

DISTRICT PLAN AS AMENDED

for the

LOWER EAST SIDE
BUSINESS IMPROVEMENT DISTRICT

in

The City of New York
Borough of Manhattan

Prepared pursuant to Section 25-405 (a) of Chapter 4 of Title 25 of
the Administrative Code of the City of New York

March 2015

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INTRODUCTION

The Lower East Side Business Improvement District (the “BID”), and this District Plan (the “Plan”) were established and created in 1993, respectively. This Plan, created in 2015, modifies, amends and replaces the previous district plan in its entirety for the BID and its corresponding district management association, the Lower East Side District Management Association, Inc., (the “DMA”). This plan is created as the enabling document for the BID authorizing the development and implementation of services provided, and detailing the mechanism by which the BID and the DMA are to be funded.

The Board of Estimate by a resolution dated February 6th, 1986 Calendar No. 148, a copy of which is annexed hereto as Exhibit C, has provided for the preparation of this Plan for the District pursuant to authority granted by Local Law 78 of 1985, for the District.

I. MAP OF THE DISTRICT

The District will include two sub-districts. The Contextual Sub-District (“CSD”) will include properties on the east side of Allen Street and both sides of Orchard Street between East Houston Street and Canal Street; properties fronting Delancey Street between Allen Street and Norfolk Street, properties fronting Grand Street from Forsyth Street to Ludlow Street; the west side of Essex Street from Grand Street to Delancey Street in addition to such other properties as specifically indicated on the map annexed hereto as Exhibit A. The Non-Contextual Sub-District (“NCSD”) will include specified properties within the Seward Park Extension Urban Renewal Area (“SPEURA”) specifically indicated on the map annexed hereto as Exhibit B.

II. PRESENT USES OF DISTRICT PROPERTY AND DISTRICT PROFILE

A. Area Profile

The Lower East Side is located in southeastern Manhattan and is one of New York City's most venerable ethnic neighborhoods. Developed primarily during the last half of the nineteenth century, the Lower East Side has served as the receiving neighborhood for successive waves of immigrants coming mostly from eastern and southern Europe. The densely-built four to six story tenements developed to accommodate these immigrants and their ground and first floor shops continue to constitute a large part of the Lower East Side today.

The district is located within City Council District 1, Community Board 3, Police Precincts 5 and 7 and Sanitation District 3. The area is comprised of several zoning classes including C2, C4, C6, R7 and R8. These zoning classes reflect the current zoning, which took effect in 2008 as part of the East Village/Lower East Side rezoning.

The northern portion of the district, north of Delancey Street and west of Essex Street, is zoned C4-4A, which exhibits the typical building form of the neighborhood. C4-4A, a contextual district, requires buildings be constructed at or near the street line, with a maximum height of 80 feet. The C4-4A designation was established to ensure that new development is consistent with the predominant built form. Delancey Street is zoned C6-2A, a contextual district that allows maximum building heights of 120 feet. South of Delancey Street and north of Grand Street is also zoned C4-4A. Canal Street is zoned C6-2, with a C6-2G designation at the corner of Allen and Grand. C6-2 is a height restricted district with a maximum FAR of 6.02. South of Delancey Street and east of Ludlow Street is zoned C6-1 which is also a height factor district with maximum commercial and residential FARs of 6.0 and 3.44, respectively. Beyond that to the southeast is zoned R8, with individual blocks zoned C2-5. These blocks are part of the SPEURA with some blocks within a Large Scale General Development (“LSGD”) defined by the New York City Department of City Planning.

B. Commercial Profile

Historically, the Orchard Street commercial corridor and surrounding blocks were known as a world-famous shopping destination, admired for both for its bargain prices and Sunday hours. Many of the neighborhood’s merchants were religious Jewish immigrants from Eastern Europe who closed their business on Saturdays but were open on Sundays; for years the neighborhood was the only Sunday shopping district in New York City (in 1976 New York's blue laws were overturned and Sunday shopping became prevalent throughout the City).

Today, the District draws customers from throughout the tri-state region including from all five boroughs and surrounding suburbs in addition to a wealth of domestic and international tourists. The majority of the District is comprised of ground floor commercial units with residential units on upper floors in most buildings. While historically a “bargain district” a mixture of commercial uses now exists throughout the District. These include boutique apparel shops, dining and lounge establishments, art galleries and general retailers of sportswear, undergarments and fabrics. Several hotels operate throughout the District and several more are expected to begin operations in the near future. The SPEURA is currently comprised of primarily vacant land and buildings with some interim parking uses. A mixed-use plan for its redevelopment is underway and will include additional residential and commercial uses.

C. Residential Profile

The majority of residential units in the District exist in tenement style buildings, with ground floor commercial uses and residential uses on the upper floors. The residential population includes a diverse mix of ethnicities and income levels reinforcing the history and unique identity for which the Lower East Side is known for. In addition, many modern residential buildings are scattered throughout the District. These buildings are comprised of co-ops, condos and rental units.

D. Transportation Access

The District is presently served by the following subway lines: the "F" line stops at East Broadway and Essex-Delancey, the "J" and "M" lines stop at Essex-Delancey; and the "B" and "D" lines stop at Grand Street. Four bus lines service the area: the M15 running along Allen Street, the M14A along Essex Street, the M9 along East Broadway and Essex Street and the M21 along East Houston Street.

The Williamsburg Bridge enters Manhattan from Brooklyn at Delancey Street and is a major east-west thoroughfare. The District is also close to the Manhattan Bridge and the Brooklyn Bridge providing easy access to Brooklyn. Essex Street and Allen Street offer convenient north-south automobile transportation and Canal Street spans the width of Manhattan providing direct access to the Holland Tunnel.

III. PROPOSED SERVICES

A. Description of Services

This Plan authorizes the development and implementation of the following services (the "Services") within the BID. Services may include activities and programming developed for the enjoyment and protection of the public and the promotion and enhancement of the District. Generally, Services may be provided for the betterment of the District unless they are expressly prohibited by Federal, State or Local Law, or by express prohibition within this Plan. Where Services must be provided, the words "must" or "shall" will be used. The authorized services under this plan are generally:

1. Marketing

Marketing services may include the promotion of local retail opportunities and will be designed to increase the number of shoppers to the District. This may include, but will not be limited to, special publications and coordinated advertising through print, digital and other appropriate media. The District may design, or oversee the development of, and implementation of special community events and visitor services promoting the area as a destination for dining, shopping, culture and the arts.

2. Supplemental Sanitation

Supplemental sanitation services may include the sweeping and cleaning of sidewalks and curbs, municipal properties and/or facilities as well as maintenance of trash receptacles and removal of graffiti throughout the District. Any sanitation services developed shall be coordinated with the New York City Department of Sanitation.

3. Economic and Community Development

The DMA may provide services that further the economic and community development of the District in as much as they promote the District as a safe and enjoyable neighborhood. Services provided under this section may include, but are not limited to:

(i) Capital and Technical Assistance Programs (“CTAP”)

CTAP initiatives may include grants (whether in part, matching or outright) and other programs for storefront and building façade improvements, security equipment, digital and other marketing collateral and/or any other improvements or assistance that benefits the overall District. Improvements to private property may not be funded with funds collected through the District assessment (as defined in Section V of this Plan).

