

**Michael Blaise Backer Statement on Proposed DUMBO BID**  
**Expansion**  
**Before City Council Finance Committee**  
**December 15, 2016**

Good morning Chair Ferreras-Copeland and members of the Finance Committee. I am Michael Blaise Backer, Deputy Commissioner of Neighborhood Development at the Department of Small Business Services (SBS). I am joined by our Executive Director of Neighborhood Development, Kris Goddard, and our BID Program Director, Jennifer Kitson. We are here to testify in support of the expansion of the DUMBO Business Improvement District (BID).

At SBS, we are working hard to open doors for New Yorkers across the five boroughs – focusing on creating stronger businesses, connecting New Yorkers to good jobs, and fostering thriving neighborhoods. We believe that the vitality of the City’s commercial corridors is a key part of achieving this goal, and BIDs have been valuable and proven partners in revitalization and economic development across all five boroughs.

In addition to our role overseeing and supporting the City’s existing network of 73 BIDs, SBS also supervises the BID formation and expansion process, serving as an advisor and resource for communities interested in developing or expanding BIDs. We are careful to ensure that each steering committee we work with adheres to our planning process and policies; solicits robust community input; and performs extensive outreach to collect and demonstrate broad-based support across all stakeholder groups.

Moreover, we are cognizant of the unique nature of each community we assist, and aim to empower local stakeholders to make determinations on proposed services, boundaries, and budget size that best suit their community’s needs, and appetite and ability to pay assessments. While we always impart strong planning principles and share our data and best practices from across the BID network when working with any BID formation and expansion efforts, we recognize that the power and effectiveness of BIDs rests in their unmatched understanding of local needs and issues.

Like other recent BID formation and expansions that SBS has overseen, the DUMBO expansion effort involved numerous meetings and consultations with local stakeholders throughout the planning and outreach phases. After an extensive outreach effort and close coordination with all key parties, SBS determined that the documented support among all stakeholder groups – including support from property owners of 5 of the 6 commercial properties in the expansion – was sufficient to submit the application to City Council.

As required by law, the DUMBO BID mailed the summary of the City Council Resolution, no less than 10 days and no more than 30 days before today's hearing, to the following parties:

- to each owner of real property within the existing district and proposed expansion, at the address shown on the latest City assessment roll,
- to such other persons as are registered with the City to receive tax bills concerning real property within the existing district and proposed expansion, and
- to tenants of each building within the existing district and the proposed expansion area.

Additionally, the DUMBO Bid published a notice of the public hearing at least once in a local newspaper having general circulation in the districts specifying the time when, and the place where, the hearing will be held and stating the increase proposed in the maximum amount to be expended annually.

Furthermore, SBS arranged for the publication of a copy of the summary of the Resolution at least once in the City Record.

It is also important to note that this BID expansion proposal has received the written support of Brooklyn Borough President Eric Adams, Council Member Stephen T. Levin, and Brooklyn Community Board 2.

Lastly, I would like to acknowledge that the BID expansion effort is represented here today by the BID and local stake holders, who will testify and be available to address any specific questions that I am unable to answer.

At this time, I am happy to take any questions. Thank you.



Testimony of Alexandria Sica  
Executive Director  
DUMBO Improvement District

City Council Finance Committee - Public Hearing on BID Expansion  
Dec. 15, 2016

Good morning and thank you for considering this application to expand the Business Improvement District serving DUMBO, Brooklyn. I am Alexandria Sica - Executive Director of the DUMBO Improvement District. Our BID has been operating for 10 years - a time of great change for the neighborhood - which has emerged today as one of New York's most sought after addresses both for residents and commercial tenants as well as tourists. The BID has successfully helped grow this area - providing creative placemaking, public art, advocacy to restore DUMBO's Belgian Block streets, daily maintenance, business services and much much more.

We are the heart of the Brooklyn Tech Triangle - the area cultivated jointly by our organization, the Downtown Brooklyn Partnership and the Brooklyn Navy Yard - and we are thrilled that the former Jehovahs Witness headquarters is being redeveloped into a new tech cluster. This was one of the cornerstones of our 2013 Tech Triangle Master Plan.

