



# Annual Report 2014



# A Message from The Chair and The President

Five years ago, when the Hudson Square Connection opened its doors, the art-deco loft-style buildings that lined our streets were on the verge of becoming the City's new creative industry center. But even as office tenants were moving in, the area just didn't feel like a neighborhood. This, our fifth annual report, will cover fiscal year 2014 (July 1, 2013-June 30, 2014) and affords us a chance to look back at how the Connection has helped transform this once industrial outpost into a dynamic and thriving New York neighborhood. In it, we'll also take a peek at what the next five years might hold.

The Connection began with a vision: put the community first. This meant transforming our streets physically and psychologically to prioritize the needs of pedestrians, cyclists and local traffic, and making Hudson Square a place where people feel safe, comfortable and healthy.

To that end, we created our \$27 million neighborhood improvement plan, *Hudson Square Is Now*. This award winning plan for a new, green, pedestrian friendly New York neighborhood is serving as a blueprint for public-private partnerships.

Through our partnership with the NYC Department of Parks and Recreation and the City Parks Foundation, we have begun planting trees using the Hudson Square Standard – a new, platinum standard for urban forestry with expanded tree pits and permeable pavers. Already, more than 80 of 180 trees have been installed. The first time this has been done on a neighborhood level, the program will yield significant aesthetic, social, economic and health benefits. We've also installed benches and bike racks—and improved lighting and wayfinding signage are on the way.

We are also in the midst of redesigning the green space on Sixth Avenue between Spring and Broome Streets.

We are partnering with the Parks Department and have received matching funds from the City Economic Development Corporation and City Council. We've received valuable public input and will soon unveil our design for a re-imagined open space.

One of our most visible improvements over the last five years, the hiring of our Pedestrian Traffic Managers, continues to make Varick Street more navigable during rush hour. Our City Councilmember Corey Johnson has provided funds to ensure that we are in the forefront of the mayor's Vision Zero initiative and more pedestrian safety improvements are on the way.

In total, we have raised \$7.2 million in City capital funding. With the Connection's matching funds and in-kind contributions from the City and the Port Authority of New York and New Jersey, we have funded about two-thirds of our plan and the results will be seen and enjoyed in the months and years to come.

No review of the last five years would be complete without acknowledging the 2013 creation of the Hudson Square Special District. This rezoning will complete our transformation to a 24/7 neighborhood by allowing for the development of thousands of residential units along with new schools and cultural institutions.

We could not have accomplished any of this without our board, task forces, elected officials, community partners, and highly responsive City agencies. As the Connection celebrates our fifth anniversary, join us in listening to the voices of the neighborhood and in our efforts to continue to define and realize the full potential of Hudson Square.

Sincerely,

Jason Pizer  
Chair

Ellen Baer  
President

# Hudson Square is

*In the last five years, the Connection brought a sense of unity to our neighborhood. In the past year, we've done this through our "Hudson Square is" campaign. This campaign celebrates our neighborhood and gives our community a chance to help shape Hudson Square's identity.*



## Banners

Our new series of banners asks companies to fill in the blank – Hudson Square is...

These banners, throughout the neighborhood, give us a glimpse into how Hudson Square's businesses and people define the neighborhood.

## Booklets

We have produced several informational booklets about our various programs and projects. These booklets are simple run-downs of what we're doing, how we're getting it done, and the positive impacts it will have for everyone in the neighborhood. We've printed booklets on our Hudson Square Standard and the Pedestrian Traffic Managers, with more coming in 2015.



## Tree Tags

Hanging on every new tree planted as part of our green infrastructure program, these tree tags are numbered 1-180 and feature different facts about the Hudson Square Standard, a new way of planting trees that is more sustainable and offers many more benefits for the neighborhood.

## Chain Letter

Hudson Square is teeming with creativity, and we wanted to know what people were working on in the neighborhood. We created an electronic "chain letter" which asks people to tell each other what they're up to, be it a new ad campaign, programming a website or simply eating some candy from our local chocolatier.

## Cups

Using some of the responses from the chain letter, we produced over 40,000 coffee cups that have been distributed in office break rooms and to local coffee vendors throughout the neighborhood. These cups have given people an opportunity to learn more about what their neighbors are spending their time on.

