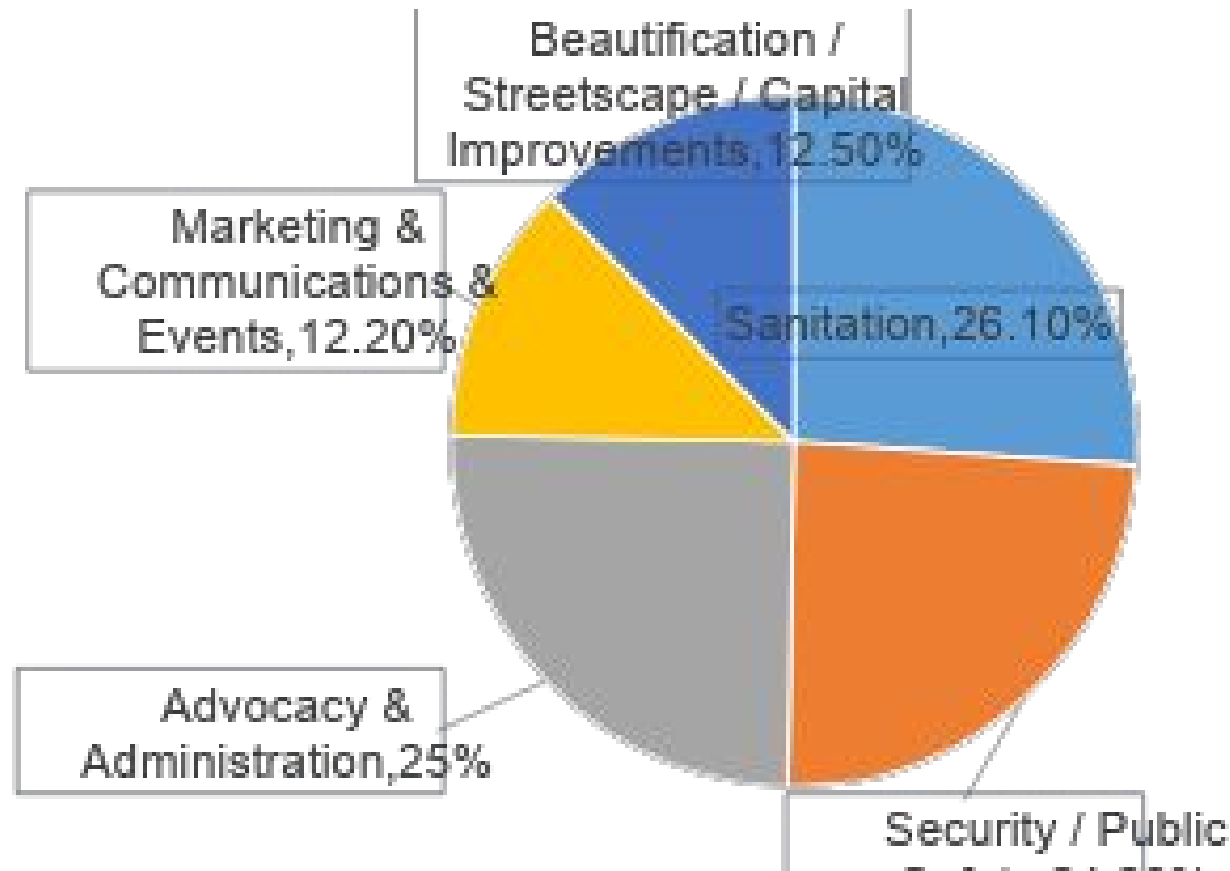
BID Planning Committee Survey Results

BID Services and Improvements by Area

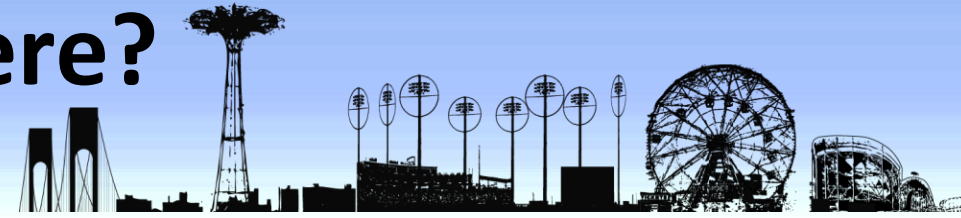
NYC BID Budgets & Services



- **BID budgets** reflect the specific needs of the community served as defined by the **District Plan** developed by the Planning Committee with consensus of support by prospective BID District members.
- **Existing BIDs** with budgets between **\$1.0 million - \$5.0 million** allocations (Avg. % of total budget; 2016 data)



Brainstorming: What Services, Where?