(ii) Traffic, Transportation and Pedestrian Safety Planning

Traffic, Transportation, and Pedestrian Safety Planning services may include the planning and maintenance of public plazas, traffic calming measures, wayfinding, landscaping and/or any other projects that improve the experience of pedestrians, cyclists and motorists throughout the overall District. Services developed for these purposes must comply with all City and State rules and regulations, and require coordination with the City Agency having appropriate jurisdiction.

(iii) Asset Management

Asset Management services may include the maintenance and improvement of municipal properties or facilities that benefit quality of life within the District. Specifically, Asset Management may include, but not be limited to the operation and/or management of authorized public open spaces, parking facilities, parks and retail markets or any other appropriate properties and/or facilities. Services including maintenance and management developed for these purposes must comply with all City and State rules and regulations, and require coordination with the City Agency having appropriate jurisdiction.

4. Advocacy and Administration

Advocacy and administration services may include engaging government and community stakeholders to highlight issues affecting the District. These services may also include seeking additional funding opportunities to support both capital projects and programs.

The administration of the District will be by a salaried staff and/or consultants or

others with specialized technical skills and abilities that the Board of Directors may deem necessary from time to time. Administration costs may also include operational expenses such as rent, telephone, insurance, supplies, fringe benefits as well as other ordinary, necessary and reasonable services and supplies.

5. Additional Services

Subject to any approvals and controls that may be required by any City Agency having appropriate jurisdiction, and in addition to the approval of the Board of Directors of the DMA, in subsequent years the District may provide additional services as are permitted by law and this Plan.

B. Implementation

It is anticipated that the DMA (hereinafter defined) will commence most Services during the first year of its contract with the New York City Department of Small Business Services (the "Contract"). References to the term "contract year" are intended to apply to the period of months corresponding to the City's fiscal year which runs from July 1st through June 30th of the following year.

C. General Provisions

1. All Services shall be in addition to (and not in substitution for) required and customary municipal services provided by the City on a city-wide basis.
2. All Services need not be performed in every Contract Year.
3. The staff and/or subcontractors of the DMA may render such administrative services as are needed to support performance of the Services.
4. In the event that in any given Contract Year the sources of funding (as are described in section V of this Plan) do not in the aggregate produce revenues equal to the Total Annual Budget Amount (hereinafter defined) for such Contract Year, the DMA may, subject to the Contract forego providing one or more or all of the Services in order to have revenues sufficient to pay the debt services required in the Budget for such Contract Year.

IV. PROPOSED IMPROVEMENTS

Improvements may include, but are not limited to, the improvement, development and/or redevelopment of existing or to-be-created municipal and not for profit parking facilities, commercial facilities, pedestrian plazas, public open spaces, retail markets and other projects that are within the District. Additionally Improvements may include street and sidewalk amenities that enhance the pedestrian environment and beautify

the District such as, but not limited to, plantings, supplemental pedestrian and street lighting, trash receptacles and other beautification elements.

V. PROPOSED SOURCES OF FUNDING

A. Sources of Funding: General

The proposed sources of funding for all (i) Services, (ii) Improvements and (iii) debt service arising from indebtedness permitted pursuant to paragraph D below, and (iv) administrative costs necessary to support the programs contemplated under this Plan, shall be the sources of funding described in paragraphs B through F. Subject to requirements of law and this Plan, the DMA may apply all monies derived from the sources of funding permitted herein toward funding any expenditure permitted under this Plan.

B. Source of Funding: Assessments

The DMA shall enter into a Contract with the City for the purpose of having the City levy and collect, and then disburse to the DMA assessments with respect to the Benefited Properties. Such assessments, as described in paragraphs 1, 2 and 3 herein below, shall be defined as "Assessments".

1. General - To defray the cost of the Services in the District, all real property in the District shall be assessed in proportion to the benefit such property receives from the Services and Improvements. Each property will be assessed an amount determined by the DMA, that when totaled together with the amounts for other properties in the District, shall yield an amount sufficient to the annual budget. All taxable real property within the overall District will be assessed each fiscal year according to assessment formulae, specified by sub-district rates based upon class, utilizing property square footage data and assessed value data as indicated on the most recent New York City Department of Finance tax rolls.

2. Formulae

All properties as classified in the most recent New York City Department of Finance tax rolls and as described in the BID Classes will be assessed based on the formulae specified below for each applicable BID Class. In order to reflect the relationship amongst the many variables, the following defines how each rate is determined in each Sub-District.

Contextual Sub-District (“CSD”) Formula

Assessed Value (AV) Rate: An Assessed Value rate is assigned to CSD Classes A and B. The base rate (CSD Class A1) for the assessed value part of the equation is calculated as follows:

$$\text{CSD Class A1 AV Rate} = \frac{(\text{TOTAL CSD BUDGET} - \text{Class C Flat Fee Sum} - \text{Class D Flat Fee Sum}) \times 75\%}{(\text{Class A1 AV}) + (\text{Class A2 AV} \times 45\%) + (\text{Class B AV} \times 45\%)}$$

Square Footage (SF) Rate: A Square Footage rate is assigned to CSD Classes A and B. The base rate (CSD Class A1) for the square footage part of the equation is calculated as follows:

$$\text{CSD Class A1 SF Rate} = \frac{(\text{TOTAL CSD BUDGET} - \text{Class C Flat Fee Sum} - \text{Class D Flat Fee Sum}) \times 25\%}{(\text{Class A1 SF}) + (\text{Class A2 SF} \times 30\%) + (\text{Class B SF} \times 50\%)}$$

Non-Contextual Sub-District (“NCSD”) Formula

Commercial Square Footage (CSF) Rate: A Commercial Square Footage rate is assigned to NCSD Class A. The base rate (NCSD Class A) for the commercial square footage part of the equation is calculated as follows:

$$\text{NCSD Class A Rate} = \frac{(\text{TOTAL NCSD BUDGET} - \text{Class B Flat Fee Sum} - \text{Class C Flat Fee Sum})}{\text{NCSD Class A CSF}}$$

3. Classes of Properties

Contextual Sub-District (“CSD”)

a. CSD Class A - Commercial

All properties, including commercial condominium units, devoted in whole to commercial uses shall constitute CSD Class A.

Properties with a total floor area greater than or equal to 34,999 Gross Square Footage (“GSF”) shall be CSD A1, and shall be assessed at a rate based upon square footage and assessed value, as defined above.

Properties with a total floor area less than 34,999 GSF shall be CSD A2, and shall be assessed at a rate based upon 45% of the CSD Class A1 AV rate and 30% of the CSD Class A1 SF rate.

b. CSD Class B – Mixed Use

All properties with single tax lots containing both residential and commercial uses shall constitute CSD Class B, and shall be assessed at a rate based upon 45% of the CSD Class A1 AV rate and 50% of the CSD Class A1 SF rate.

c. CSD Class C - Residential

All properties, including individual residential condominium units, devoted in whole to residential uses shall constitute CSD Class C and be assessed at a nominal rate of \$1.00 per annum, except properties with single condominium tax lots that contain multiple units which will be assessed according to CSD Class B rates.

d. CSD Class D - Vacant and Undeveloped Land

All vacant or undeveloped land, including properties currently undergoing development that have yet to receive a temporary certificate of occupancy from the Department of Buildings, shall constitute CSD Class D and be assessed the nominal rate of \$1.00 per square foot dependent upon lot size. Upon the granting of a temporary certificate of occupancy from the Department of Buildings, vacant or undeveloped properties classified as CSD Class D shall be reclassified as either CSD Class A, CSD Class B, CSD Class C or Class CSD E, depending on the use of the property based on the definitions of those classes provided in this section.

e. CSD Class E - Not-for-Profit and Government

Not-for-Profit and Government owned property devoted entirely to not-for-profit or public use shall constitute CSD Class E and be exempt from assessment. Not-for-Profit or Government owned properties which are occupied by for-profit organizations engaged in commercial use shall be assigned to the appropriate CSD class and the proportion of the property devoted to for profit uses shall be assessed in the same manner as defined within the appropriate CSD class description and assessment formulae.

