

FAQS ABOUT BIDS

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1. **WHAT IS A BID?**

A Business Improvement District (BID) is a public/private partnership in which property and business owners elect to make a collective contribution or **assessment** to the maintenance, development and promotion of their commercial district. Assessments are collected by New York City but 100% of the funds are forwarded to the District Management Association that is formed and located within the district to manage the BID.

2. **WHAT DOES A BID DO?**

BIDs deliver a range of supplemental services in coordination with municipal services and invest in the long- term economic development of their districts. Services may include:

Maintenance

Street/sidewalk cleaning
Graffiti removal

Public Safety/Hospitality

Public safety officers
Visitor assistance

Business Development

Commercial vacancy reduction
Business mix improvement

Marketing

Special Events
Districts public relations
Promotional materials
Holiday decorations

Capital Improvements

Improved streetlights
Custom trash receptacles
Directional street signage
Custom newsboxes
Flower boxes

Landscaping

Planting trees/flowers
Treepit maintenance

Community Service

Fundraising
Charitable events
Homeless and youth services

3. **HOW ARE BID PROGRAMS AND SERVICE PAID FOR?**

Funds to pay for BID programs and services are generated from a special assessment paid but the benefited property owners. (note: many leases have a clause that allows property owners to pass the BID assessment on to their tenants.) The assessment is billed and collected by the City of New York and then disbursed to the BID, which in turn delivers the district's services.

4. WILL CITY SERVICES BE REDUCED IF THE BID IS PROVIDING SIMILAR SERVICES?

No. The services provided by the BID are supplemental to the services provided to the district by the City. For example, if a BID provides sanitation services, it will still receive the same level of service from the Department of Sanitation as it did before supplemental services were added.

5. WHO OVERSEES THE BID?

Each BID is governed by a Board of Directors that is elected by the members of the district. The Board of Directors has a fiduciary responsibility to the BID and hires the management that administers the BID on a day-to-day basis. The Board is divided into classes that include: commercial property owners, commercial tenants, residents and public officials. BID members vote for directors in their respective classes. The majority of directors must be property owners.

6. ARE NYC'S BIDS SUCCESSFUL?

There is significant evidence that indicates that BIDs have had great success and have improved business conditions throughout New York City. BIDs measure their success by service delivery, commercial occupancy rates, and BID renewal rates.

7. HOW IS A BID FORMED?

BIDs represent a long term financial commitment; therefore the formation of a new BID requires the support of the property owners and commercial tenants in the district. The City creates BIDs only when there is widespread support among property owners and commercial tenants who are fully informed about the proposed program.