

CITY PLANNING COMMISSION

May 28, 1997 Calendar No. 21

N970523BDM

IN THE MATTER of an application submitted by the Department of Business Services on behalf of the Downtown Lower Manhattan District Management Association, pursuant to Section 25-405 of the Administrative Code of the City of New York, as amended, concerning the amendment of the Downtown Lower Manhattan Business Improvement District, Borough of Manhattan, Community District 1.

On July 6, 1993, Mayor David N. Dinkins authorized the preparation of a district plan for the Downtown Lower Manhattan Business Improvement District (BID). On March 25, 1997 on behalf of the Downtown Lower Manhattan District Management Association, the Department of Business Services (DBS) submitted the proposed amended district plan for the Downtown Lower Manhattan BID located in Community District 1 in the Borough of Manhattan.

Background

On June 29, 1994, the City Planning Commission approved the establishment of the current Downtown Lower Manhattan Business Improvement District. The current BID area is bounded by the southern portion of Manhattan below Murray Street on the northwest side and Ann Street on the northeast side, West Street on the west side and South Street on the east side. The amended district is proposed to include all of the current Lower Manhattan BID, all of the Nassau Street Mall/John Street Subdistrict Special Assessment District, areas surrounding the Nassau Street Mall and Pier A (Map attached).

The Downtown Lower Manhattan BID area is a major commercial and office area in downtown Manhattan and is the home of the

nation's financial industry and the site of many historic attractions. Though still a dynamic office center, there has been an increase in Lower Manhattan's vacancy rate in the past decade due to the increased obsolescence of its office buildings and reduced office space demand. The computer and data requirements of the modern financial office structure cannot be met by many of the older buildings in the area without major structural work. The implementation of the Lower Manhattan Economic Revitalization Plan, which includes tax incentives and related zoning modifications, has resulted in the conversion of several buildings to residential use.

Included in the amended District is the Nassau Street Mall Special Assessment District. Most of the amended District's addition is comprised of the Special Assessment District. The Nassau Street Mall represents a major retail commercial area for lower Manhattan and serves as an important pedestrian corridor. The Mall, maintained by an assessment of the properties within its own district, was set up by state law that pre-dates the BID legislation. The purpose of the mall was to create pedestrian shopping streets closed to vehicular traffic at specified times. Physical improvements provided by the City were street and sidewalk repaving, installation of new storm drains, bollards and directional signage, and the elimination of curbs to encourage pedestrian use of the entire street width. In the years since its creation, the Nassau Street Mall area has experienced problems of

infrastructure deterioration, retail vacancy, rapid tenant turnover, low quality of tenancies and absence of cohesive marketing.

The Nassau Street Mall Board of Directors met with the Alliance for Downtown New York in early 1996 to discuss inclusion of the Mall and the John Street Subdistrict in the Alliance for New York Business Improvement District. It was acknowledged that the resources of the Alliance are most appropriately suited to achieving the long range goals of the Mall, set more than a decade ago and that inclusion of the Mall in the Alliance District would enhance its chances for success as well. The boards of both districts and the subdistrict and their members overwhelmingly approved the proposed merger. In addition to the Nassau/John Street area, Pier A, is included in the amended BID. The pier is the former fireboat station and is planned to reopen as a public pier with docking facilities, restaurants, and a visitor center for Harbor Park. Harbor Park is the Urban Cultural Park linking other sites to New York harbor.

This BID, for purposes of assessment, will maintain the current Lower Manhattan BID assessment structure. Tax lots with 51 percent or greater square footage devoted to commercial uses shall be assessed at a rate of 8.75 cents per square foot, \$1.00 per annum on all non-commercial property (less than 51% devoted to commercial uses) and no charge for not-for-profit properties.

These charges would produce a new budget for the amended

district of \$11.25 million, which compares with the current original Lower Manhattan BID budget of \$8.65 million. This budget would be would be divided between security (\$2,300,000), sanitation (\$1,600,000), social services (\$350,000), physical improvements (\$3,000,000), transportation (\$1,000,000), promotion and advocacy (\$2,350,000), and administration (\$650,000).

The BID would be managed by an independent corporation, the Alliance for Downtown New York, Inc. The BID's board is composed of property owners, merchants, and representatives of the Mayor, Comptroller, Borough President and City Council. A representative of the Nassau Street Mall area will be a member of the Board. There is a non-voting class of membership on the Board which includes a representative from Manhattan Community Board 1.

The BID plans to provide all the services to the amended district that are currently provided to the Lower Manhattan BID. The BID will develop a retail attraction program and coordinated improvement plan for the Nassau Street area which may include short- and long-term strategies to upgrade tenancies, improve leasehold spaces, facades, signage, lighting, paving and ensure compliance with City codes and zoning regulations.

The security program will continue to include a supplementary security presence throughout the District. The force will operate at least twelve hours a day, seven days a week and will be comprised of between 50 and 60 uniformed foot patrol officers.