Non-Contextual Sub-District (“NCSD”)

a. NCSD Class A - Commercial

All properties devoted in whole or part to commercial uses shall constitute NCSD Class A, and shall be assessed at a rate based upon the amount of commercial square footage within the property as defined above.

b. NCSD Class B - Residential

All properties, including individual residential condominium units, devoted in whole to residential uses shall constitute NCSD Class B and be assessed at a nominal rate of \$1.00 per annum.

c. NCSD Class C - Vacant and Undeveloped Land

All vacant or undeveloped land, including properties currently undergoing development that have yet to receive a temporary certificate of occupancy from the Department of Buildings, shall constitute NCSD Class C and be assessed the nominal rate of \$1.00 per square foot dependent upon lot size. Upon the granting of a temporary certificate of occupancy from the Department of Buildings, vacant or undeveloped properties classified as NCSD Class C shall be reclassified as either NCSD Class A, NCSD Class B or NCSD Class D, depending on the use of the property based on the definitions of those classes provided in this section.

d. NCSD Class D - Not-for-Profit and Government

Not-for-Profit and Government owned property devoted entirely to not-for-profit or public use shall constitute NCSD Class D and be exempt from assessment. Not-for-Profit or Government owned properties which are occupied by for-profit organizations engaged in commercial uses shall be assigned to the appropriate NCSD class and the proportion of the property devoted to for profit uses shall be assessed in the same manner as defined within the appropriate NCSD class description and assessment formulae.

4. Limitation on Assessment

The amounts, exclusive of debt services, assessed and levied in a given year against the Benefited Properties and Assessments may not exceed 20% of the total general City taxes levied in that year against the Benefited Properties.

C. Source of Funding: Grants and Donations

The DMA may accept grants and donations from private institutions, the City and other

public entities or individuals.

D. Source of Funding: Borrowings

1. Subject to subparagraphs 2 and 3 below, the DMA may borrow money from private lending institutions, the City, other public entities or individuals for the purpose of funding operations or improvements.

2. The use of monies received by the DMA from the City or from any other public entity, whether in the form of a grant or as proceeds from a loan, shall be subject to (i) all statutory requirements applicable to the expenditures and use of such monies, and (ii) any contractual requirements imposed by the city (whether pursuant to the Contract or otherwise) or by any other public entity, as the case may be.

3. Any loans, which the DMA may enter into as borrower, shall be subject to Section VI of this Plan.

E. Source of Funding: Charges for User Rights

Subject to the approval and control of the appropriate City agency, the DMA may, in accordance with Section IX of this Plan, impose charges as consideration for the sub-granting or sub-licensing of User Rights (hereinafter defined) as such charges and User Rights are described in Section IX of this plan.

F. Source of Funding: Other

The DMA may derive revenues from any other sources of funding permitted by law.

G. Assignment of Funding

The DMA may assign revenues from the sources of funding described in paragraphs B, C, E and F of this Section V for the purpose of securing loans which the DMA enters into pursuant to paragraph D of this Section V, provided such assignments are subject to the requirements of Section VI of this Plan.

VI. PROPOSED EXPENDITURES: ANNUAL BUDGETS

A. Maximum Total and Annual Expenditures

The total amount proposed to be expended by the DMA for services, operations and improvements, in any Contract Year, shall not be greater than the aggregate amount of all monies which the DMA may collect from the annual assessment permitted under Section V of this Plan which shall not exceed the maximum budget of \$974,600 for any single Contract Year during the term of the Contract. The DMA may spend in excess of

the amount assessed annually so long as the excess funds are raised from private sources, or sources separate and apart from the annual assessment, or have been retained from unspent prior assessments, and do not cause the DMA to become insolvent. The table below outlines the maximum annual budgets proposed for future years in order to meet the growing need for Services throughout the District. During the existence of this District, the maximum cost of improvements, if any, will not exceed \$10,000,000.

<u>Year</u>	<u>Contextual Sub-District</u>	<u>Non- Contextual Sub-District</u>	<u>Total District</u>
1	\$565,200	\$118,214	\$683,414
2	\$565,200	\$189,550	\$754,750
3+	\$565,200	\$409,400	\$974,600

B. Annual Budget

The DMA shall develop an annual budget for each year of its contract with the City. The Proposed First Year Budget (“First Year Budget”) shall apply for the First Contract Year. Subsequent Annual Budgets (“Subsequent Budgets”) totals shall conform to the phased approach described above in Section VI, Paragraph A.

1. First Year Budget - It is anticipated that the budget of proposed expenditures for the first amended Contract Year are as follows:

Contextual Sub-District

(i) Services

- Marketing	\$222,400
- Supplemental Sanitation	\$172,810
- Economic and Community Development	\$90,990

(ii) Advocacy and Administration \$79,000

Non-Contextual Sub-District

(i) Services

- Marketing	\$21,242
- Supplemental Sanitation	\$68,790
- Economic and Community Development	\$19,492

(ii) Advocacy and Administration \$8,690

Total District \$683,414

2. Subsequent Budgets - The DMA shall establish for each Contract Year after the first Contract Year, a proposed budget of expenditures. Such proposed budgets shall (with respect to the Contract Years to which they respectively apply): (i) reasonably itemize the purpose for which monies are proposed to be expended by the DMA; (ii) specify the amount, if any, proposed to be expended by the DMA for debt service and (iii) set forth the total amount proposed to be expended (the "Total Annual Budget Amount"). A proposed budget in all cases shall be referred to as the "Budget."

C. General Provisions

1. The DMA shall make no expenditure other than in accordance with and pursuant to (i) the Budget for which a Total Annual Budget Amount has been approved by the City and the Board of Directors of the DMA; or (ii) any provisions in the Contract providing for the satisfaction of outstanding obligations of the DMA; or (iii) any provisions in the contract providing for the expenditures of amounts provided in the Budget for, but unexpended in, a previous Contract Year.

2. The total Annual Budget Amount shall not exceed the maximum total and annual amount which the DMA may expend for the Contract Year in question pursuant to paragraph A of this section VI.

3. The Total Annual Budget Amount shall not be less than the amount needed to satisfy the DMA's debt service obligations for the Contract Year in question.

4. Subject to the DMA's need to satisfy its debt services obligations for the Contract Year in question, the DMA may revise the itemizations within any Budget.

5. In the event that in any given Contract Year the sources of funding do not in the aggregate produce revenues equal to the Total Annual Budget Amount for such Contract Year, the DMA may, subject to the Contract forego some or all of the non-debt service expenditures as are provided for in the Budget in question in order to have revenues sufficient to pay the debt service provided for in such Budget.

VII. BENEFITED PROPERTIES

The Services and Improvements provided to the BID by the DMA shall benefit all properties within the District ("the Benefited Properties"). The Benefited properties are described, in the alternative, by the following: the District Map, or the tax block and lots indicated in Exhibit E attached hereto.

