In 2009, the Hudson Square Connection was established as the 64th Business Improvement District (BID) in New York City. Since its inception, the organization has worked hard to foster a strong sense of community in Hudson Square. Our objective has always been to create a special place in New York where people want to work, play and live their lives. Fiscal Year 2012 was a break out year for us as an organization. It was the year we began to see real progress against our ambitious goals.

During Fiscal Year 2012, we made great strides in achieving our mission to reclaim our streets and sidewalks for people. Numerous improvements have lead to an enhanced environment that balances pedestrians, cyclists and motorists. The Hudson Square Connection’s Pedestrian Traffic Managers are now a part of our community, easing the way for all of us as we make our way to the subways each evening.

Throughout the year, we’ve worked to fill our neighborhood with benches and bike racks, umbrellas and tables, and fun events for different folks and different seasons. Dozens of creative companies moved to Hudson Square this year, solidifying our identity as the home of the innovation economy. We are now a neighborhood known for commerce and creativity. Hudson Square is a place where ideas and entrepreneurship thrive, and as a result we have one of the lowest commercial vacancy rates in New York City.

This Fiscal Year, our Board also approved an ambitious five year $27 million Streetscape Improvement Plan, which is poised to further the transformation of Hudson Square. Prepared with a team led by Matthews Nielsen Landscape Architects, the Plan provides a blueprint for beautifying and enlivening the streets, and reinforcing a socially, culturally and environmentally connected community. The Plan is constructed as a public-private partnership between the BID and the City of New York. Our thanks to all of you who spent so much time sharing your thoughts and your dreams for this wonderful neighborhood. We hope you’ll agree that the Plan captures the unique and vibrant identity of Hudson Square. Let’s work together to make it happen!

During our first years as a BID, we talked a great deal, as a community, about the future of Hudson Square. We are, now, well on our way. We are pleased to share with you our Fiscal Year 2012 Annual Report.

Sincerely,

Laura Walker
Chair

Ellen Baer
President
Hudson Square is the center of New York City’s creative industries. Open, sun-lit work spaces and a creative community serve as a magnet for media and production professionals, fashion designers and entrepreneurs ready to commit to tomorrow’s businesses today.
Office in Hudson Square

Hudson Square’s office market, with more than 8.5 million assessed square feet of inventory, continued to heat up this year with high demand from new commercial tenants. An influx of fashion companies moved in, including Tory Burch and luxury retailer Moda Operandi. Large lease signings this year include the New York Genome Center and Pearson Publishing, both of which will move in after large scale renovations are complete.

- 66 total transactions
- 54 new tenants
- 823,133 total square feet of transactions
- 1.1% vacancy rate *

* Excluding buildings under renovations

Retail in Hudson Square

Several exciting new retailers came to Hudson Square this year, adding to the vibrancy of our street level environment. Lunch spots Pret A Manger and Hale & Hearty are now frequented by Hudson Square employees; Westville restaurant and a gourmet Hudson Square Market are slated to open in the upcoming months. Food and drink establishments occupy over 60% of Hudson Square’s ground floor spaces, with the other 40% housing diverse offerings such as salons, furniture stores and galleries.

Retail Breakdown in the District

- 29% Service + Amenities
- 23% Restaurants
- 18% Delis + Fast Food
- 11% Bars
- 7% Furniture Stores
- 7% Clothing Stores
- 5% Other
Hudson Square’s entrepreneurial spirit has gotten a new lift with the launching of two new high-tech business incubators: WeWork at 175 Varick Street and the Columbia Business Lab at 131 Varick Street. Along with the NYU-Poly Incubator at 137 Varick Street, these spaces host over 250 start-up businesses ranging from CleanTech internet platforms to artisan food manufacturers. Since 2009, 17 companies have “graduated” from Hudson Square’s NYU-Poly Incubator. These companies have become thriving, independent business ventures.

Office workers make up approximately 35,000 or 70% of Hudson Square’s daytime population.
Media + Communications, the leading industry in Hudson Square, has over 250 firms in advertising and marketing, film and music production, publishing and public relations. This industry occupies over 50% of our office space in Hudson Square including 7 of the 10 largest tenants.

Architecture + Design is the second largest industry with approximately 170 firms in architecture, engineering, interior design, photography, fashion and the arts.
The creative innovators of Hudson Square’s workforce interact virtually with their peers around the world and personally with each other everyday. The Connection recognizes the value of downtime to foster creativity and is always looking for ways to connect workers with their physical environment and each other.
EVENTS

FY 2012 was a successful year of building relationships and connecting businesses with us and each other. The Connection hosted more than 10 events, bringing together over 500 people, further burnishing our role as a neighborhood resource.

Our Open House was an opportunity for Hudson Square companies to meet each other and create partnerships. Events such as the Horizon Media fair and a special Corbis breakfast “Town Hall” provided us with feedback on neighborhood programs like the Connection Card and the Pedestrian Traffic Managers.

