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**Gale A. Brewer, Borough President**

December 8, 2014

Carl Weisbrod, Chair  
City Planning Commission  
22 Reade Street  
New York, NY 10007

**Re: District Plan for the Meatpacking Business Improvement District, N150156 BDM**

Dear Chair Weisbrod:

I write to you today to provide my comments for the upcoming City Planning Commission hearing on the proposed Meatpacking Business Improvement District's ("Meatpacking BID") District Plan and the associated Memorandum of Understanding (MOU) dated August 26, 2014. Pursuant to Title 25, Chapter 4 of the Administrative Code of the city of New York, if and when a local law establishing the BID is approved, I am to appoint one member of the Board of Directors of the district management association ("DMA").

**Description**

The catchment area for the proposed BID crosses various boundaries, both administrative and perceived. The BID would include portions of Community Districts 2 and 4. The "Meatpacking District" as it is commonly known can be described as the area where Chelsea and the West Village converge. Generally, the boundaries of the BID are West Street/Tenth Avenue to the west, West 17<sup>th</sup> Street to the north, Eighth Avenue to the east and Horatio Street to the south.

The Meatpacking District's name is something of an anachronism, as it describes what used to be an industrial cluster of firms that dealt in the business of producing preserved animal products. Today, former factory lofts have changed use for what is now universally known as a node where fashion, marketing, technology, and entertainment meet. The Highline brought additional international attention to a neighborhood that was already in transition to become the present day's commercial environment. Other than West 14<sup>th</sup> Street, the area inside of the BID is accessed by crossing through residential areas.

The proposed District Plan delineates the services that will be provided by the BID. The DMA is the legal entity that receives the assessments on properties in the BID collected by New York City, and enters into contracts to distribute that funding to achieve the goals set out in the District Plan and MOU. The services, which will be performed under the direction of the DMA will include, but not be limited to sanitation; landscape maintenance and beautification; public safety; economic development; advocacy, and administration. The majority of these services are de rigeur for many Manhattan BIDs, however the provision of public safety services speaks to the 24-hour nature of the neighborhood that the BID is intended to serve. The District

Plan describes the effort as something that may include, but not be limited to unarmed security officers, and monitored video cameras.

The Chelsea Improvement Company (“CIC”) and the Meatpacking District Improvement Association (“MPIA”) jointly proposed the formation of a Meatpacking BID to consolidate the services that are currently being provided by the two groups. The catchment area of the BID roughly coincides with the catchment areas of the organizations that it is intended to replace. Both groups are membership organizations of local property owners and businesses that work to market the neighborhoods and program and maintain public spaces through contracts with the Department of Transportation. The Steering Committee that is guiding the formation process of the new BID and that will select the members of the interim board of directors is staffed by the MPIA.

The principal funding source for the DMA will be an assessment of real property, particularly from commercial properties. Residential land owners will be assessed a symbolic \$1.00 per lot per year. Non-for-profit and government-owned property will be exempt from the assessment. The budget for the first contract year would not exceed \$1,600,000. For later years, this would increase to \$3,200,000.

### **Memorandum of Understanding**

Early in the planning stages of the proposed BID, Community Boards 2 and 4 raised concerns about the proposed boundaries of the BID, which includes portions of the Meatpacking District and Chelsea that bordered on lower-density residential neighborhoods. Areas of concern were spillover effects from nightlife, the commercialization of the public spaces managed by the BID, and residential representation on the BID Board of Directors. As a result of the concerns, Councilmember Corey Johnson, the Meatpacking BID Steering Committee, and representatives from Community Boards 2 and 4 signed a Memorandum of Understanding (MOU). The MOU attempts to establish a feedback mechanism that responds to potential unintended negative consequences at the BID’s periphery. Areas to the south and north of the BID’s catchment area will be delineated and defined as “Impact Areas” that will be monitored for quality-of-life issues that come as a result of businesses that operate within the BID. An advisory committee consisting of residential representatives from the two Impact Areas will meet with the Executive Director of the BID on a quarterly basis. The Advisory Committee will also elect two representatives to be appointed as non-voting members to the Board of Directors.

The MOU also states that the BID will assume responsibility for public plazas within the catchment area as contracts between the New York City Department of Transportation and existing organizations, the CIC and the MPIA, Inc. expire. Finally, the MOU states that the BID will “explore opportunities to raise and spend capital dollars in an effort to enhance the physical environment of the district.”

## **Community Board Recommendations**

### *Community Board 2*

On November 21, 2014 Manhattan Community Board 2 (“CB2”) recommended approval of the BID District Plan and MOU with changes, by a vote of 43 in the affirmative, 3 in the negative, 2 abstentions and one recusal. CB2 requested a number of changes to the BID formation documents outlined generally as follows:

1. Ensuring the implementation of the MOU relating to the Impact Areas Advisory Committee and ensure the participation of the Impact Area Advisory Committee members into the bylaws and subcommittee process of the BID;
2. Recognizing and prioritizing quality of life issues relating to nighttime conditions;
3. Commitments by the BID, and addition of language to its vision statement, to preserve the Gansevoort Market and Greenwich Village Historic Districts and the Impact Areas and the quality and character of the neighborhoods;
4. To assure fair and proportional representation of all classes on the BID’s Board, specifically residential and commercial tenants;
5. To avoid BID-generated commercial events in the public plazas and BID uses of the parks, playgrounds and Greenstreets; and
6. To prohibit BID advocacy on behalf of individual property owners or tenants before governmental agencies.