The BID's sanitation program may include, but will not be limited to the manual sweeping of sidewalks, curbs and gutters, emptying of existing and new public and private litter receptacles. The uniformed sanitation crew will operate seven days a week, approximately eight hours a day.

Administration of the district will be by salaried staff which may include, but shall not be limited to: staff director or manager, secretary and any other special staff and/or consultants which may be necessary.

Environmental Review

The district plan was reviewed pursuant to the New York State Environmental Quality Review Act (SEQRA) and the SEQRA regulations set forth in Volume 6 of the New York State Code of Rules and Regulations, Section 617.00 et seq., and the New York City Environmental Quality Review (CEQR) Rules of Procedure of 1991 and Executive Order No. 91 of 1977. The designated CEQR number is 97DBS004M. The lead agency is the Department of Business Services.

After study of the potential environmental impact of the proposed action, a negative declaration was issued on February 27, 1997.

Referral of the Proposal

On March 25, 1997 the Department of Business Services

submitted the amended Downtown Lower Manhattan Business Improvement District proposal to the City Planning Commission. The plan was then transmitted for review to the Office of the Mayor, the Office of the Speaker of the City Council, the Councilmember for District 1, Office of the Manhattan Borough President, and Manhattan Community District Number 1.

Community Board Public Hearing

On March 18, 1997, Community Board 1 adopted a favorable resolution regarding the amendment of the Downtown Lower Manhattan BID by a unanimous vote of 29 in favor. A copy of the Community Boards resolution is attached.

City Planning Commission Public Hearing

On April 30, 1997 (Calendar No. 8) the Commission scheduled May 14, 1997 for a public hearing. The public hearing was duly held on May 14, 1997 (Calendar No. 22). Nine speakers spoke in favor of the proposal.

The Councilwomen for City Council District 1 spoke in favor of the expansion of the Lower Manhattan BID. She spoke of the need to improve the quality of the neighborhood's shopping district and pointed to the success of the Lower Manhattan BID in other areas. A representative from the Manhattan Borough President's office spoke in favor of expansion of the proposed BID, stating the importance of the area and the necessity for

improved security and maintenance in the area. A representative for the State Senator of District 26 also expressed support for the amended BID.

The President of the Alliance for Downtown New York, Inc. (the District Management Association for the Lower Manhattan BID) explained the reasons behind the proposed expansion, the outreach efforts for all property owners and merchants and the proposed improvements in services for the area. The consultant for the BID detailed the assessment formula and outreach efforts to contact all owners and merchants in the area. The current director of the Nassau Mall Special Assessment District spoke of that organization's support for the amended district. The District Manager for Community District 1 also spoke in favor of the amended district and added that Community Board 1 hopes that the South Street Seaport and Fulton Fish Market will also be added to the Lower Manhattan BID sometime in the future. Another two representatives of property owners and merchants from the area spoke in favor of the proposal.

There were no other speakers and the hearing was closed.

Consideration

The Commission believes that the amended Downtown Lower Manhattan BID will be an important economic development instrument for the area. The BID has had a clear positive impact on the economic development of Lower Manhattan and the inclusion

of the Nassau Street Mall/John Street Subdistrict and surrounding areas will allow the BID to continue to assist in the improvement of the economic climate for Lower Manhattan. The Nassau Street Mall is an intergral part of lower Manhattan and its inclusion in the BID will allow for increased coordination and development.

Resolution

The Commission supports the proposed plan and has adopted the following resolution:

RESOLVED, that the City Planning Commission certifies its unqualified approval of the proposed amended district plan for the Downtown Lower Manhattan BID.

The above resolution duly adopted by the City Planning Commission on May 28, 1997 (Calendar No. 21) is filed with the City Council and the City Clerk pursuant to Section 25-405 of the Administrative Code of the City of New York.

Joseph B. Rose, Chairman

Victor G. Alicea, Vice-Chairman

Albert Abney, Angela M. Battaglia, Irwin Cantor, P.E.,

Kathy Hirata Chin, Esq., Alexander Garvin,

Anthony Giacobbe, Esq., Brenda Levin, Edward T. Rogowsky,

Commissioners

COMMUNITY BOARD #1 MANHATTAN
RESOLUTION

DATE: MARCH 18, 1997

COMMITTEE OF ORIGIN: SEAPORT/CIVIC CENTER

COMMITTEE VOTE: 4 IN FAVOR 0 OPPOSED 0 ABSTAINED
BOARD VOTE: 26 IN FAVOR 0 OPPOSED 0 ABSTAINED

RE: **Alliance for Downtown NY Expansion**

WHEREAS: The Alliance for Downtown NY has been operating since January 1, 1995 and is properly credited with playing a significant positive role in the revitalization of Lower Manhattan, and

WHEREAS: The Board of the Nassau Street Mall Association requested that their special assessment district be disbanded and merged into that of the Alliance, and

WHEREAS: There is an expectation and hope that the resources and personnel of these combined organizations will help in upgrading Nassau St. and vicinity, and