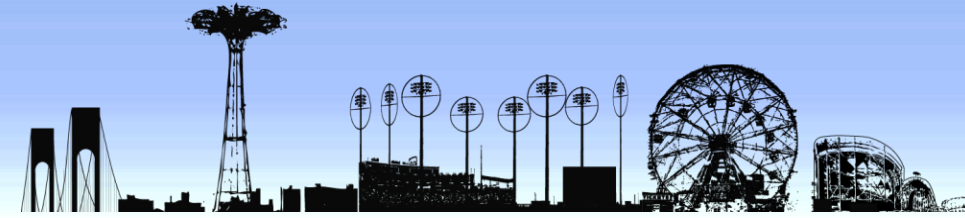
Proposed Coney Island BID Services & Improvements

Survey Results

Total Committee Respondents = 36

- Amusement Area
- Mermaid Avenue Retail (East and West)
- Cropsey | Neptune | Stillwell Avenue Industrial
- Neptune Avenue from Stillwell to West 5th Street

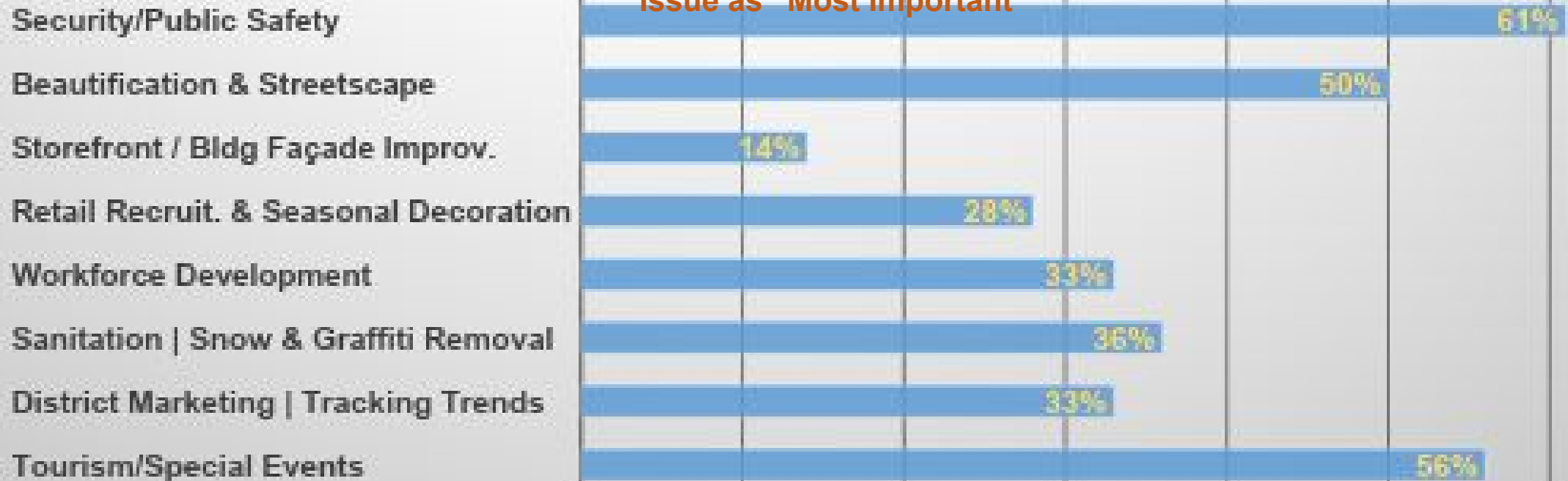
Amusement District



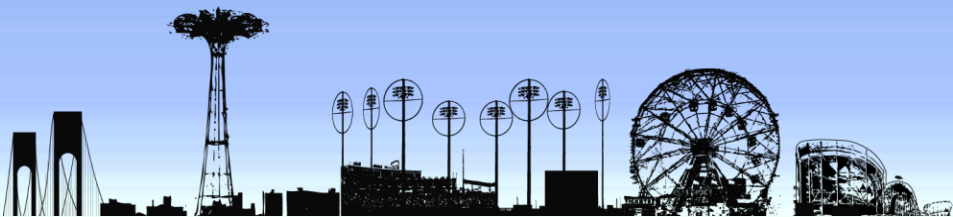
Total Respondents = 36

Amusement

% of Respondents Designating Issue as “Most Important”



