

Jackson Heights Mom & Pop Shops Fear "Business Improvement" Means Banishment



An independent business in the proposed Jackson Heights BID zone (Max Rivlin-Nadler / Gothamist)

Roosevelt Avenue, the main thoroughfare of Western Queens, stretches beneath the 7 train from Woodside to Flushing, crossing dozens of tax brackets, scores of ethnicities, and thousands of businesses. Twenty years ago, the darkness of the crime-laden nineties matched the shadows cast from the elevated train, and until recently the avenue had a reputation for [cocaine smuggling and human trafficking](#). Now, with an ascendant foreign-born middle class fed by decades of steady Central American and South Asian

immigration, Roosevelt Avenue has become a central commercial corridor for a huge population of New York City residents who don't need to do business in Manhattan or Brooklyn.

As real estate in Western Queens becomes increasingly tantalizing to developers, can Roosevelt Avenue adapt to an influx of new money with its character intact? Underneath the roar of the 7 train, [a battle is raging](#) over the future of the area and the city's chosen mechanism for upscaling a commercial area, the Business Improvement District.

A proposed [Jackson Heights-Corona BID](#) would be an expansion of the 82nd Street Partnership, which has helped attract large businesses to a six block stretch in Jackson Heights since 1990. The new BID would increase street cleaning, create better lighting structures, and organize events that would draw customers to Roosevelt Avenue.

"If you have a better solution, please let me know," said Ernesto Cury, chairman of the steering committee for the BID that, as originally proposed, would have stretched from 82nd street in Jackson Heights to Flushing-Meadows Park almost two miles away. "Business Improvement Districts have been used across the city to help clean business areas, help business owners stick together, and attract new customers and businesses."

Critics of the Jackson Heights-Corona BID charge that in exchange for these services, business owners will face higher rents and a fee—determined by property value and frontage space taken up—that might make doing business in the BID zone impossible. Since the establishment of 82nd street BID, the area has become dominated by chain stores, including two Chase bank branches, The Gap, Bank of America, Duane Reade, and others, while smaller businesses have either downsized or gone under.

"An expansion of the BID will ultimately force the Latin community to move out of the neighborhood," said Frank Rafalian, the owner of Franky Fashion. Rafalian has been in business in the neighborhood since 1991, first renting a shop on 82nd Street and then buying a commercial property on Roosevelt Avenue.

"This will all start a chain of events that will end with real estate investors buying all of the property in the area to put in larger retail spaces. The small property owners won't be able to hold tenants, won't be able to offer the big spaces large chains need, and will eventually sell to these investors. Small businesses will disappear."



A closed local business bookended by two chain stores in the 82nd Street BID Zone (Max Rivlin-Nadler / Gothamist)

The city has embraced the Business Improvement District model over the past twenty years, with 69 BIDs across all five boroughs focusing on specific commercial areas, including Fordham Road in the Bronx, DUMBO in Brooklyn, and Jamaica Center in Queens. The city boasts [\[PDF\]](#) that more than \$100 million worth of programs and services are distributed each year by the various BIDs, which, in addition to fees from businesses, raises money from corporate sponsorships. A 2007 study by the Furman Center [\[PDF\]](#) found that areas with BIDs saw the property values of commercial areas rise over 15%. "It's just activists, just political people who like to make noise," says Jack Friedman, head of the Queens Chamber of Commerce and a member of the steering committee for the proposed BID, referring to people who object to the proposal.

Friedman stressed that the Jackson Heights BID is necessary so business owners can compete with the [upcoming mega-mall in Willets Point](#). Both Friedman and local Councilmember Julissa Ferreras supported the mall, which now stands to take customers away from small businesses in Corona.

"We need to re-brand Corona," Friedman says. "The names might change, but the flavor won't."

The re-branding of Corona, Friedman elaborated, will be in the image of what the 82nd Street partnership has accomplished in Jackson Heights. "Listen, chain stores are often franchises and are owned by local people. What successful business area doesn't have a chain store?"

Brett Dolin, a law student at CUNY who has been researching the legal history of BIDs in New York City, argues that the determination of whether a BID should be established in the first place has drifted away from the original intention. According to the 1989 BID Act, a BID can be formed in a neighborhood that is in a "deteriorated condition."