At our 3rd Annual Human Resources Professionals Breakfast —attended by over 30 HR reps—we learned that workers cherish our unique vibe and look forward to future neighborhood improvements.

Nearly 100 people braved the elements and demonstrated community and holiday spirit at our Holiday Cactus Party. The Manhattan Mini Storage toy drive, refreshments provided by Trump SoHo and holiday music made for a great evening at the Urban Plaza.

And who can forget our 2011 Annual Meeting with special Hudson Square wines from City Winery and a chocolate tasting by our own Jacques Torres?

“The HR Breakfast was a great way to hear thoughts and ideas from colleagues with offices in the neighborhood. We all share Hudson Square!”

–Dawn McCann, Human Resource Manager, Lion TV
YOU ASKED, WE ANSWERED

The Hudson Square Connection wanted to find a solution to one of the most common requests we heard from our members: an outdoor place to sit, enjoy lunch and have a variety of food options. In partnership with Trinity Real Estate, Lower Manhattan Cultural Council (LMCC) and NYC Food Truck Association, LentSpace—the vacant lot on Canal, Varick and Grand Streets—was re-imagined and re-opened in May of 2012. Three days a week from May through October, people enjoyed this temporary outdoor space filled with benches and umbrellas, cultural and musical performances and a temporary food truck lot. LentSpace 2012 has been nothing short of a success. How do we know? See what our followers had to say:

#LENTSPACE

@TESTERGRL
@HudsonSquareNYC I work in a building owned by Trinity – heard about LentSpace today, sounds pretty cool!

@THE DOOR
@HudsonSquareNYC Can’t wait to grab lunch and enjoy some time outside with #LentSpace trucks

@WINSTONGFX
@HudsonSquareNYC Loving [LentSpace] the area used to be kind of a lunchtime wasteland. The @LentSpace truck lot is a very welcomed addition!

@HORIZONMEDIAINC
@HudsonSquareNYC the #lentspace trucks are the most exciting thing to happen here since SohoSoups started selling fair trade coffee!

@ALWAYSATERRIER
@HudsonSquareNYC [I work in Hudson Square]... office is on Varick/Canal St. I love all the food trucks at #LentSpace

@ZAFFII
@HudsonSquareNYC yes [I work] nearby at a post house editing tv shows...Big fan of food trucks so love what u guys are doing!

@EMMASPHERE212
loving the @LMCC #inthemeantime #Lentspace open @HdsnSqfoodtruck food truck lot @HudsonSquareNYC Yum!!

@BREWSTER NORTH
@nycfoodtruck Thanks for the headsup! Nice to have lunch alfresco for a change, thanks to @HudsonSquareNYC #LentSpace & yr food trucks.
“A thriving business district”
–WCBS-AM, 4/21/12

“Food, music, creative people and Fire Dept. history . . . within 7 blocks.”
– WABC-TV, 8/19/11

“The neighborhood has transformed . . . more and more people are moving in everyday.”
– Real Estate Weekly, 8/17/11

“For Hudson Square, typical just isn’t good enough.”
– Downtown Express, 12/7/11

“This neighborhood that once lacked its own identity has certainly put itself on the map.”
– The New York Times, 4/16/12

“... a hub for technology and creative companies.”
– DNAInfo, 2/9/12

“... one of the city’s hottest commercial neighborhoods.”
– Crains New York Business, 1/13/12

“... a hub for new retail and restaurant tenants as the workforce in Hudson Square continues to grow.”
– GlobeSt., 5/23/12
Streets and sidewalks provide the fabric that knits buildings together into a neighborhood. To help energize that connective tissue, the Connection is creating outdoor spaces and places for people throughout Hudson Square. Greening, seating and lighting help support the pedestrian culture that reinforces our identity as the heart of Manhattan’s Lower West Side.
A SUSTAINABLE NEIGHBORHOOD

The Connection provides a voice for our neighborhood. From greening to seating to bicycle parking, we are paying attention to the needs of the people who work in Hudson Square and we’re speaking up. Over the last year, we worked with the City of New York and our local commercial property owners to make our streets a place for people. And we’re only just beginning. So far, at our request, the City has supplied our neighborhood with:

- 35 new bike racks
- 11 new benches
- 41 new trees

That’s a 14% increase in trees, a 67% increase in bike racks and a 100% increase in the number of places to sit.

PEDESTRIAN TRAFFIC MANAGERS

February 2012, after testing them out for six months, we made our Pedestrian Traffic Managers (PTMs) on Varick Street between Houston and Spring Streets a part of life in Hudson Square. The PTMs help pedestrians and local traffic safely cross Varick Street when Holland Tunnel-bound traffic is at its worst during the PM rush. During the six month test, we found great improvements in the pedestrian environment. As a result of the program:

- Blocked crosswalks decreased by an average of 43%
- Blocked intersections decreased by an average of 61%
- Number of honks decreased by an average of 53%
ACCESS

Hudson Square is a transportation hub with four subway lines, eight bus routes, the Holland Tunnel and the PATH commuter rail just a stone’s throw from almost any location in the district.