VIII. DISTRICT MANAGEMENT ASSOCIATION

The DMA is a not-for-profit corporation incorporated under Section 402 of the New York

State Not-For-Profit Corporation Law (the “N-PCL”) and is named the Lower East Side District Management Association, Inc. The corporation is organized for the purpose of executing the responsibilities of a district management association as set forth in the Local Law. Furthermore, the DMA will carry out the activities prescribed in the Plan in addition to promoting and supporting the overall District.

The DMA has three classes of voting membership and one class of non-voting membership. The voting classes are composed of (i) owners of the record of real property located within the District, (ii) commercial tenants leasing space within the District, and (iii) residential tenants, including proprietary leases, leasing space within the District.

The non-voting class of members shall include community board representatives, and may include others with an interest in the welfare of the District. Each voting class elects members to the Board of Directors of the DMA in the manner prescribed by the by-laws of the DMA.

The Board of Directors of the DMA includes representatives of owners of record of real property located within the District (which shall constitute a majority of the Board), the representatives of both commercial and residential tenants, (including proprietary leases) leasing space in buildings within the District, and one director appointed by each of the following public officials: The Mayor, the Comptroller, the Borough President of Manhattan and the City Council Member representing the District. If more than one City Council Member represents a portion of the District then by the Speaker of the City Council. In addition the Board of Directors may include non-voting directors representing the non-voting class, which includes Community Board representatives. The management of the DMA, including requirements governing the operations of the Board of Directors, is subject to all relevant state and local laws currently in force.

IX. USER RIGHTS

A. Authorization of User Rights

The DMA may undertake or permit commercial activities or other private uses of the streets or other parts of the District in which the City has any real property interest (the “User Rights”), provided, however, that: (i) the User Rights to be so undertaken or permitted by the DMA shall have been set forth in this Plan or authorized for licensing or granting by the City to the DMA in a Local Law adopted by the City Council and (ii) licensed or granted to the DMA by the City, and (iii) authorized by the appropriate City agency having jurisdiction thereof. Once so granted or licensed, the User Rights in question shall be undertaken or permitted by the DMA in such a manner as to conform to the requirements, if any, set forth in the Plan or the aforesaid Local Law with respect to User Rights, and conform to the requirements authorized by the appropriate City

agency having jurisdiction thereof. Such requirements may include but shall not be limited to:

- (i) requirements as to what consideration the DMA shall pay to the City for the grant and/or license in question;
- (ii) requirements as to whether and how the DMA may permit others to undertake the User Rights in question pursuant to a sub-grant or sub-license;
- (iii) requirements as to what charges the DMA may impose upon other persons as consideration for such sub-grant or sub-license, and;
- (iv) requirements as to the general regulation of the User Rights by whomsoever undertaken.

B. User Rights: Proposed

Subject to the approval and control of the appropriate City agency and/or subject to the requirements set forth by the City in an Agreement or Contract with the DMA, the DMA may undertake or permit the following User Rights:

- (i) Taxi Stand Kiosks;
- (ii) Information and Promotion Kiosks;
- (iii) News Racks;
- (iv) Sunday Street Activities occurring on the portion of Orchard Street which is closed regularly on Sundays between Delancy Street and East Houston Street from 8 AM to 6PM (the "Orchard Street Closure");
- (v) Such other User Rights as may be appropriate to benefit the District, so long as any additional proposed User Rights not specifically mentioned here are coordinated and approved by the appropriate Agency having jurisdiction thereof and comply with all local laws and regulations, and this Plan.

X. REGULATIONS

The rules and regulations proposed for governing the operations of the District and the provision of Services and Improvements by the DMA (the "Regulations") are set forth herein below.

1. The DMA shall obligate itself to provide the Services and Improvements in a contract or contracts into which both the DMA and the City shall enter (collectively, the "Contract") for a specified term each year of the Contract term to be defined as a "Contract Year". The City shall, pursuant to the terms, conditions and requirements of the contract, levy and collect, and then disburse to the DMA the Assessments. Such disbursements shall be made in accordance with general procedures for the payment of other City expenditures.

2. The DMA shall comply with all terms, conditions and requirements (i) elsewhere set forth in this Plan, and (ii) to be set forth in the Contract and in any other contracts into which both the DMA and the City may enter (the terms, conditions and requirements referred to in clauses (i) and (ii) to be hereby incorporated by reference in the definition for "Regulations" and (iii) shall comply with all terms, conditions and requirements set forth by the appropriate City agency which is required pursuant to Law to give its approval.

XI. GLOSSARY OF TERMS

<i>Term</i>	<i>Section Location of Definition</i>
Assessments	V (B)
Budget	VI (B)
City	I
Contract	X
Contract Year	X (1)
District	I
District Management Association	VIII
District Map	I
Improvements	IV
Services	III
Total Annual Budget Amount	VI (B) (2)
User Rights	IX