"But a lot of times the BID Act has been used to to fund totally different kinds of initiatives that have nothing to do with improving the quality of life or the commercial environment," Dolin said. His research has focused on how [a variation on a BID](#) was being used to attempt to fund Hudson River Park in Manhattan by having a specific district of residents and business owners pay a fee for a park everyone in the city can use.

"Not only is this unfair for residents of the area, but the governing structure of a BID doesn't lend itself to democracy," Dolin says. "Property owners, by law, must hold a majority on a BID committee, and if they're governing a public space, isn't that a violation of the equal protection clause?"

To some, a BID can easily be viewed as an undemocratic structure that favors property owners over tenants.

"The problem with the idea of maintaining a local flavor [after creating a BID] is that a property owner may well be enticed by a chain store that will be able to pay the higher rent, and there isn't any law against chains," says Sharon Zukin, a sociology professor at Brooklyn College who has written about BIDs. "The BID, like a city agency, does not have the goal of preventing rent increases, which is the biggest problem that small business owners face," Zukin adds. "The BID is not charged with helping small business owners deal with credit crunches. These are serious problems that cannot be resolved by BIDs, the way BIDs are now constituted."



Stores on Roosevelt Ave (Max Rivlin-Nadler / Gothamist)



Stores on Roosevelt Ave (Max Rivlin-Nadler / Gothamist)

Two stores down from Franky Fashion sits an independent children's clothing shop, Lovely Kids, whose owner also opposes the BID proposal. Along Roosevelt Avenue, the sheer number of small businesses, mostly selling clothes or appliances, is staggering. It's not uncommon to find entire blocks devoid of national chains or even local chains, filled instead with small restaurants, discount stores, bars, or offices for local necessities like an immigration attorney or money-wiring service.

To the BID's supporters, this area is in dire need of improvement, and there simply aren't any better options for making it happen.

"Is Roosevelt Avenue dilapidated? Absolutely. Could the city do a better job cleaning it up, making it look nicer, drawing people to the area? Sure!" says

Ernesto Cury, the steering committee chair. "But who's going to raise taxes in a city where taxes are already sky high? BIDs are proven to work, and can help the community immediately."

In an email, Councilmember Ferreras denied that BIDs lead to higher property values. "There is no data that links the creation of BIDs to increased property values or rents," Ferreras wrote to Gothamist. "And on the contrary, the creation of a BID will not displace small businesses—a BID will support small businesses and better position them to grow and compete."

While the benefits of a BID and their impact on small businesses are still up for debate, one thing that is clear is that BIDs have less accountability than the actual government, of which it is many times acting in loco parentis for things like cleaning, garbage removal, security, and lighting. Non-property owning community members are left out of the decision-making process, and lax regulation has let some BID employees walk away with thousands of dollars before the BID committee is able to remove them.

"We've gotten out in the streets and cleaned them ourselves, trying to show that we don't need a BID to raise our quality of life," says Tania Mattos, a member of Queens Neighborhoods United, a group that opposes the BID. The group has also led clean-up initiatives to demonstrate that the community needs more help from the city, and not a new governing structure entirely.



Businesses on Roosevelt Ave (Max Rivlin-Nadler / Gothamist)



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A legal maneuver that effectively releases a commercial area from the care of the city should come with its share of hurdles, but the process for forming a BID remains remarkably convoluted, even as the city has taken steps to simplify the process.

A BID is born when a plurality of support from business owners is registered by the city's Department of Small Business Services. However, it is unclear what percentage of business owners need to voice their support, or how many business owners need to vote "yes" or "no" for the vote to be deemed comprehensive.

In an email to Gothamist, SBS wrote that a BID can be formed when the group proposing the BID "is able to demonstrate that there is broad-base support for the effort across all stakeholder groups."

After SBS determines that the BID is supported by a plurality of the community, it is forwarded to the City Council, which has never voted against a BID that has the support of its local councilmember. (The current Deputy

Commissioner of Neighborhood Development at SBS, and the head of its review process for BID applications, is himself the former director of the Myrtle Avenue BID.)

The Roosevelt Avenue BID proposal has yet to submit its declaration of community support to SBS, but after a year and a half of outreach, The 82nd Street Partnership began sending out ballots to small businesses this past June.