1  West Houston St & Varick St
   Canal St & Varick St

ACE  6th Ave & Canal St

CE  6th Ave & Spring St

PATH  Hudson St & Christopher St*

M5  6th Ave (Northbound)

M20  Varick St (Southbound)
     Hudson St (Northbound)

M21  West Houston St (Westbound)
     Spring St (Eastbound)

X7 X9 X10 X27 X28  West Houston St & Washington St

ACCESS-A-RIDE  St & Hudson St

Parking 114 122 Varick St
         375 Hudson St
         561 565 Greenwich St

FAST  272 276 Spring St**

Central  43 Dominick St
          294 296 Hudson St

Pine Parking Corporation  III 115 Varick St

* 5 minute walk north of the district
** Includes bicycle parking

TRANSPORTATION FACTS & FIGURES

Since 2009, more people than ever are coming to Hudson Square through the subway stations in our neighborhood. The MTA reports the following turnstile figures:

- 2% increase every year
- 6.2% increase on weekdays
- 5.3% increase on weekends
- Over 15 million people in 2011
Since its formation in 2009, the Hudson Square Connection has been the voice of the neighborhood. Now, we are implementing an ambitious five-year Streetscape Improvement Plan that will further Hudson Square’s transformation while celebrating its rich history and creative culture.

The Plan has five distinct initiatives that improve traffic flow, create open spaces, bring green to our streets and promote a pedestrian culture. Each component is immediately transformative. When taken together, these elements strengthen Hudson Square’s identity and serve as a model for a socially, economically and environmentally sustainable neighborhood.

Located at Sixth Avenue and Spring Street, SoHo Square will become a gateway that welcomes people into the neighborhood following renovations that substantially increase its size and improve its overall appearance.

Spring Street, the street that connects Hudson Square to SoHo and the waterfront, will be our Main Street with special light fixtures and signature trees that reinforce the street’s unique character.

Connected

Inviting

Hudson Square is

Now

Hudson Square is

Hudson Square is

Hudson Square is
Varick Street will be transformed into a street that balances vehicular needs with pedestrian movement, using custom-designed greening, seating, lighting and crossings.

Throughout the neighborhood there will be places to socialize, see and be seen. Abundant trees and plantings, comfortable places to sit and exciting public art will truly make Hudson Square a socially, economically and environmentally sustainable neighborhood.
## FINANCIALS

<table>
<thead>
<tr>
<th>Statement of Financial Position</th>
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<tbody>
<tr>
<td><strong>Assets</strong></td>
<td><strong>Liabilities/Net Assets</strong></td>
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<td>Cash</td>
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<th>Statement of Activities</th>
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<td><strong>Support and Revenues</strong></td>
<td><strong>Expenses</strong></td>
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<td>Assessment Revenue</td>
<td>Traffic</td>
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| Total                           | **Total**                       |
| 2012                           | 1,670,717                       |
| 2011                           | 1,294,753                       |
|                                 | **Increase in Net Assets**      |
|                                 | 41,632                          |
|                                 | 838,439                         |

| Members as of June 30, 2011:    | 73                              |
| Members as of June 30, 2012:    | 85*                             |

Audited Financials, prepared by Skody Scot & Company CPAs PC are available upon request.
## FINANCIALS

### Envelope

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<tr>
<th>Marketing &amp; Economic Development</th>
<th>Traffic</th>
<th>Streetscape</th>
<th>Contingency</th>
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<tr>
<td>Total Expenses</td>
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<td>$288,178</td>
<td>$553,315</td>
<td>$434,055</td>
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<tr>
<td>Total Contingency</td>
<td>$36,477</td>
<td>$288,178</td>
<td>$553,315</td>
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<td>Total</td>
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<td>$387,975</td>
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### Revenue

- Assessment Revenue: $1,700,000

### Expenses

- Contract Services: $817,000
- Purchases & Other Expenses: $144,575

### Total Expenses

- Total: $1,700,000

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**2013 Budget approved by Board of Directors on June 27, 2012**
## Board of Directors