Exhibit A

District Map

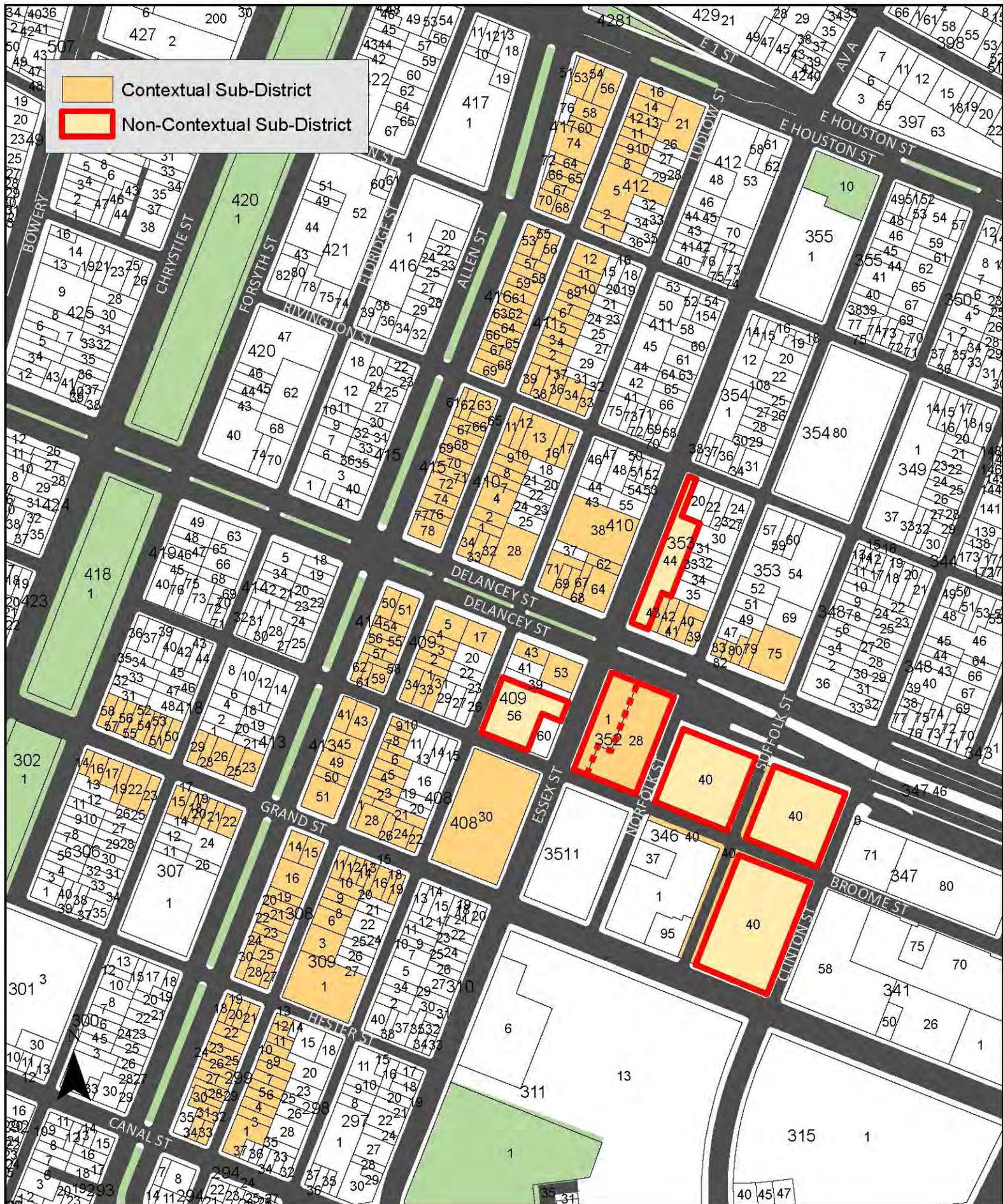
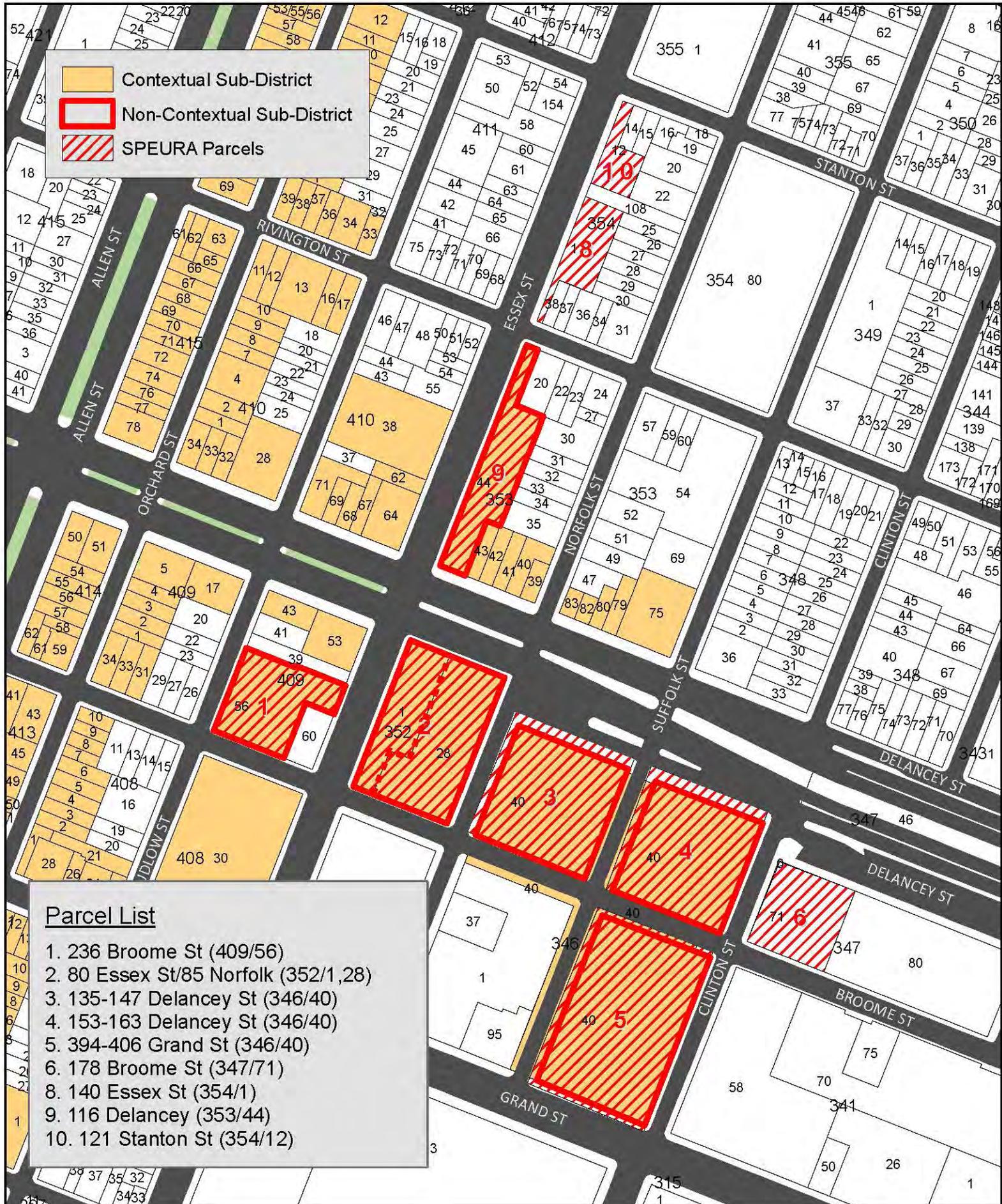


EXHIBIT B

Seward Park Extension Urban Renewal Area Map



- Contextual Sub-District
- Non-Contextual Sub-District
- SPEURA Parcels

- Parcel List**
1. 236 Broome St (409/56)
 2. 80 Essex St/85 Norfolk (352/1,28)
 3. 135-147 Delancey St (346/40)
 4. 153-163 Delancey St (346/40)
 5. 394-406 Grand St (346/40)
 6. 178 Broome St (347/71)
 8. 140 Essex St (354/1)
 9. 116 Delancey (353/44)
 10. 121 Stanton St (354/12)

Exhibit C

Board of Estimate Letter of Authorization

BOARD OF ESTIMATE CITY OF NEW YORK

Cal. No. 148

WHEREAS, The Board of Estimate is authorized by the New York City Business Improvement District Law, enacted as Local Law 78 of 1985, to provide for the preparation of a "district plan", as that term is defined in such local law, upon the request of the Mayor or an individual or agency designated by him; and

WHEREAS, New York City Public Development Corporation ("PDC") has been designated by the Mayor to request the Board of Estimate, pursuant to such local law, to provide for the preparation of certain district plans; and

WHEREAS, Public Development Corporation pursuant to such Mayoral designations, has requested that the Board of Estimate provide for the preparation of district plans; and

WHEREAS, The Board of Estimate believes that the areas for which such requests have been made are likely to benefit from the establishment of a business improvement district;

NOW, THEREFORE, BE IT RESOLVED that:

(1) The Board of Estimate hereby provides for the preparation of a district plan pursuant to authority granted by Local Law 78 of 1985 for the following areas:

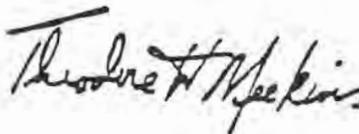
Manhattan

A. *Lower East Side*: Such plan shall approximately include areas of Orchard Street between Canal Street and Houston Street and other parallel and adjacent streets as deemed appropriate.

B. *Diamond District*: Such plan shall approximately include areas of West 47th Street between Fifth Avenue and Sixth Avenue.

(2) The Board of Estimate hereby designates PDC to supervise the preparation of a district plan for the areas identified above.

A true copy of resolution adopted by the Board of Estimate
February 6, 1986.