"The whole process is really up to them [the 82nd Street Partnership]," said Mattos. "They haven't given any updates on the voting process and we don't know when we'll find out. It's all being kept very secret."

"You're making a huge decision through a mailer," says Rafalian, the owner of Franky Fashion. "Do you know how much mail every small business owner receives each day? You think they recognize that a 'letter of support' is the same as approving of a new monthly fee? Of rising rents? Because I can promise you they don't."

Seth Taylor, the Executive Director of the 82nd Street Partnership at the time the ballots were sent out, insists the process is transparent and effective.

"After months of outreach and engagement, we mailed ballots to 1,500+ stakeholders (property owners, commercial tenants, and residents) that included the option to vote 'support' or 'oppose' to the proposal," Taylor wrote in an email to Gothamist. "Stakeholders are asked to return the ballot to the 82nd Street Partnership and/or the city's Department of Small Business Services. The bi-lingual (English/Spanish) mailing included a summary of the District Plan, and a notice of Public Meetings."

As the 82nd Street Partnership undertook the mandatory outreach and engagement component of the BID application process, some residents and business owners in the area felt that Taylor's enthusiasm for the proposal verged on "aggressiveness," with Taylor personally responding to tweets that criticized the BID proposal and growing combative in the comment section of articles that reported on doubts about the BID.

In an incident over the summer, Dr. Arturo Ignacio Sanchez, a local community board member and professor, claimed that during an interview Taylor attempted to grab his notepad from him, a claim which Taylor disputes. Another business owner said that they were refused a ballot when they stated their intention to vote against the BID. The 82 Street Partnership says they have since given that business owner a ballot and believe the initial refusal was due to "miscommunication."

Taylor eventually resigned from the 82nd Street Partnership at the end of August. An editorial in QueensLatino, a newspaper serving the Jackson

Heights / Corona area that has been critical of the BID expansion, called Taylor's resignation "a triumph for the Latino community of Queens." In an email to Gothamist, Taylor denied that he was leaving his position due to community pressure: "I felt my team and I had accomplished everything we set out to do: we rebuilt the organization into an award-winning economic development group." Shortly after resigning, Taylor began work for the [NOHO BID in Manhattan](#), which itself is currently in the expansion process.



Frank Rafalian folds clothes in his eponymous store (Max-Rivlin-Nadler / Gothamist)



A bookseller on Roosevelt Avenue (Max Rivlin-Nadler / Gothamist)

With or without Taylor, the BID proposal is still moving forward, thanks in large part to councilmember Julissa Ferreras, whose support was crucial in the development of the Willets Point mall. Ferreras has referred to the BID as her “new deal” for Roosevelt Avenue, and has fervently lined up crucial community actors, small businesses and real estate interests alike in anticipation of the imminent review by SBS.

Just before voting on the BID began, Ferreras received almost \$10,000 in campaign contributions from four Brooklyn-based real estate developers. "What I'm working to do is make certain that there is an unprecedented amount of community representation in any partnership that organizes around Roosevelt Ave," Ferreras says.

As for the contributions, the councilmember says, "Campaign donations never have and never will impact my work to help the residents of the 21st District and the City thrive. These donations have no relationship to my work on the BID nor do any others."

Despite her successes, the BID proposal process has not gone as smoothly as she would have hoped. Following initial complaints by community members

and business owners about the size and budget of the proposal, the design of the BID was shortened by ten blocks and its budget halved.

And one of the major advocacy groups in the area, [Make The Road New York](#), a vocal proponent on behalf of immigrant communities in Jackson Heights and Corona, withdrew its support of the proposal.

At a community meeting in July, a Make The Road member and local business owner [announced to a packed room](#) of BID opponents that, "I am concerned about being displaced, about being displaced by rising commercial rents."

Mattos, the lifelong Jackson Heights resident and organizer, said that a BID would "change this area forever," and that she and other were fighting to "save this neighborhood from becoming just like the rest of the city."

"We can keep it unique and for everyone, and not just the big businesses who want to come here."

*[Max Rivlin-Nadler](#) is a freelance writer in New York. His writing has been published by *The New York Times*, *The Nation*, *The New Republic*, and *Gawker*.*