Mermaid Avenue



Total Respondents = 36

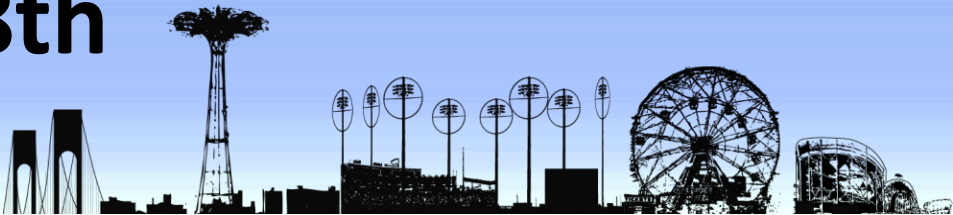
Mermaid Avenue

% of Respondents Designating
Issue as “Most Important”

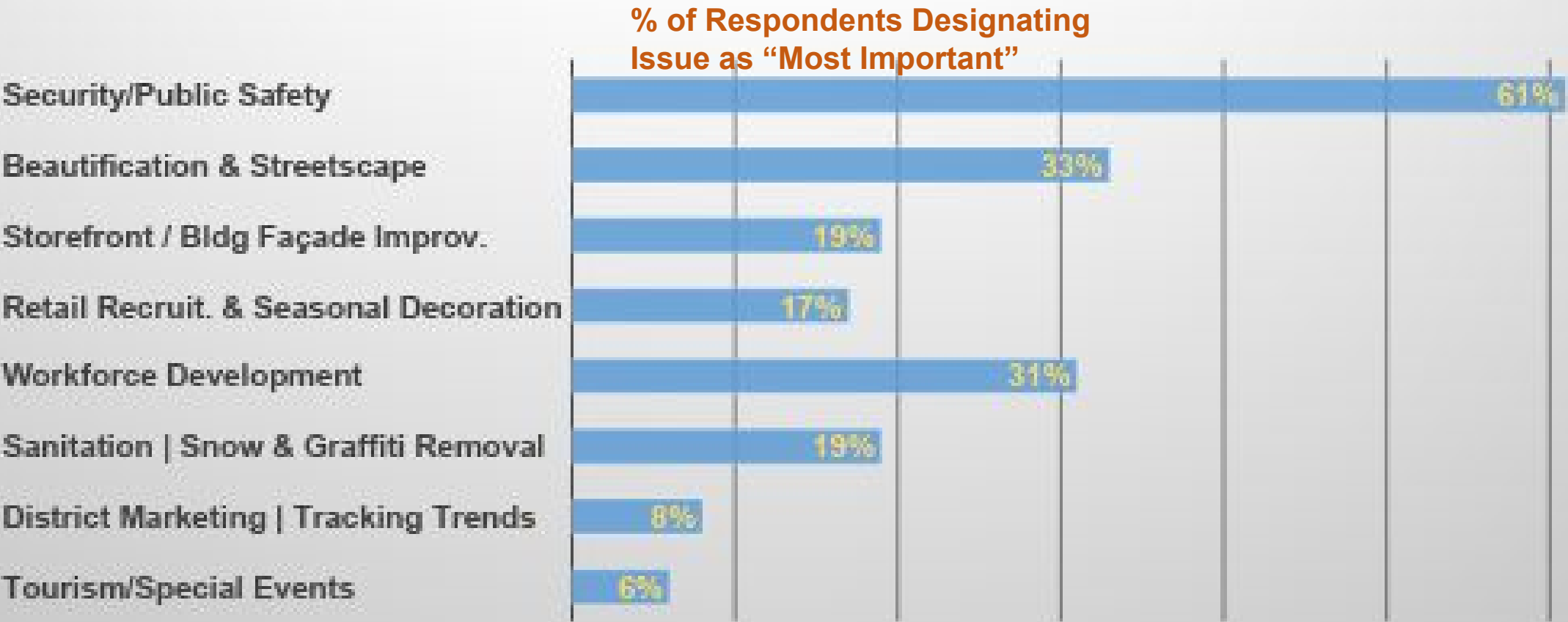


Neptune: Stillwell to W. 5th & W. 8th

Total Respondents = 36



Neptune: Stillwell to W. 5th & W. 8th

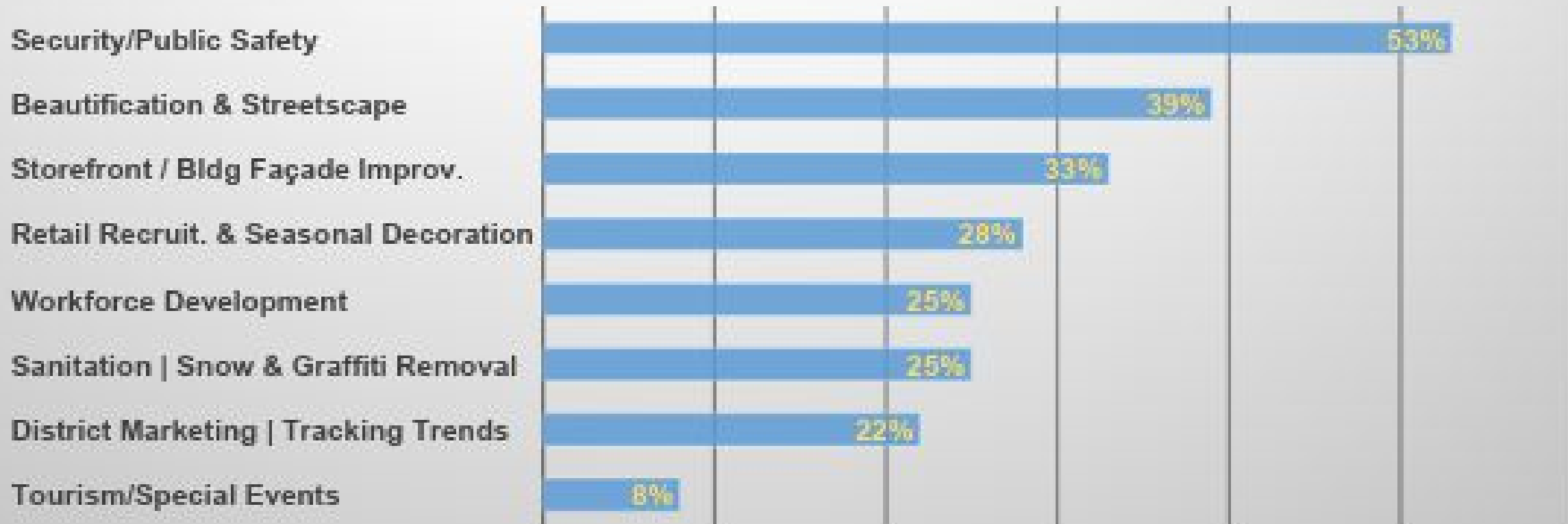


Cropsey – Neptune- Stillwell Industrial

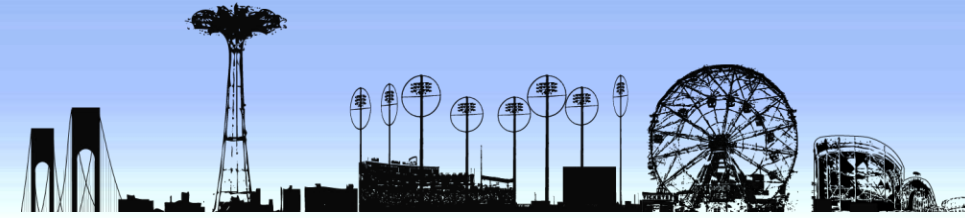


Total Respondents = 36

Cropsey – Neptune - Stillwell Industrial



Building an Annual BID Budget



Supplemental Sanitation



Example:

In 2017 Alliance for Coney Island had 8 months of supplemental sanitation on Mermaid Avenue with staff on the corridor 5 days a week from Stillwell Avenue to West 33rd Street.