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>Michelle Adams</td>
<td>President</td>
</tr>
<tr>
<td>Anthony Borrelli</td>
<td>Vice President</td>
</tr>
<tr>
<td>Stephen Cassell</td>
<td>Chief Executive Officer</td>
</tr>
<tr>
<td>John Cucci</td>
<td>Chief Financial Officer</td>
</tr>
<tr>
<td>Dale Fitzgerald</td>
<td>General Counsel</td>
</tr>
<tr>
<td>Brett Greenberg</td>
<td>Senior Advisor</td>
</tr>
<tr>
<td>Jack Resnick &amp; Sons</td>
<td>Senior Advisor</td>
</tr>
<tr>
<td>Andrew Lynn</td>
<td>Senior Advisor</td>
</tr>
<tr>
<td>Richard Maltz Greiner-Emaltz Company of New York</td>
<td>Senior Advisor</td>
</tr>
<tr>
<td>Anthony Mannarino</td>
<td>Senior Advisor</td>
</tr>
<tr>
<td>Steven Marvin</td>
<td>Senior Advisor</td>
</tr>
<tr>
<td>Tobi Bergman</td>
<td>Community Board 2 Representative</td>
</tr>
<tr>
<td>Suzy Changar</td>
<td>Vice President, Communications &amp; Marketing</td>
</tr>
<tr>
<td>Laura Racusin</td>
<td>Planning Associate</td>
</tr>
<tr>
<td>Ellen Baer</td>
<td>Planning &amp; Capital Projects</td>
</tr>
<tr>
<td>Reneé Schoonbeek</td>
<td>Planning &amp; Capital Projects</td>
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<tr>
<td>Laura Schultz</td>
<td>Economic Development Associate</td>
</tr>
<tr>
<td>Madeline Knauer</td>
<td>Marketing Coordinator</td>
</tr>
<tr>
<td>Mary McCormick</td>
<td>Director, Fund for the City of New York</td>
</tr>
<tr>
<td>Phil Mouquinho</td>
<td>Restaurant Assistant</td>
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<tr>
<td>Howard Pulchelman</td>
<td>Senior Advisor</td>
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<td>Jeffrey Sussman</td>
<td>Senior Advisor</td>
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<tr>
<td>Edward J. Minskoff</td>
<td>Senior Advisor</td>
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<td>Newmark Knight Frank</td>
<td>Senior Advisor</td>
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<tr>
<td>Tobi Bergman (non-voting)</td>
<td>Community Board 2 Representative</td>
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<tr>
<td>Ellen Baer (President)</td>
<td>Planning &amp; Capital Projects</td>
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</tbody>
</table>

## Staff

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
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</thead>
<tbody>
<tr>
<td>Su Canning</td>
<td>President</td>
</tr>
<tr>
<td>Mindy Goodfriend</td>
<td>Chief Financial Officer</td>
</tr>
<tr>
<td>Jason Pizer</td>
<td>Treasurer</td>
</tr>
<tr>
<td>C. Spring Associates</td>
<td>Senior Advisor</td>
</tr>
</tbody>
</table>

Marketing Coordinator
SPECIAL THANKS TO

Stephen Cassell
Children’s Museum of the Arts

City Winery
Edelman
Edison Properties
Hudson Square
Pharmacy

Jacques Torres
Lower Manhattan Cultural Council

New York City Department of Transportation

New York Magazine/New York Media

Olmstead Properties

Port Authority of NY & NJ

Trinity Real Estate

Trump SoHo

All photos were taken by Ryan Muir for the Hudson Square Connection
Launched in July 2009, the Hudson Square Connection is completing the neighborhood’s transformation into a major creative hub that is home to nearly 35,000 people working in advertising, design, media, communications and other cutting edge businesses. Our district is generally bounded by West Houston Street on the north, Canal Street on the south, 6th Avenue on the east and Greenwich Street on the west. For exact boundaries of our district please see our website www.HudsonSquareBid.com.

Incorporated as a 501c3, not-for-profit organization, our formal name is the Hudson Square District Management Association, but we do business as the Hudson Square Connection. The district we manage is a Business Improvement District (BID), one of 67 such organizations around the city. Unlike most BIDs that focus on supplemental security and sanitation services, we provide traffic management and placemaking programs, building a connected community in a hip Manhattan neighborhood. To get this done, we are focusing on ameliorating local traffic congestion, beautifying and enlivening the streets, and re-enforcing a socially, culturally and environmentally sustainable community. Our goal is to capture the spirit and innovation that is thriving in the commercial spaces and bring that energy into the public realm.

The Connection was unanimously approved as the 64th BID in New York City by the City Council on January 28, 2009. Ellen Baer, the Connection’s President, came on board in May of that year, and the Connection opened its doors on July 1st. It now has a full time staff of six; you can read our bios online.

The BID is funded primarily through the payment of an annual assessment on commercial property, with an annual budget of $2.5 million. The NYC Department of Finance disburses these funds to the BID through a contract with the Department of Small Business Services. In part, we measure the returns on this investment by the success of our businesses and the comfort and pride our workers take in this exciting community.
Hudson Square Connection

180 Varick Street, Suite 422
New York, New York 10014
(212) 463-9160

HudsonSquareBid.com

Design: Poulin + Morris Inc.