Secretary

Exhibit E

Tax Lots and Benefited Properties

Contextual Sub District (CSD)

BLOCK	LOT	ADDRESS	CLASS
00298	0004	20 ORCHARD STREET	CSD B
00298	0005	22 ORCHARD STREET	CSD B
00298	0006	24 ORCHARD STREET	CSD A2
00298	0007	26 ORCHARD STREET	CSD A2
00298	0008	28 ORCHARD STREET	CSD B
00298	0010	32 ORCHARD STREET	CSD B
00298	0011	34 ORCHARD STREET	CSD B
00298	0012	36 ORCHARD STREET	CSD B
00298	0013	38 ORCHARD STREET	CSD B
00298	1001	51 CANAL STREET	CSD A2
00298	1002	51 CANAL STREET	CSD A2
00298	1003	51 CANAL STREET	CSD A2
00298	1004	51 CANAL STREET	CSD A2
00298	1005	51 CANAL STREET	CSD A2
00298	1006	51 CANAL STREET	CSD A2
00298	1007	51 CANAL STREET	CSD C
00298	1008	51 CANAL STREET	CSD C
00298	1009	51 CANAL STREET	CSD C
00298	1010	51 CANAL STREET	CSD C
00298	1011	51 CANAL STREET	CSD C
00298	1012	51 CANAL STREET	CSD C
00298	1013	51 CANAL STREET	CSD C
00298	1014	51 CANAL STREET	CSD C
00298	1015	51 CANAL STREET	CSD C
00298	1016	51 CANAL STREET	CSD C
00298	1017	51 CANAL STREET	CSD C
00298	1018	51 CANAL STREET	CSD C
00298	1019	51 CANAL STREET	CSD C
00298	1020	51 CANAL STREET	CSD C
00298	1021	51 CANAL STREET	CSD C
00298	1022	51 CANAL STREET	CSD C
00298	1023	51 CANAL STREET	CSD C
00298	1024	51 CANAL STREET	CSD C
00298	1025	51 CANAL STREET	CSD C
00298	1026	51 CANAL STREET	CSD C
00298	1027	51 CANAL STREET	CSD C
00298	1028	51 CANAL STREET	CSD C
00298	1029	51 CANAL STREET	CSD C
00298	1030	51 CANAL STREET	CSD C
00298	1031	51 CANAL STREET	CSD C

BLOCK	LOT	ADDRESS	CLASS
00298	1032	51 CANAL STREET	CSD C
00298	1033	51 CANAL STREET	CSD C
00298	1034	51 CANAL STREET	CSD C
00298	1035	51 CANAL STREET	CSD C
00298	1036	51 CANAL STREET	CSD C
00298	1037	51 CANAL STREET	CSD C
00298	1038	51 CANAL STREET	CSD C
00298	1039	51 CANAL STREET	CSD C
00298	1040	51 CANAL STREET	CSD C
00298	1041	51 CANAL STREET	CSD C
00298	1042	51 CANAL STREET	CSD C
00298	1043	51 CANAL STREET	CSD C
00298	1044	51 CANAL STREET	CSD C
00298	1045	51 CANAL STREET	CSD C
00298	1046	51 CANAL STREET	CSD C
00298	1047	51 CANAL STREET	CSD C
00298	1101	18 ORCHARD STREET	CSD A2
00298	1102	18 ORCHARD STREET	CSD C
00298	1103	18 ORCHARD STREET	CSD C
00298	1104	18 ORCHARD STREET	CSD C
00298	1105	18 ORCHARD STREET	CSD C
00298	1301	30 ORCHARD STREET	CSD A2
00298	1302	30 ORCHARD STREET	CSD C
00298	1303	30 ORCHARD STREET	CSD C
00298	1304	30 ORCHARD STREET	CSD C
00298	1305	30 ORCHARD STREET	CSD C
00298	1306	30 ORCHARD STREET	CSD C
00298	1307	30 ORCHARD STREET	CSD C
00298	1308	30 ORCHARD STREET	CSD C
00298	1309	30 ORCHARD STREET	CSD C
00298	1310	30 ORCHARD STREET	CSD C
00299	0018	74 HESTER STREET	CSD B
00299	0019	72 HESTER STREET	CSD B
00299	0020	70 HESTER STREET	CSD A2
00299	0021	68 HESTER STREET	CSD B
00299	0022	35 ORCHARD STREET	CSD B
00299	0023	33 ORCHARD STREET	CSD B
00299	0024	31 ORCHARD STREET	CSD B
00299	0025	29 ORCHARD STREET	CSD A2
00299	0026	27 ORCHARD STREET	CSD B
00299	0027	25 ORCHARD STREET	CSD B
00299	0028	23 ORCHARD STREET	CSD B
00299	0029	21 ORCHARD STREET	CSD A2
00299	0030	19 ORCHARD STREET	CSD B
00299	0032	15 ORCHARD STREET	CSD B

BLOCK	LOT	ADDRESS	CLASS
00299	0033	55 CANAL STREET	CSD A2
00299	1001	59 CANAL STREET	CSD C
00299	1002	17 ORCHARD STREET	CSD C
00299	1003	17 ORCHARD STREET	CSD C
00299	1004	17 ORCHARD STREET	CSD C
00299	1005	17 ORCHARD STREET	CSD C
00299	1006	17 ORCHARD STREET	CSD C
00299	1007	17 ORCHARD STREET	CSD C
00299	1008	17 ORCHARD STREET	CSD C
00306	0014	271 GRAND STREET	CSD A2
00306	0016	273 GRAND STREET	CSD A2
00306	0017	277 GRAND STREET	CSD A2
00306	0019	281 GRAND STREET	CSD B
00306	0022	283 GRAND STREET	CSD A2
00306	0023	289 GRAND STREET	CSD B
00307	0015	291 GRAND STREET	CSD A2
00307	0017	295 GRAND STREET	CSD A2
00307	0018	297 GRAND STREET	CSD A2
00307	0019	299 GRAND STREET	CSD A2
00307	0020	301 GRAND STREET	CSD A2
00307	0021	303 GRAND STREET	CSD A2
00307	0022	305 GRAND STREET	CSD A2
00308	0014	315 GRAND STREET	CSD A2
00308	0015	319 GRAND STREET	CSD A2
00308	0016	59 ORCHARD STREET	CSD A2
00308	0019	57 ORCHARD STREET	CSD A2
00308	0020	55 ORCHARD STREET	CSD B
00308	0021	53 ORCHARD STREET	CSD B
00308	0022	51 ORCHARD STREET	CSD B
00308	0023	48 ALLEN STREET	CSD E
00308	0024	47 ORCHARD STREET	CSD B
00308	0025	43 ORCHARD STREET	CSD B
00308	0027	41 ORCHARD STREET	CSD B
00308	0028	83 HESTER STREET	CSD B
00308	0030	87 HESTER STREET	CSD A2
00309	0001	65 HESTER STREET	CSD E
00309	0006	54 ORCHARD STREET	CSD B
00309	0008	58 ORCHARD STREET	CSD B
00309	0010	62 ORCHARD STREET	CSD B
00309	0011	323 GRAND STREET	CSD A2
00309	0012	325 GRAND STREET	CSD A2
00309	0013	327 GRAND STREET	CSD B
00309	0014	329 GRAND STREET	CSD B
00309	0015	331 GRAND STREET	CSD B
00309	0016	333 GRAND STREET	CSD B

