



**THE
47TH STREET BUSINESS
IMPROVEMENT DISTRICT**

*THE NATION'S
DIAMOND DISTRICT*

ANNUAL REPORT 2009



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ANNUAL REPORT
FISCAL YEAR 2009**

Section I : Review of Fiscal Year 2009

Neighborhood Needs Assessment

The 47th Street Business Improvement District (47th Street BID) is a not for profit tax exempt 501 (c) 3 organization that was formed in 1997 by the Diamond District's merchants and landlords to enhance the economic development activities of New York's Diamond District. The goal of the 47th Street Business Improvement District is to make the Diamond District safer, cleaner and more beautiful for merchants and consumers who work and shop in the Diamond District. The 47th Street BID's programs are focused on supplemental sanitation and security services, maintenance of capital improvements and the promotion of the Diamond District's merchants. According to reporting agencies, over the past year sales receipts for 1,300 retail jewelers on 47th Street exceeded \$1 billion dollars. All economic activity on the street including; retail, wholesale, manufacturing and importing accounted for over \$5 billion dollars.

Forty-Seventh Street between Fifth and Sixth Avenues, known as Diamond and Jewelry Way, is the trading and communications hub for over 26,000 New Yorkers who work in the Diamond and Jewelry industries. Over 95 percent of the diamonds which come into this country goes through dealers on the block, and more precious jewelry is manufactured in New York than anywhere else in the U.S. While other parts of the city have districts which specialize in one business or another, no other industry is as concentrated on one block as the jewelry trade on 47th Street. With over 2,600 individual firms on the 920 foot block the area is very vertical and thriving with a special energy. The district has a unique culture and passion of doing business. It is that personal touch which will always distinguish products of the Diamond District. The district is more than bricks and mortar--the people of the district are its greatest asset with a rich heritage of skill and experience. Most businesses have been in the trade for generations and there is no one block in the entire city with as much personal connectedness.

Because of the high amount of International transactions in the district, the block is also a major center of finance. Most dealers on the street rent booth space (in some cases window space) in one of the of the 25 jewelry exchanges which line the block. In most cities in America, you have to travel to the next mall down the road. In the 47th Street Diamond district, you step five paces to your left or right and you will see a different jeweler with a totally different selection of items. In each exchange there are dozens, sometimes hundreds of independent sellers all under one roof. The close proximity of all these retailers give shoppers the ability to see many different selections in a very short amount of time.

Our long term vision is to raise public awareness about the district and its importance to the city and world economy. This will help the district position itself over time to become *the place* to buy, sell, manufacture, retail or wholesale precious metals and gems. This will be accomplished through the further enhancement of our basic services to make the

district as appealing and alluring as possible.

There is a major construction project underway on the street, the Diamond Tower, which when completed will add approximately 750,000 new square footage of commercial space to the district. Information about the nature of the structure available to the BID is very limited. When occupied, the building will bring much new pedestrian traffic to the district which will help the merchants on the street.

1. Addressing the Needs of the Consumer – We have sought to make the Diamond District a more appealing shopping destination for consumers. The major complaints about the Diamond District resolve around “hawkers” (individuals who solicit for business on the street). Aware of the “1st Amendment to the United States Constitution – Free Speech Issues” raised by these activities, the leadership of the BID has done everything within its limited powers to curb these activities. We held an open forum for business owners to discuss the issue. We also met with the local police department representatives to try and increase enforcement of harassment cases. We have secured a commitment from Police Commissioner Kelly for the placement of two units (four cameras) and have secured a \$75,000.00 (seventy five thousand dollar) grant from the United States Department of Homeland Security for the purchase and placement of a close circuit security units. We received a \$100,000.00 grant from Assemblyman Dick Gottfried and \$20,000.00 grant from Senator Krueger for the placement of new light poles on the street.

2. We held a legislative breakfast attended by the BID Executive Committee;

NY State Assemblyman Dick Gottfried

NY State Senator Liz Krueger

and the representatives of the following elected officials,

Congresswoman Carolyn Maloney

Manhattan Borough President Scott Stringer

Governor David Patterson

Speaker of the City Council Christine Quinn

and representatives of the Following Mayoral Agencies,

NYC Small Business Services,

Community Affairs Unit

The main issues discussed were;

Hawking on the street.

