



CITY PLANNING COMMISSION

November 19, 2003 Calendar No. 9

N 040094 BDM

IN THE MATTER of an application submitted by the Department of Small Business Services on behalf of the Madison Avenue Business Improvement District pursuant to Section 25-405 of the Administrative Code of the City of New York, as amended, concerning the amendment of the Madison Avenue Business Improvement District, Borough of Manhattan, Community Districts 5 and 8.

On May 21, 2003, the Mayor authorized the preparation of a district plan for the Madison Avenue Business Improvement District (BID) Expansion. On September 5, 2003, on behalf of the Madison Avenue District Management Association, the Department of Small Business Services (DSBS) submitted the amended district plan located in Community Districts 5 and 8 in the Borough of Manhattan.

BACKGROUND

The proposed Madison Avenue BID Expansion is located on the Upper Eastside, in the Borough of Manhattan. The BID seeks to extend its boundaries on Madison Avenue, from East 57th Street to East 61st Street. The current boundaries of the Madison Avenue BID is on Madison Avenue, generally from East 60th Street to East 86th Street.

There are 308 commercial properties in the existing BID, representing 250 property owners and 700 businesses. Within the

boundaries of the proposed BID expansion are 15 properties, owned by 14 property owners and tenanted by 175 businesses.

The current Madison Avenue BID is known for its flagship boutiques that house the fashion designs that include those of Calvin Klein, Ralph Lauren, Gianni Versace, Vera Wang and Donna Karan. There is also a mix of fine jewelry stores, antique furnishing shops, art galleries, salons, restaurants and luxury hotels and apartment buildings. The Whitney Museum and religious institutions such as the Christian Science Reading Room, St. James Episcopal and Madison Avenue Presbyterian churches are also located within the BID. The expansion area is characterized by large office towers and smaller brownstones on the side streets.

The services of the expanded BID will primarily focus on sanitation, security, holiday lighting and marketing. The sanitation program may include cleaning and sweeping of sidewalks and gutters; emptying garbage receptacles and removal of graffiti. The BID proposes to employ a team of sanitation workers, that will operate 365 days a year. The program will supplement the existing municipal sanitation program.

The budget for the first year of the BID Expansion is projected to be \$1,757,000. Security is budgeted at \$715,000;

sanitation-\$420,000; promotion, advertising and marketing-\$150,000; administration and program development-\$320,000; physical improvements-\$125,000 and a reserve fund of \$27,000. Physical improvements may include urban design elements such as plantings, decorative lamp poles and banners and uniform trash receptacles.

The BID assessment method is based upon the location and square footage of the buildings. The commercial area of each property containing commercial space will be assessed at a rate determined by the District Management Association, based on square footage and location within the BID boundaries. Each non-commercial and residential properties will be assessed at one dollar per year. Non-profit and public institutions will not be assessed. Assessment revenue generated by the expansion properties will not diminish any services to the existing BID properties nor will it affect the assessment of the existing properties.

Extensive outreach to property owners, merchants and residents was done by the Madison Avenue BID Expansion Steering Committee. There were many meetings, mailings and door to door outreach conducted by the sponsor over a long period. All property owners were informed of the approximate BID assessment for their properties. The outreach for the BID was documented and submitted to City Planning.

The Madison Avenue BID Expansion area is situated between the Fifth Avenue BID and the East Midtown BID. Amongst the three BIDS there are properties that are not included within any BID. DSBS have said that future BID expansion filings will pick up the properties that are not presently within a BID.

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 03DBS008M. The lead agency is the Department of Small Business Services.

After a study of the potential environmental impact of the proposed action, a negative declaration was issued on April 22, 2003.

LAND USE REVIEW

On September 5, 2003 the Department of Small Business Services submitted the district plan for the Madison Avenue Business Improvement District(BID)Expansion to the Department of City Planning. The plan was then transmitted for review to the Office of

the Mayor, Office of the Manhattan Borough President, City Council Speaker, City Council Member elected in District 4 and Manhattan Community Boards 5 and 8.

Community Board Public Hearing

Community Boards 5 and 8 adopted a resolution recommending approval of this application (N 040094 BDM). Community Board 5 on September 11, 2003 by a vote of 31 in favor, 0 opposed with 1 abstention. Community Board 8 voted 28 in favor, 0 opposed and 0 abstentions, on September 10, 2003.

City Planning Commission Public Hearing

On October 8, 2003 (Calendar No. 4) the Commission scheduled October 22, 2003 for a public hearing on the district plan. On October 22, 2003 (Calendar No. 11), the hearing was duly held. There were two speakers in favor of the proposal and none in opposition.

The chairman of the Madison Avenue BID spoke in support of the BID expansion. He spoke about the merchants within the BID Expansion area enthusiastically requesting to be included within the Madison Avenue BID. He introduced the president of the BID. The president spoke about the many special events that have generated sales and revenue for the merchants and property owners as well as raising

money for local charities. He expressed how the expansion area served the properties that were previously missed at the formation of the existing BID and how the merchants and property owners wanted to be included in the BID. The president also stated the remaining properties in the area that were not picked up by the Madison Avenue BID Expansion, would be picked up by one of the other BIDs in future expansion filings. He further stated that properties that are currently in the BID will be assessed at the same rate that they were assessed at the formation of the BID.

There were no other speakers and the hearing was closed.

Consideration

The Commission believes that the proposal to expand the Madison Avenue Business Improvement District in Manhattan is appropriate.

The Commission has carefully reviewed the documents that the proposed BID sponsor submitted regarding notification of constituents about the pending BID. It believes that these outreach efforts for the BID were adequate and satisfactory.

BID's are important to the City because they improve the business environment and aid in promoting healthy economic development for the City. Madison Avenue is world renown as the luxury district

and is an important commercial area in Manhattan. Expanding the boundaries of the BID will help benefit the property owners and merchants of the expansion area and will also contribute added revenue for the City.

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 district plan for the Madison Avenue Business Improvement District Expansion.

The above resolution duly adopted by the City Planning Commission on November 19, 2003 (Calendar No. 9) 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.

Amanda M. Burden, AICP, Chair

Kenneth J. Knuckles, Esq., Vice Chairman,

Angela M. Battaglia, Irwin G. Cantor, P.E.,

Angela R. Cavaluzzi, R.A., Richard W. Eaddy,

Jane D. Gol, Christopher Kui, Karen A Phillips, John Merolo, Dolly
Williams, Commissioners