WHEREAS: This application also calls for the inclusion of the vicinity of Park Row as well as Pier A in the Alliance boundaries, and

WHEREAS: There is some hesitancy from the owners of J & R Music World to have their array of buildings along Park Row join the Alliance, now

THEREFORE

BE IT

RESOLVED

THAT:

CB #1 supports the proposed extension of the boundaries of the Alliance for Downtown NY, and

BE IT

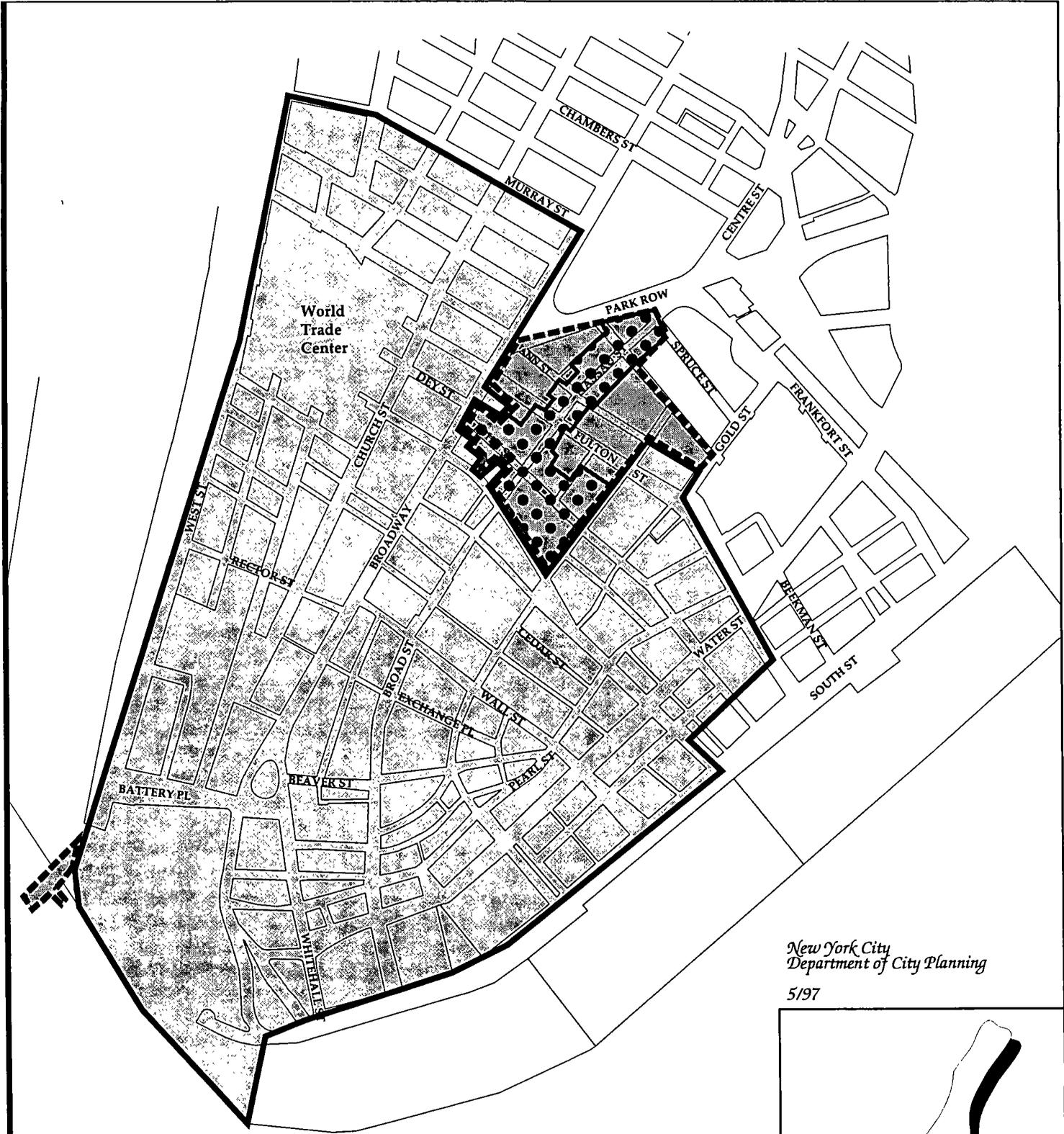
FURTHER

RESOLVED

THAT:

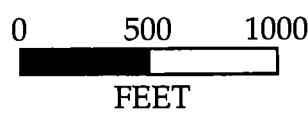
CB #1 wishes to go on record in strong support of including the Park Row properties of J & R Music World within the Alliance boundaries.

6res3.97



New York City
 Department of City Planning
 5/97

Downtown Lower Manhattan B.I.D.



-  Existing B.I.D. Boundary
-  Proposed B.I.D. Annex
-  Existing Nassau Street Mall Boundaries

