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BIDs put sparkle back into commercial neighborhoods

By ELAINE MISONZHNIK

The role of Business Improvement Districts in creating vibrant commercial neighborhoods was the topic of discussion at the Urban Land Institute's meeting on February 15.

BID advocates such as Robert W. Walsh, commissioner of the New York City Department of Small Business Services, and Carl Weisbrod, president of the Alliance for Downtown New York, explained how improved street safety and order lead to an influx of office and retail tenants.

According to Commissioner Walsh, who would like to see more BIDs in the outer bor-

oughs, good candidates for the status include neighborhoods with strong commercial and retail bases, a low vacancy rate and low percentage of tax-exempt residential buildings. Since area businesses are the primary source of revenue for the BIDs, it would be hard to make such projects viable in predominantly residential zones.

"Many BIDs are dealing with a small retail corridor trying to bring neighborhood people together," Walsh explained. "It's about going block by block and seeing what needs to be done. The focus is on maintenance, public safety, marketing and administrative work."

According to Daniel Biederman, president of the 34th Street Partnership/Bryant Park Restoration Corp., small measures such as regular garbage pick-ups and tree plantings often bring tremendous benefits for the local office market. When Biederman started on the Bryant Park project, office workers wanted to be located as far away from the area as possible. Now, developers such as the Durst Organization are anx-

ious to put Bryant Park into their official addresses.

"Clean and safe programs are extremely important," Biederman said. "You have to pick up garbage continuously, up to 10 times a day, you have to invest in graffiti removal, the crime rate has to be lowered.

"And capital improvement is [another] thing - we replaced trees, installed new street lights, solved the news box problem [by creating one box for all newspapers] and created new street signs, so people could see where they are

from a few blocks away." In the end, such measures offer significant pay-offs.

"Asking rents at the Grace Building increased 140% in the past 10 years," Biederman noted.

However, the person most knowledgeable about the impact of BIDs on the commercial market turned out to be Carl Weisbrod, whose organization's main goal has always been the attraction of more businesses to lower Manhattan.

According to Weisbrod, capital improvement projects and creative incentive programs played a major role in downtown's renaissance in the late 1990s-early 2000s.

"Our basic issue was never clean and safe," he explained. "The principal emphasis was on economic development. And capital improvements are very, very important [in that]. For example, we took Stone Street and made it into a historic district, installed new cobble stones, new street lights and the like. Stone Street is now the main entrance to all the

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new restaurants in the area.

"We transformed the Broadway streetscape, we are now operating a free bus service that connects the East Side of downtown to the West Side."

The downtown transformation project is something David Brause, chairman of the Queens Plaza/Court Square Business Improvement District, wants to replicate in Long Is-

land City. He feels that the area has all of the major elements that would make it a viable commercial district.

It has a transportation hub at Queens Plaza, an emerging art scene and an abundance of medium-sized businesses.

In addition, there is a number of new developments in the works - including Queens West, the possible future site of the Olympic Village, and a Tishman Speyer-owned 3 mil-

lion s/f commercial project. What the Queens Plaza BID hopes to provide are attractive streetscapes, an element that up till now Long Island City has not been known for.

"We are an extension of midtown Manhattan, we have about 5.3 million people per year coming through our subway stations and we have about 200 businesses and several large companies here," Brause said.

"They request sanitation and secu-

urity as the most important services." Biederman warns that it might take some time for people outside the neighborhood to notice the improvements, but in the end they always do.

"It took three to five years for people [to start moving to Bryant Park]," he noted.

"But subsequent to [the renovation project], asking rents increased faster than in the surrounding submarkets."