BLOCK	LOT	ADDRESS	CLASS
00309	0018	337 GRAND STREET	CSD B
00309	0019	339 GRAND STREET	CSD A2
00309	1001	48 ORCHARD STREET	CSD A2
00309	1002	48 ORCHARD STREET	CSD A2
00309	1003	48 ORCHARD STREET	CSD C
00309	1004	48 ORCHARD STREET	CSD C
00309	1005	48 ORCHARD STREET	CSD C
00309	1006	48 ORCHARD STREET	CSD C
00309	1007	48 ORCHARD STREET	CSD C
00309	1008	48 ORCHARD STREET	CSD C
00309	1009	48 ORCHARD STREET	CSD C
00309	1010	48 ORCHARD STREET	CSD C
00309	1011	48 ORCHARD STREET	CSD A2
00309	1012	48 ORCHARD STREET	CSD C
00309	1013	48 ORCHARD STREET	CSD C
00309	1014	48 ORCHARD STREET	CSD C
00309	1015	48 ORCHARD STREET	CSD C
00309	1016	48 ORCHARD STREET	CSD C
00309	1017	48 ORCHARD STREET	CSD C
00309	1018	48 ORCHARD STREET	CSD C
00309	1019	48 ORCHARD STREET	CSD C
00309	1020	48 ORCHARD STREET	CSD C
00309	1021	48 ORCHARD STREET	CSD C
00309	1022	48 ORCHARD STREET	CSD C
00309	1023	48 ORCHARD STREET	CSD C
00309	1024	48 ORCHARD STREET	CSD C
00309	1025	48 ORCHARD STREET	CSD C
00309	1026	48 ORCHARD STREET	CSD C
00309	1027	48 ORCHARD STREET	CSD C
00309	1028	48 ORCHARD STREET	CSD C
00309	1101	60 ORCHARD STREET	CSD C
00309	1102	60 ORCHARD STREET	CSD C
00309	1103	60 ORCHARD STREET	CSD C
00309	1104	60 ORCHARD STREET	CSD C
00309	1105	60 ORCHARD STREET	CSD C
00309	1106	60 ORCHARD STREET	CSD C
00309	1107	60 ORCHARD STREET	CSD C
00309	1108	60 ORCHARD STREET	CSD A2
00309	1109	60 ORCHARD STREET	CSD A2
00309	1110	60 ORCHARD STREET	CSD A2
00309	1111	60 ORCHARD STREET	CSD A2
00347	0071	167 DELANCEY STREET	CSD E
00353	0039	130 DELANCEY STREET	CSD A2
00353	0040	128 DELANCEY STREET	CSD A2
00353	0041	126 DELANCEY STREET	CSD A2

BLOCK	LOT	ADDRESS	CLASS
00353	0042	124 DELANCEY STREET	CSD A2
00353	0043	122 DELANCEY STREET	CSD A2
00353	0044	116 DELANCEY STREET	CSD E
00353	0075	140 DELANCEY STREET	CSD A2
00353	0079	138 DELANCEY STREET	CSD A2
00353	0080	136 DELANCEY STREET	CSD A2
00353	0082	132 DELANCEY STREET	CSD A2
00408	0001	68 ORCHARD STREET	CSD B
00408	0002	70 ORCHARD STREET	CSD B
00408	0003	72 ORCHARD STREET	CSD B
00408	0004	74 ORCHARD STREET	CSD A2
00408	0005	76 ORCHARD STREET	CSD B
00408	0006	78 ORCHARD STREET	CSD B
00408	0007	82 ORCHARD STREET	CSD B
00408	0008	84 ORCHARD STREET	CSD B
00408	0009	86 ORCHARD STREET	CSD A2
00408	0010	88 ORCHARD STREET	CSD A2
00408	0022	334 GRAND STREET	CSD B
00408	0024	330 GRAND STREET	CSD A2
00408	0026	328 GRAND STREET	CSD D
00408	0028	324 GRAND STREET	CSD B
00408	0030	350 GRAND STREET	CSD E
00409	0001	94 ORCHARD STREET	CSD B
00409	0002	96 ORCHARD STREET	CSD B
00409	0003	98 ORCHARD STREET	CSD B
00409	0005	85 DELANCEY STREET	CSD A2
00409	0017	95 DELANCEY STREET	CSD A2
00409	0031	252 BROOME STREET	CSD B
00409	0033	254 BROOME STREET	CSD B
00409	0034	256 BROOME STREET	CSD B
00409	0043	101 DELANCEY STREET	CSD B
00409	0053	109 DELANCEY STREET	CSD A2
00409	1101	100 ORCHARD STREET	CSD A2
00409	1102	100 ORCHARD STREET	CSD A2
00410	0001	120 ORCHARD STREET	CSD B
00410	0002	122 ORCHARD STREET	CSD B
00410	0004	130 ORCHARD STREET	CSD B
00410	0007	132 ORCHARD STREET	CSD B
00410	0008	134 ORCHARD STREET	CSD B
00410	0009	136 ORCHARD STREET	CSD B
00410	0010	138 ORCHARD STREET	CSD B
00410	0011	85 RIVINGTON STREET	CSD B
00410	0012	87 RIVINGTON STREET	CSD E
00410	0013	89 RIVINGTON STREET	CSD E
00410	0016	95 RIVINGTON STREET	CSD B

BLOCK	LOT	ADDRESS	CLASS
00410	0017	97 RIVINGTON STREET	CSD B
00410	0032	90 DELANCEY STREET	CSD A2
00410	0033	88 DELANCEY STREET	CSD A2
00410	0034	86 DELANCEY STREET	CSD A2
00410	0038	112 LUDLOW STREET	CSD E
00410	0062	103 ESSEX STREET	CSD B
00410	0064	114 DELANCEY STREET	CSD A2
00410	0067	108 DELANCEY STREET	CSD A2
00410	0068	106 DELANCEY STREET	CSD A2
00410	0069	104 DELANCEY STREET	CSD A2
00410	0071	100 DELANCEY STREET	CSD B
00410	1001	92 DELANCEY STREET	CSD E
00410	1002	92 DELANCEY STREET	CSD A2
00410	1003	92 DELANCEY STREET	CSD A2
00411	0001	146 ORCHARD STREET	CSD B
00411	0002	148 ORCHARD STREET	CSD B
00411	0003	150 ORCHARD STREET	CSD B
00411	0004	152 ORCHARD STREET	CSD B
00411	0005	154 ORCHARD STREET	CSD B
00411	0006	156 ORCHARD STREET	CSD B
00411	0007	158 ORCHARD STREET	CSD B
00411	0008	160 ORCHARD STREET	CSD B
00411	0009	162 ORCHARD STREET	CSD B
00411	0010	164 ORCHARD STREET	CSD B
00411	0011	166 ORCHARD STREET	CSD B
00411	0012	168 ORCHARD STREET	CSD A2
00411	0033	98 RIVINGTON STREET	CSD B
00411	0034	94 RIVINGTON STREET	CSD B
00411	0036	92 RIVINGTON STREET	CSD B
00411	0037	90 RIVINGTON STREET	CSD B
00411	0038	88 RIVINGTON STREET	CSD B
00411	0039	86 RIVINGTON STREET	CSD B
00412	0001	172 ORCHARD STREET	CSD B
00412	0002	174 ORCHARD STREET	CSD B
00412	0008	186 ORCHARD STREET	CSD B
00412	0009	188 ORCHARD STREET	CSD B
00412	0010	190 ORCHARD STREET	CSD B
00412	0011	192 ORCHARD STREET	CSD B
00412	0012	194 ORCHARD STREET	CSD A2
00412	0013	196 ORCHARD STREET	CSD A2
00412	0014	198 ORCHARD STREET	CSD A2
00412	0016	187 EAST HOUSTON STREET	CSD A2
00412	0021	205 EAST HOUSTON STREET	CSD A2
00412	1001	180 ORCHARD STREET	CSD A2
00412	1002	180 ORCHARD STREET	CSD A2