The expansion before you today is the result of several years of discussions with these developers - Kushner Companies / RFR / Invesco / LIVWRK and anchor tenant Etsy - as well as our partners at SBS, Community Board 2 and City Planning. We believe that expansion of the BID boundaries will allow us to serve this new area of the neighborhood and provide critical links for businesses currently in our district, as well as to provide services along the additional public properties included in the expansion which will benefit the entire community.

Particularly, the DUMBO Heights Campus is a natural extension of the district: it sits at the border of our district and helps to close the gap between DUMBO and Downtown Brooklyn; it is attracting creative companies drawn to DUMBO; it has also provided

much needed office space for a number of DUMBO's growing companies, who were at one point having to consider leaving the neighborhood. Several of our existing members - like Etsy and Prolific Interactive and Alexis Bittar - are relocating to the campus. You will hear from both the ownership and Etsy today that this is a very welcome proposal; and the retail offered at the new campus will be amenities for our existing community and vice versa - we see this as an opportunity for all businesses in the district.

Throughout this process, we have engaged in extensive outreach - securing a letter of support from the ownership earlier this year and writing letters and emailing all known tenants of the properties as well as our existing membership. We have not heard from any in opposition as part of this process. To serve this expanded district, we will increase the assessment from \$650,000 annually to \$835,000. We have purposefully designed this increase to keep the assessment levels static for our existing members - now paying on average 21 cents per square foot and to assess the new properties at the same level. Our formula for assessment is based 50% on AV and 50% on commercial square footage.

I'd also like to share with you that DUMBO BID has a long history of working to be good neighbors to those with less advantages in our communities, as I know it is of interest.

In particular - every year we put together a Big Idea Week program for PS307- which serves primarily the Farragut Houses. We bring half a dozen of DUMBO's start-up founders to the school where they mentor 4th and 5th graders for a week - culminating in the kids pitching their Big Ideas back to the mentors in the friendliest version of shark tank you can imagine. We recently expanded this program with the help of DUMBO start-up Flocabulary to serve 20 schools citywide, with a 60+ volunteers from New York's tech sector. We also participate in the Brooklyn Tech Triangle internship program - where we pair twenty-eight students from New York City College of Technology's School of Technology and Design, with a dozen of our local companies.

While we are a small organization with a staff of three - we strive to build DUMBO up and share it with all. We are proud of these efforts and the day to day work of the BID and believe this expansion is the critical to our community's next chapter.

Thank you again for your consideration.



# TWO TREES

Management Co. LLC

Thursday, December 15<sup>th</sup> 2016

Good Morning Chairwoman Ferreras-Copeland and Members of the Committee.

Thank you for the opportunity to speak today in support of the DUMBO BID expansion.

I am here today to speak on behalf of Two Trees Management Company – Member of the Board of Directors of the DUMBO Improvement District and a major property owner in the DUMBO District.

We are enthusiastically supportive of the expansion of the DUMBO Improvement District boundaries to include the new properties along Sands Street and Prospect Street known as DUMBO Heights. Two Trees is one of the founding members of the BID. We currently own roughly 30% of the properties assessed and view the BID as one of our most valuable investments. We believe it is a very natural expansion of the BID to include the properties recently purchased by the developers of DUMBO Heights and fully support this effort.

It is important to us that the new ownership contributes to the community and the BID will ensure this new area of the neighborhood is integrated into the community at large. Our BID has a long history of success—helping to transform DUMBO into a neighborhood full of art and interesting public spaces, branding the neighborhood as part of the Brooklyn Tech Triangle, and providing our tenants with opportunities and amenities that make a real difference. DUMBO has become an economic development powerhouse - and is now one of the most sought after locations for New York City-based companies. The neighborhood may be small but it is driving the Downtown Brooklyn office space resurgence.

As the neighborhood grows, so must our BID if it is to continue to provide great services and we believe this expansion will serve not only the new businesses moving into DUMBO Heights, but those throughout the neighborhood.

The BID Board has voted to approve this expansion and we are pleased to deliver that message on its behalf today.

