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THE COUNCIL OF  
THE CITY OF NEW YORK

**MARGARET S. CHIN**

COUNCIL MEMBER, 1<sup>ST</sup> DISTRICT, MANHATTAN

**CHAIR**  
LOWER MANHATTAN REDEVELOPMENT

**COMMITTEES**  
PUBLIC HOUSING  
EDUCATION  
SMALL BUSINESS  
CIVIL RIGHTS  
WOMEN'S ISSUES  
AGING

**MEMORANDUM OF UNDERSTANDING**

THIS MEMORANDUM OF UNDERSTANDING ("MOU") is made as of the 9<sup>th</sup> day of October 2013, by and among Brian Steinwertzel, owner of commercial property located within the boundaries of the SOHO Business Improvement District (hereinafter referred to as the "SOHO BID"), Emily Hellstrom, owner of residential property located within the boundaries of the SOHO BID, Cheryl Klaus, Mary Roland, Bonnie Shapiro, Peter T. Murray, Andrew Brown, John J. Pasquale, Richard Pierpoint, David Briggs, and Donna Vogel representing residential and commercial property owners, (hereinafter collectively referred to as the "Steering Committee"), and New York City Council Member Margaret S. Chin, Democratic representative of Council District 1 in Manhattan (hereinafter referred to as the "Council Member").

WHEREAS, Pursuant to Local Law 82 of 1990, authorized by section 980 of the New York General Municipal Law, codified in Chapter 4 of Title 25 of the Administrative Code of the city of New York, the City Council assumed responsibility for adopting the legislation that would establish individual business improvement districts, which are specifically defined areas of designated properties; and

WHEREAS, Business Improvement Districts use the City's real property tax collection mechanism to collect a special assessment to pay for additional services beyond those that the City provides; and

WHEREAS, The additional services, which are often in the areas of security, sanitation, physical/capital improvements (lighting, landscaping, sidewalks etc.), seasonal activities (Christmas lighting) and related business services (marketing and advertising), are designed to enhance the area and to improve local business; and

WHEREAS, Pursuant to section 25-403 (a) of the Administrative Code, the District Plan of a business improvement district sets forth the BID's boundaries, allowable activities, effective prohibitions, assessment charges for services, and any other item or matter required to be incorporated therein by the City Council; and

WHEREAS, The Steering Committee, which guides the formation of a BID and is comprised of owners (majority) and tenants, demarcates the areas in which services will be enhanced and also establishes the mechanism for the assessment needed to generate the required budget; and

WHEREAS, Pursuant to section 25-414 of the Administrative Code, once a BID is formed, the District Management Association (hereinafter referred to as the "DMA"), a not for profit corporation that is comprised of at least 13 Board of Directors of which the majority are property owners, governs a BID's operations for the purpose of carrying out activities as may be prescribed in the District Plan; and

WHEREAS, The SOHO BID has a total of 280 tax lots (less 1 vacant property and 1 exempt property), represented by 260 property owners consisting of 162 residential property owners who own 208 tax lots, and 116 commercial property owners who own 70 tax lots; and

WHEREAS, While commercial property owners and residential property owners alike benefit from the SOHO BID's services, and residential tax lots comprise the majority of the tax lots within the SOHO BID, commercial property owners pay the majority of the assessment charged within the BID; and

WHEREAS, It is the desire of the Council Member and the Steering Committee to maintain and/or enhance the residential fabric of the SOHO neighborhood while improving local business; and

WHEREAS, On March 13, 2013, under the process established by Local Law 82 of 1990, the City Council held a hearing on Int. 598, a Local Law to amend the administrative code of the city of New York in relation to the establishment of the SOHO business improvement district; and

WHEREAS, As of the date of this agreement, Int. 598 has not yet been adopted by the City Council; and

NOW, THEREFORE, THE STEERING COMMITTEE AND THE COUNCIL MEMBER HEREBY AGREE AND CONSENT AS FOLLOWS:


1. In relation to the voting representation of property owners within the SOHO BID, the Steering Committee shall cause the SOHO BID DMA's certificate of incorporation or by-laws to be divided evenly into two sub-classes:
  - a. Class A-1 will consist of commercial property owners (50% of Class A Director seats); and
  - b. Class A-2 will consist of residential property owners (50% of Class A Director seats).
2. The Steering Committee shall cause the SOHO BID DMA to create a website dedicated to the SOHO BID. Such website shall contain the District Plan as adopted by the City Council, upcoming SOHO BID events, relevant contact information of the appropriate District Management Association members, services provided, upcoming public informational sessions and public meetings, and time and substance of such upcoming public informational sessions and public meetings.

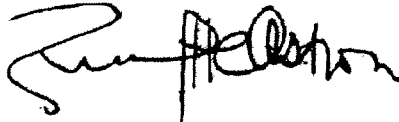
3. In the case of annual meetings of the SOHO BID DMA or other meetings required by the New York State Not for Profit law, or Chapter 4 of Title 25 of the of the Administrative Code of the city of New York, the Steering Committee shall cause the SOHO BID DMA to create and publish the minutes of all such meetings. Such minutes shall be posted on the SOHO BID DMA website.
4. In addition to the meetings prescribed by law, the Steering Committee shall cause the SOHO BID DMA to have at least 2 public informational sessions each year. Such sessions shall be open to all property owners and tenants within the BID boundaries.
5. The Steering Committee shall cause the SOHO BID DMA to publish the minutes of all public informational sessions held by the Board and the SOHO BID DMA. For all public informational sessions held by the SOHO BID DMA, all public comments, issues, and concerns shall be summarized and posted on the website of the SOHO BID DMA within 7 days.
6. Responses to such comments, issues, and concerns shall be posted on the DMA website within 30 days.
7. This agreement shall take effect upon its execution by the Steering Committee, the Council Member, and upon the adoption of Int. 598, A Local Law to amend the administrative code of the city of New York, in relation to the establishment of the SOHO BID by the City Council.
8. This agreement shall continue until the dissolution of the SOHO BID, or as required by amendment of the by-laws, whichever is sooner.
9. If any clause, sentence, paragraph, section or part of this agreement shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, section or part thereof directly involved in the controversy in which such judgment shall have been rendered.

October 9, 2013

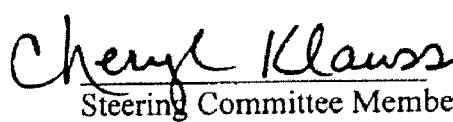


Council Member Margaret S. Chin


  
Steering Committee Co-Chair, BRIAN  
STEINWURZ


  
Emily Hellstrom


Steering Committee Co-Chair

  
Cheryl Klaus  
Steering Committee Member


  
MARY ROLLAND  
Steering Committee Member

  
Bonnie Shapiro  
Steering Committee Member

  
PETER T. MURRAY  
Steering Committee Member


  
ANDREW BROWN  
Steering Committee Member

  
WARREN  
LESHEN  
Steering Committee Member

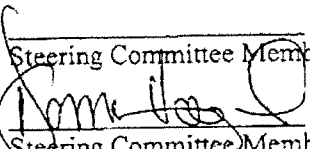
  
JOHN J. PASQUINI  
Steering Committee Member

  
Richard  
Pierpoint  
Steering Committee Member

Steering Committee Member

  
Steering Committee Member DAVID BRIGGS

Steering Committee Member

  
Steering Committee Member DONNA VOGEL

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