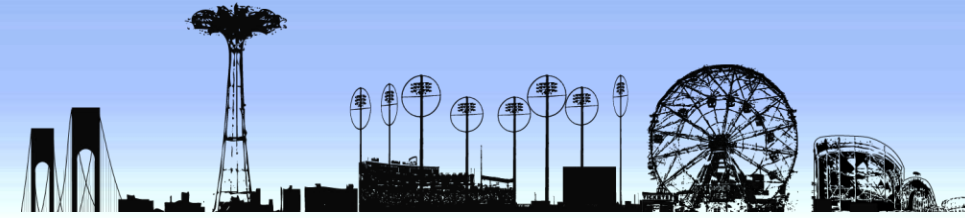
Cost:

~\$120,000 including 120 hours / week and 3 staff members + supplies

Funding Source:

Grant from Governor's Office for Storm Recovery

Building an Annual BID Budget

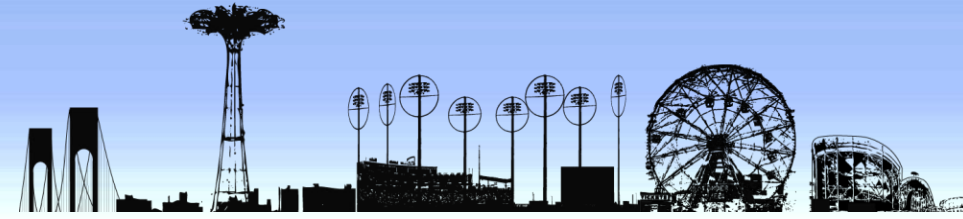


Vision Plan and Budget Priorities



Guidelines of BID Annual Budgets

Preliminary BID Budget



■ Key Highlights of a **First-Year Budget**:

- **BID Planning Committee's** role is to provide for First-Year Budget. District Plan describes *priorities*, not *specific solutions* to problems
- **BID Board of Directors** implements and adjusts services/programs annually as part of the budgeting process and to meet the changing needs of the area
- The **District Plan** provides flexibility to add **new** services and improvements to the initial First-Year budget
- The **maximum total annual BID budget** number is decided in the District Plan and is Fixed unless amended and approved by the City Council

Creating the BID Assessment Formula

Key Considerations

Creating the BID Assessment Formula

Key Considerations



OBJECTIVE: Equity is a key part of this conversation. The amount each **non-residential property** pays should be roughly proportional to the benefit (services & Improvements) the property will receive from the BID.

- **Define Property Classes:** Property classes should capture the range of different properties in an area. Examples could include, but are not limited to:
 - Commercial, Industrial, Mixed-Use, Vacant Land, Residential, Gov't, Nonprofit, Other Exempt.
- **Choose Assessment Formula Variables:** The assessment formula can include one variable, or a combination of variables. Examples could include, but are not limited to:

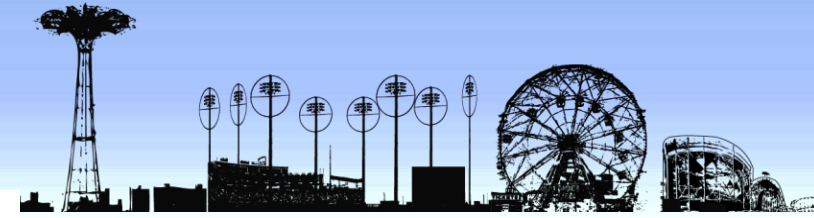
Assessed Value

Square Footage

Linear Feet

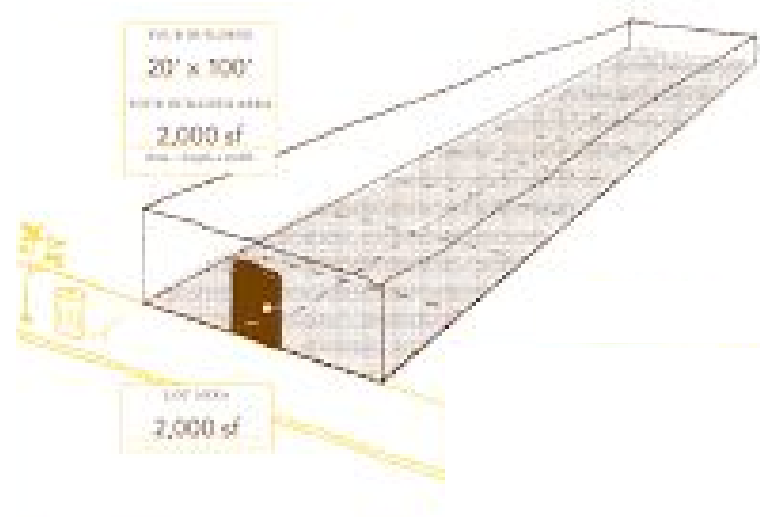
- BID Assessment Formula traditionally **applied to non-residential properties**
- BID Assessment Formula reflects both the community's objectives and property owners' tolerance to pay.