BLOCK	LOT	ADDRESS	CLASS
00412	1003	180 ORCHARD STREET	CSD A1
00413	0023	302 GRAND STREET	CSD A2
00413	0025	298 GRAND STREET	CSD A2
00413	0026	294 GRAND STREET	CSD A2
00413	0028	292 GRAND STREET	CSD A2
00413	0029	290 GRAND STREET	CSD A2
00413	0041	265 BROOME STREET	CSD A2
00413	0043	259 BROOME STREET	CSD B
00413	0045	81 ORCHARD STREET	CSD B
00413	0049	75 ORCHARD STREET	CSD B
00413	0050	73 ORCHARD STREET	CSD B
00413	0051	314 GRAND STREET	CSD A2
00414	0050	77 DELANCEY STREET	CSD B
00414	0051	81 DELANCEY STREET	CSD E
00414	0054	101 ORCHARD STREET	CSD B
00414	0055	99 ORCHARD STREET	CSD B
00414	0056	97 ORCHARD STREET	CSD E
00414	0057	95 ORCHARD STREET	CSD B
00414	0058	93 ORCHARD STREET	CSD B
00414	0059	91 ORCHARD	CSD E
00414	0061	260 BROOME STREET	CSD B
00414	0062	264 BROOME STREET	CSD B
00415	0061	75 RIVINGTON STREET	CSD C
00415	0062	266 BROOME STREET	CSD B
00415	0063	81 RIVINGTON STREET	CSD B
00415	0065	143 ORCHARD STREET	CSD A2
00415	0066	140 ALLEN STREET	CSD A1
00415	0067	139 ORCHARD STREET	CSD A1
00415	0068	137 ORCHARD STREET	CSD B
00415	0069	135 ORCHARD STREET	CSD B
00415	0070	133 ORCHARD STREET	CSD B
00415	0071	131 ORCHARD STREET	CSD B
00415	0072	127 ORCHARD STREET	CSD B
00415	0074	125 ORCHARD STREET	CSD B
00415	0076	121 ORCHARD STREET	CSD B
00415	0077	119 ORCHARD STREET	CSD A2
00415	0078	80 DELANCEY STREET	CSD B
00416	0053	172 ALLEN STREET	CSD A2
00416	0055	85 STANTON STREET	CSD B
00416	0056	167 ORCHARD STREET	CSD A2
00416	0057	165 ORCHARD STREET	CSD B
00416	0058	150 ALLEN STREET	CSD A2
00416	0059	161 ORCHARD STREET	CSD B
00416	0061	159 ORCHARD STREET	CSD B
00416	0062	157 ORCHARD STREET	CSD B

BLOCK	LOT	ADDRESS	CLASS
00416	0063	155 ORCHARD STREET	CSD B
00416	0064	153 ORCHARD STREET	CSD B
00416	0065	151 ORCHARD STREET	CSD B
00416	0066	149 ORCHARD STREET	CSD B
00416	0067	147 ORCHARD STREET	CSD B
00416	0068	145 ORCHARD STREET	CSD B
00416	0069	78 RIVINGTON STREET	CSD B
00417	0053	177 EAST HOUSTON STREET	CSD B
00417	0054	179 EAST HOUSTON STREET	CSD B
00417	0056	185 EAST HOUSTON STREET	CSD B
00417	0058	191 ORCHARD STREET	CSD B
00417	0060	189 ORCHARD STREET	CSD B
00417	0064	181 ORCHARD STREET	CSD A2
00417	0065	179 ORCHARD STREET	CSD B
00417	0066	177 ORCHARD STREET	CSD B
00417	0067	175 ORCHARD STREET	CSD B
00417	0068	86 STANTON STREET	CSD B
00417	0070	82 STANTON STREET	CSD A2
00417	1001	190 ALLEN STREET	CSD A2
00417	1002	190 ALLEN STREET	CSD A1
00418	0050	288 GRAND STREET	CSD B
00418	0051	286 GRAND STREET	CSD A2
00418	0052	284 GRAND STREET	CSD A2
00418	0053	282 GRAND STREET	CSD A2
00418	0054	280 GRAND STREET	CSD A2
00418	0055	278 GRAND STREET	CSD A2
00418	0056	276 GRAND STREET	CSD B
00418	0057	274 GRAND STREET	CSD B
00418	0058	272 GRAND STREET	CSD B

Non-Contextual Sub District (NCSD)

BLOCK	LOT	ADDRESS	CLASS
00409	0056	236 BROOME STREET	NCSD C
00352	0001	80 ESSEX STREET	NCSD C
00352	0028	85 NORFOLK STREET	NCSD C
00346	0040	394-406 GRAND STREET	NCSD D
00353	0044	116 DELANCEY STREET	NCSD D

EXHIBIT F

Community Maps (1 of 2)

City Council District 1



Community Board 3



DSNY District 3



NYPD 5th and 7th Precinct



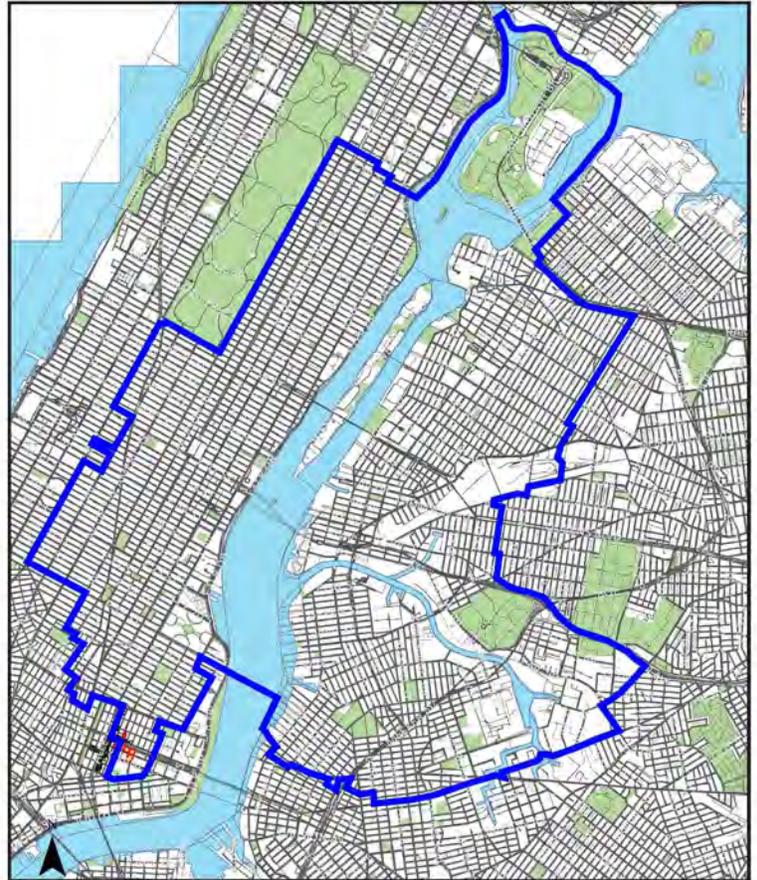
EXHIBIT F

Community Maps (2 of 2)

7th Congressional District



12th Congressional District



State Senate District 26



State Assembly District 65