Use of the district as a staging area for parades.

Prevalence of construction sheds on the street.

2. A New Industry Study – The leadership of the BID has met with representatives of the New York City Economic Development Corporation, the City Planning Commission, and the New York City Department of Small Business Services to encourage these government agencies to conduct a new survey to determine the short and long-term

program needs of the district and the jewelry industry in New York City. We have also conducted tours of the district for representatives of these government agencies.

3. Reorganizing Current Holiday Programming for Greater Impact – All our holiday oriented advertising emphasized the extended hours and days of operation during the winter shopping season. The BID arranged for the creation of new holiday lighting that was hung on all of our 19 street light poles. The design of the lighting reflected the special nature of our district -- each decoration had a large diamond as the center piece.

B. Review of Fiscal Year 2009 Activities

Goals

Assessment Increase:

The BID received an increase in its assessment from \$330,000.00 to \$500,000.00

Security Cameras:

The BID has lobbied all levels of elected and appointed government officials to be included in the New York City Program of deployment of Total Recall Security Cameras. The BID has received a commitment from Police commissioner Kelley for the placement of two units (four cameras). The BID has successfully applied for a United States Department of Homeland Security grant and has been awarded \$75,000 (seventy five thousand dollars) for the purchase of CCTV security units.

Electronic Kiosks

The BID engaged an architectural design firm, Phillip Habib & Associates, to prepare plans for review by the necessary administrative and public agencies for placement of the kiosks on the street.

To date the BID has received approvals from;

NYC Dept. of Transportation

NYC Economic Development Corporation

Community Board 5

Security

Security Guards

The BID continues to provide a manned security presence six days a week from 10 A.M. to 6 P.M. Monday through Saturday. The guards are now adorned with caps and reflective vests which remind the community that the BID is responsible for the provision of this essential service. During the holiday season, Thanksgiving through New Year's Day, the BID security coverage was increased to seven days a week to help give support to the area stores extended holiday hours of operation.

Security Consultant

The 47th Street Business Improvement District maintains a contract with Richard Pettigano, a security expert. Mr. Pettigano has a long career in law enforcement and security. He began his career working in the United States Department of Justice. He is licensed as a Peace Officer by the State of New York and New York City. He is an accredited Special Patrolman for the Diamond District. He has over thirty years experience as head of security for the Diamond Dealers Club and is a member of the Fraternal Order of Police Officers. Mr. Pettigano has been an invaluable agent for the BID in relations with crime enforcement agencies at both the local and federal level.

Sanitation

The BID continues to provide a manned presence six days a week from 9 A.M. to 6:30 P.M. Monday through Saturday. The sanitation workers are now adorned with caps and reflective vests which remind the community that the BID is responsible for the provision of this essential service. During the holiday season, Thanksgiving through New Year's Day, the BID sanitation coverage was increased to seven days a week to help give support to the area stores extended holiday hours of operation

Marketing, Advertising & Special Events

Marketing

The ground floor retailer's success is pivotal to the perception and reality that the district's sales are strong and robust. Through their increase in business, the wholesalers, manufacturers and other businesses in the community will also indirectly thrive and prosper.

Web Site: www.diamonddistrict.org

The BID's website is the public representation of both the organization and the district. There are sections which highlight the BID's Buyer's Bill of Rights, information for consumers about how to buy jewelry and sections on how to contact the BID. The website had 286,442 individual visitors. Retail merchants in the district, who are part of our Buyer's Bill of Rights Program, have informed the BID that the largest number of visitors to their individual sites come from links on the BID's site. This is extraordinary considering that each of these merchants has an active web-advertising program of their own. We have launched a member's only section of the website and have sent incentives (discount flyers for New York based retail merchants) for all BID members who provide contact information.

Holiday Decorations

The BID's holiday light pole decorations are changed with the season and holiday. The end-of-year decorations included led lights in the shape of diamonds to make the street a festive place conducive to retail commerce. The spring-summer decorations had the BID providing live flowering plants on each light pole.