Yours sincerely,

Atika Khalid  
Two Trees Management



**Comments Regarding the Proposed DUMBO BID Expansion**  
**New York City Council Committee on Finance**  
**December 15, 2016**

Good morning Chairwoman Ferreras-Copeland and members of the Committee. Thank you for the opportunity to speak today in support of the DUMBO BID expansion.

Etsy is a marketplace where people around the world connect, both online and offline, to make, sell, and buy unique goods. Etsy began in a Brooklyn apartment in 2005, and has evolved into a sophisticated technology platform that connects Etsy sellers and buyers across borders, languages and devices. With over 950 employees worldwide, we are a company that spans the globe and a business that is committed to creating lasting change in the world.

Etsy was born and bred in Brooklyn, with deep roots in the DUMBO business community. Our CEO, Chad Dickerson, has been a member of the DUMBO Business Improvement District's Board of Directors since 2006, and was a leader in BID's efforts to form the Brooklyn Tech Triangle alongside the Downtown Brooklyn Partnership and the Brooklyn Navy Yard. Just this summer, we moved a few blocks up the hill to our new global headquarters located at 117 Adams Street, where we occupy roughly 200,000 square feet of office space.

The move to this new location created exciting opportunities to reimagine a sustainable workplace that would support our employees and the DUMBO community we call home. As part of the building renovation, we participated in the Living Building Challenge (LBC), which is the most advanced sustainability certification program for the built environment. Our new headquarters is furnished with more than 750 pieces of furniture and light fixtures from small and micro-businesses here in New York City, and our Global Food Program provides a twice-weekly communal meal catered by local eateries and vendors. The rest of the week employees are encouraged to support our neighborhood lunch spots.

Etsy has supported the proposed expansion of the DUMBO BID since we made the decision to move just outside of the District's current boundaries from our previous HQ located at 55 Washington Street. The BID has played an important role in keeping the neighborhood clean and desirable, and we're constantly collaborating on new initiatives to engage the community and local businesses. We recently partnered with the DUMBO BID in hosting our annual Craft Party, which included a spotlight on several local businesses to celebrate and encourage creativity in our local economy. With innovative public art exhibitions, interactive events, and incredible business promotion, the BID creates a neighborhood where Etsy and our employees thrive.

We're excited to see other companies make the move up the hill, or relocate entirely to DUMBO Heights. The BID's thoughtful and fair approach to assess the new building at the same rate currently paid by existing BID members, speaks to the true value they put on placemaking. At roughly 21 cents per square foot per year, the BID is an invaluable investment that will only bolster the Tech Triangle's appeal to future partners, and support local businesses that make the neighborhood such a desirable place to start and grow a business.

Expanding the DUMBO BID is both logical and timely. It will ensure the integration of a growing new commercial center, and allow employees, residents, and visitors to fully benefit from the creative ecosystem that it helped create.

Thank you for the opportunity to share our support of this expansion. If you have any questions, please contact Josh Wise, the Global Director of Workplace Ecology and Design at Etsy.

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1371 Res. No. \_\_\_\_\_

in favor  in opposition

Date: 12/15/16

(PLEASE PRINT)

Name: BLAISE BACKER

Address: \_\_\_\_\_

I represent: DEPT of SMALL BUSINESS SERVICES

Address: \_\_\_\_\_

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. 1371

in favor  in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: Atika Khalid

Address: 45 Main Street S1602, Brooklyn NY 11249

I represent: Two Trees Management

Address: 45 Main Street S1602, Brooklyn NY 11249

Please complete this card and return to the Sergeant-at-Arms

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THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. Dumbo BID Res. No. 1371  
 in favor  in opposition

Date: 12.15.2016

(PLEASE PRINT)

Name: Alexandria Sia  
Address: 20 Jay St #510 Bk 11201  
I represent: Dumbo Improvement district  
Address:

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. 1371  
 in favor  in opposition

Date: 12.15.16

(PLEASE PRINT)

Name: Chris Martin  
Address: 20 Jay St #510 BK, NY 11201  
I represent: Etsy  
Address: 117 Adams St 11201

Please complete this card and return to the Sergeant-at-Arms