BID Assessment Formula Options

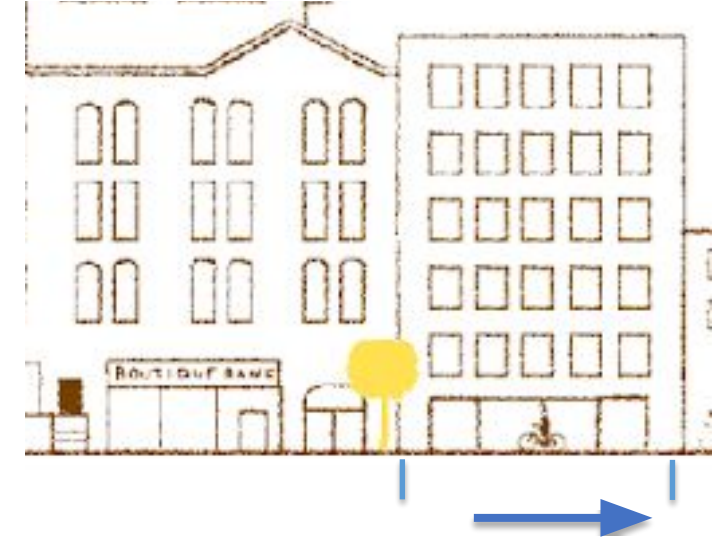


Assessed Value
Assigned to the
Property

Assessed Value



Square Footage
2,000 SF



Linear Feet

Linear feet of property: 25 feet

Variables used in creating the **BID Assessment formula** are:

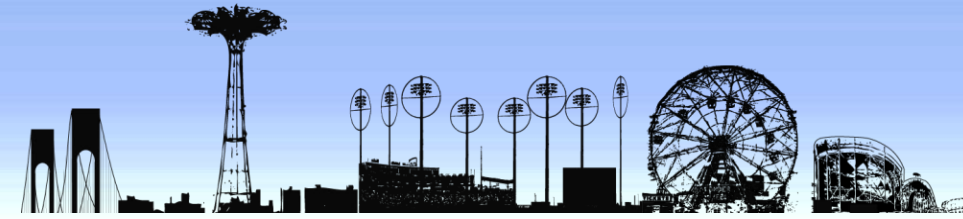
Assessed Value

Square Footage

Linear Feet

**Annual BID Payments
Property Examples for Existing
NYC BIDs**

Examples of BID Payments



Commercial Retail Property within Brighton Beach BID

Annual BID Budget = \$ 220,000



514 - 524 Brighton Beach Avenue

Property: 2 Bldgs., 5+ Tenants, 14,072 bldg. sf

- Ocean Wind & Liquor, Brighton Wear, NorthField Bank, Brighton Cosmetics, Kalinka Gifts, Second Flr Tenant(s)

Block 8689 Lot 36



BID Assessment Formula Variables:

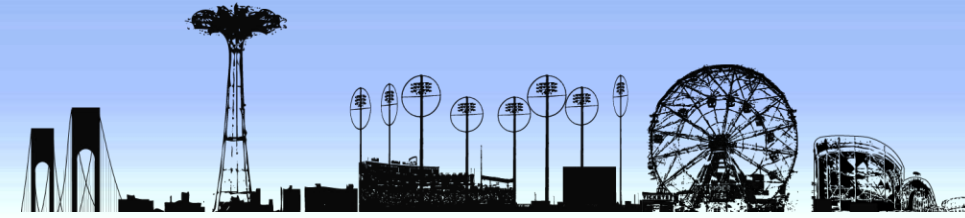
Prop. Class.: K2-Multi-Story Retail Bldg
Lot Frontage: 101 lin. Feet

Annual BID Payment = \$6,918

- Equivalent to: \$68.49 per Front Foot,
- Equivalent to: \$ 0.49 per square foot,
- BID Payment = Add'l 3% over R.E. taxes of \$223,460