Advertising

The BID advertised in the New York City Neighborhood Guide, a free hardcover in-room publication that was distributed to over 30 of New York City's leading hotels.

Special Events

Annual Concierge Reception

The annual holiday reception with the New York City Neighborhood Guide had a record turnout with over 110 attendees. The event was held in November at the world renowned A J Maxwell's Restaurant at Rockefeller Center. A men's and women's gift was raffled away (watch and earrings), a smooth jazz trio serenaded guests, and gift bags were provided to every guest attendee. Merchants were able to network with area hotel concierges to increase opportunities for their businesses. To build on the contacts made during the evening the complete mailing list of concierge attendees was forwarded on to each retailer who participates in our Buyer's Bill of Rights Program.

2010 Goals

1. Security Units

The installation of the closed circuit security units we have received commitments for are the BID's highest priority.

2. Electronic Kiosks

The installation of the electronic kiosks on the street is the BID's next highest priority. We still need the approval of the City Planning Commission and the NYC Public Design Commission. The NYC DOT and EDC will be presenting our plans jointly to the Public Design Commission to emphasize the importance with which both agencies regard the project. If approved it will be the first freestanding outdoor electronic kiosk in New York City.

3. Light Poles

The BID has identified the replacement of the 19 light poles it currently owns on the street with taller, more modern more energy efficient light poles. The BID has gotten a commitment so far of \$120,000.00 for this project.

Section V. Organizational Information

Michael Grumet has been the executive director of the BID for the past two and a half years his tenure has been characterized as a “revitalization” of the BID.

Mr. Grumet’s background includes over twenty years working in the not-for-profit sector. He has done fundraising and marketing for a variety of nonprofit organizations. For the previous five years he ran his own marketing and strategic planning agency.

The remainder of the full time staff is comprised of Natalia Cheviakova, the BID’s administrative assistant.

BOARD OF DIRECTORS 2009-2010

Class A- Property Owners

Kenneth Kahn
Executive Committee Member
KenArt Realities
10 West 47th Street

Michael Toback
Executive Committee Member
Myron Toback, Inc.
25 West 47th Street

John Doekker
Valley National Bank
555 5th Avenue

Christopher Ipek
Altin Realty
23 West 47th Street

Jay Holzer
Dyckman’s
28 West 47th St.

Raizy Haas
Extell Development Corp.
805 3rd Ave. 7th Fl.
30 West 47th St.

Keith Lipstein
Executive Committee Member
ABS Realty

2 West 47th St.

Yale Zoland
Zolands
75 West 47th St.

Danielle Azeroual
Premier Realty
36 West 47th St. Rm. 1005

Manny Grunberg
Manny Grunberg Inc.
62 West 47th St. #71

Matt Selig
Leo Ingwer
62 West 47th St.

Sunny Yung
Central Management Corp.
55 West 47th St.

S. David Belsky – Chair Finance Committee
S. D. Belsky Associates.
21 West 47th St.

Jeffrey Mordechai
Treasurer
Petra Jewelry
60 West 47th St.

Harvey Nagin - President
Futurama Jewelry Exchange
66 West 47th Street

Reba Diskstein
F. M. Ring Associates
20 West 47th St.

Class B 3- Commercial Tenants

Jeffrey Levin - Chairman
Firenze Jewels
15 West 47th Street

Richard Friedman
Executive Committee Member
Friedman and Son Jewelers
10 West 47th Street

Dennis Marlow - Secretary
Solitaire Creations

15 West 47th Street

Richard Winick - Treasurer
Manny Winick and Son
52 West 47th Street

Ronnie Vanderlinden
Diamix Inc.
11 West 57th St.

Avery Weinschneider
Weiz Jewelry
73 West 47th St.

Class C- Residents

John Glaister
55 West 47th Street

Class D- Government Officials

The Honorable Michael R. Bloomberg
Mayor City of New York
Represented by
Leon Fonfa – SBS

The Honorable William Thompson
NYC Comptroller
Represented by
Walter Roundtree

The Honorable Christine Quinn
Speaker of the City Council
Represented by Jose Conde

The Honorable Scott Stringer
Manhattan Borough President
Corey Petersen

Class E- Non Voting

Matthew Schneid
Community Board Five