### *Community Board 4*

On December 3, 2014, Manhattan Community Board 4, on the recommendation of its Chelsea Land Use Committee, voted 34 for, 0 against, 0 abstaining and 0 present not eligible to recommend approval of the District Plan for the Meatpacking Area Business Improvement District with three conditions:

1. To assure that the MOU is implemented, that the MOU always be considered as part of the Meatpacking Area BID documents and always filed with the BID’s District Plan;
2. To the extent practicable, that the MOU be fully incorporated into the BID’s bylaws and that BID decision-making be transparent including public hearings for the approval and amendment of bylaws;
3. That the members elected by the Impact Areas Advisory Committee be included on the Interim BID Board and on any committee involved in writing or approving the bylaws.

## **Borough President’s Comments**

The proposed Meatpacking Business Improvement District’s boundaries would cover the area, between 8<sup>th</sup> and 11<sup>th</sup> avenues where the West Village and Chelsea meet. In general, assessments on commercial property would fund services in addition to those that are currently being provided fully or in part by the Chelsea Improvement Company and the Meatpacking District Improvement Association.

The BID has a number of unique characteristics that distinguish it from other BIDs. It borders two historic districts and its boundaries cross into two defined communities – the West Village and Chelsea. In addition its northern border takes in a portion of the Fulton Houses, which is a development in the New York City Housing Authority’s (NYCHA) portfolio. According to NYCHA’s 2013 Development Data Book, the entire estate houses 2,208 residents in eleven buildings, four of which are inside of the proposed BID’s catchment area. Three additional buildings of the Fulton development fall within the northern Impact Area that is defined in the MOU. Residential tenants comprise one of the four voting membership classes of the DMA’s Board of Directors. Therefore, the Fulton Houses development should have guaranteed representation in the residential tenants voting membership class. The BID by-laws should enshrine the importance of this requirement. Additionally, while the District Plan outlines minimum numbers of residential and tenant representatives on the Board, it does not mandate the *proportion* of these representatives within the Board. Moving forward, the Steering Committee and interim Board should work to ensure that these voting classes represent a real voice at the table and include adequate representation from the Fulton Houses.

As a 24-hour neighborhood, the Meatpacking District would benefit from a BID that includes security within its scope. While these security services may prove to be necessary, if the BID does become responsible for providing any level of security within its catchment area, the DMA and any affiliate organization will also need oversight over its efforts. There is no language in the proposed District Plan or the MOU that establishes a protocol for reporting on security efforts to any organization outside of itself or any strategic partners or affiliates. At the very least, the BID should report regularly to public safety-related committees of Community Boards 2 and 4 on the security-related activities of the BID.

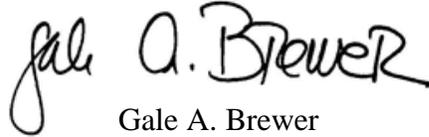
Often a BID’s DMA will contract with an outside organization to administer the operations of the BID. It is important that any entity managing the BID be inclusive of the various stakeholders and consider the impacts of BID operations on all affected communities. Although the District Plan mentions that the CIC and MPIA are two of many neighborhood organizations, there is no explanation of how both of those entities will relate to the BID itself after it is formed and operational. The MPIA has served as the driving force behind the creation of the BID to date. The membership of the MPIA, however, is not restricted by the same requirements for inclusivity as the BID. Before approval of the District Plan, the MPIA and the Steering Committee should clarify how the two organizations will relate to each other moving forward, and how the MPIA envisions its role in the neighborhood in the future.

Based on the concerns listed above, I recommend approval of the District Plan on the following conditions:

1. That the MOU is fully incorporated into the BID bylaws and any related elements of the District Plan;
2. That the Interim Board include fair and proportional representation of all membership classes in its voting members, specifically residential and commercial tenants and representation from Fulton Houses;
3. That the Interim Board include in the BID by-laws that the BID report regularly to public safety-related committees of Community Boards 2 and 4 on the security-related activities of the BID;

4. That the relationship between the proposed BID and the existing MPIA be made more clear and explicit; and
5. That the administration of the BID be conducted with the same emphasis on inclusion of the various stakeholders and consideration for all impacted communities as we hope to see reflected in the BID's Board of Directors.

Sincerely,

A handwritten signature in black ink that reads "gale A. Brewer". The signature is written in a cursive style with a large, looped initial "g" and a capital "A" before "Brewer".

Gale A. Brewer