514 - 524 Brighton Beach Avenue

Examples of BID Payments

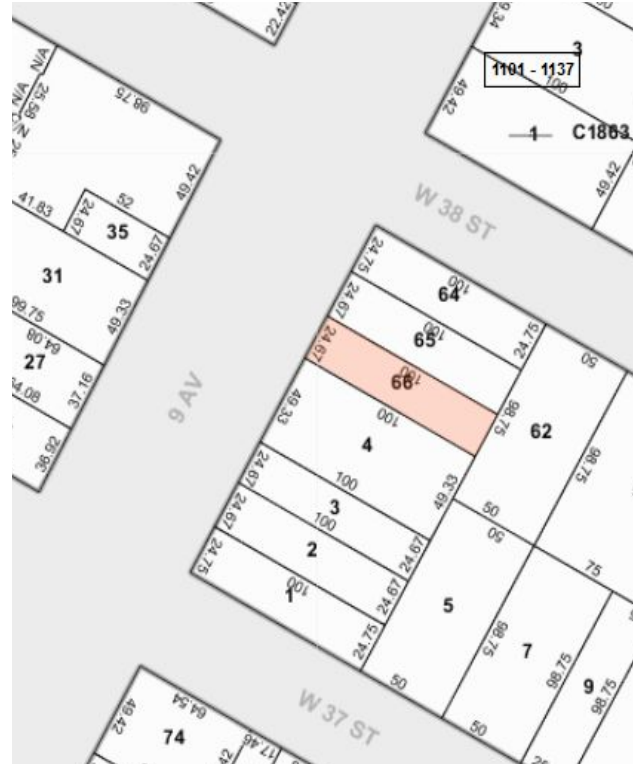


Retail & Residential Property within Hudson Yards BID

Annual BID Budget = \$ 1.2 Million



496 Ninth Avenue - Manhattan



Block 761 Lot 66

496 Ninth Avenue - Manhattan

Property contains:

- Ground Floor: Retail Tenant
- Upper Floors: 8 Stabilized Residential Apts

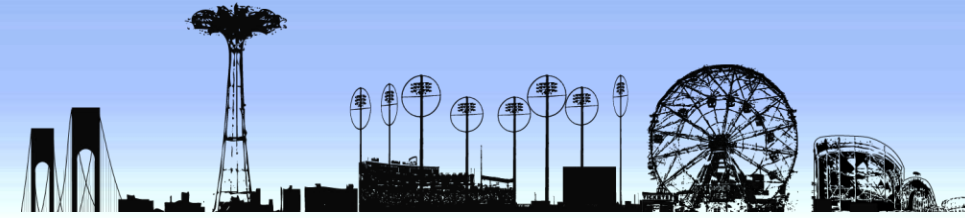
BID Assessment Formula Variables:

Prop. Class.: C7- Walkup Apt Bldg w/ Retail
Property Assessed Value = 38,821
Total Bldg Area. = 9,447 sf.

Annual BID Payment = \$434

- Equivalent to: \$17.36 per Front Foot,
- Equivalent to: \$ 0.05 per square foot,
- BID Payment = Add'l 1.2% over R.E. taxes of \$36,327

Examples of BID Payments



Industrial Warehouse Property within Gateway JFK BID

Annual BID Budget = \$ 500,000



149-40 182nd Street - Queens

Block 13410 Lot 18



149-40 182nd Street - Queens

Property contains 2 tenants:

- Pacific-Net Logistics
- KCC Transport Systems

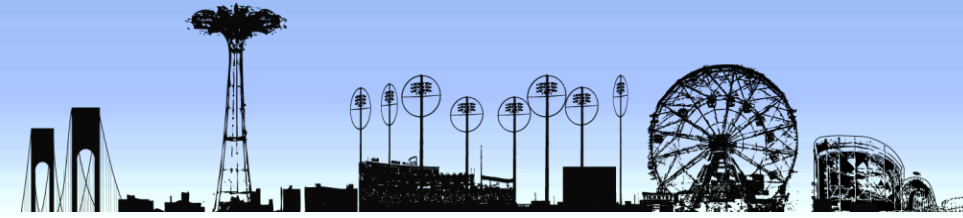
BID Assessment Formula Variables:

Prop. Class.: E1 - Warehouse
Property Assessed Value: 513,450
Total Bldg Area.: 20,080 sf.

Annual BID Payment = \$1,780

- Equivalent to: \$ 0.09 per square foot,
- BID Payment = Add'l 3.3% over R.E. taxes of \$53,982

Looking Ahead



BID Planning Meeting # 5

March 2018

TBA

Keep Learning about BIDs !

ConeyIslandBID.org