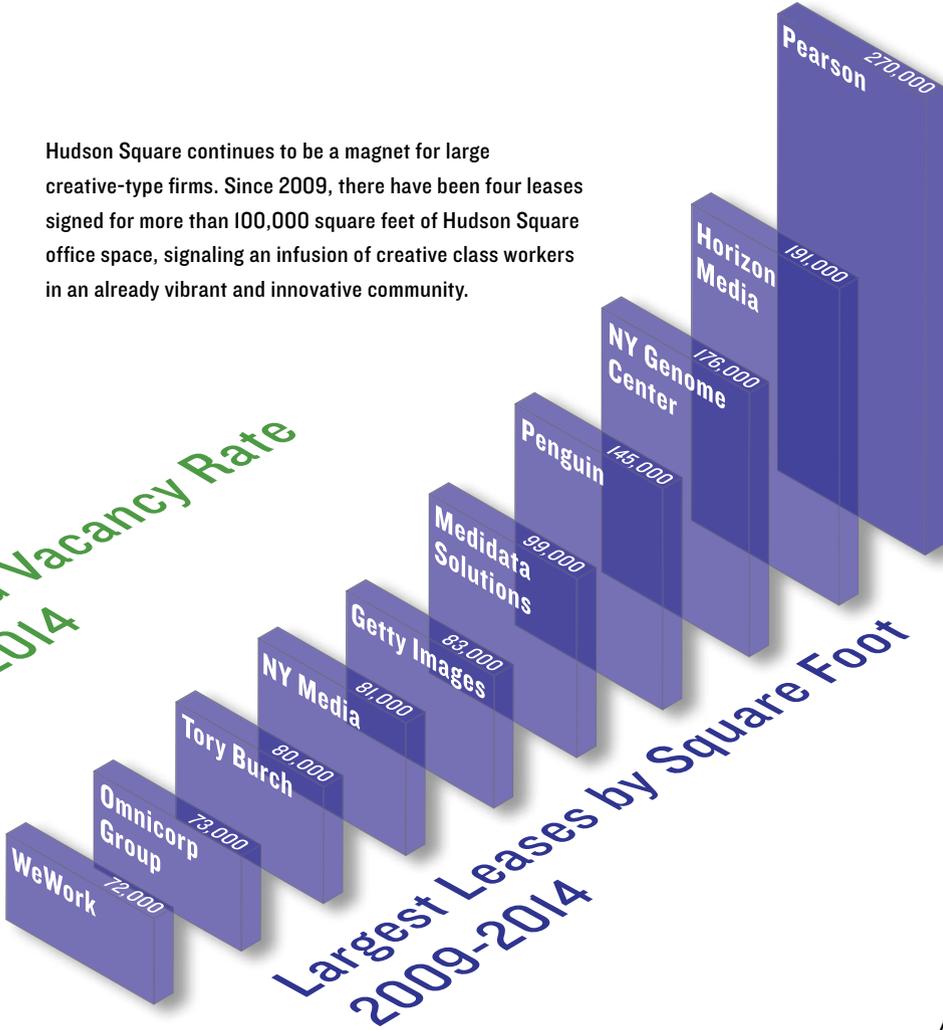
# Commercial Real Estate

Five years ago, in an economy still bruised by the Great Recession, Hudson Square was beginning to emerge as a part of the City's new tech ecosystem. Our Art Deco loft-style office buildings proved to be a magnet for cutting edge creative firms and from 2009-2014 vacancy rates dropped by about one-third, even as other neighborhoods saw commercial vacancies rise. Now, Hudson Square has become one of the most sought after commercial real estate markets in NYC.



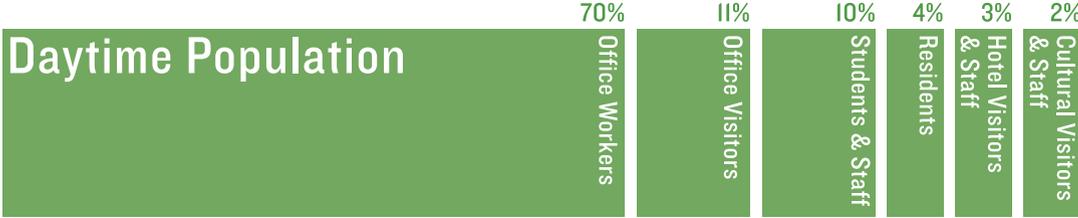
Decreased Vacancy Rate  
2009-2014

Hudson Square continues to be a magnet for large creative-type firms. Since 2009, there have been four leases signed for more than 100,000 square feet of Hudson Square office space, signaling an infusion of creative class workers in an already vibrant and innovative community.



# Supply and Demand

Because of the evolution of Hudson Square from industrial neighborhood to creative hub, the way people experience Hudson Square has changed. More people demand more amenities, more amenities in turn make the neighborhood a more desirable place to be.



Hudson Square's daytime population soared 26% between 2011 and 2013. There are now over 60,000 people in Hudson Square on an average day.

Hudson Square's working population is mainly made up of young and creative professionals.

- 26% of our population is under 30
- 87% of our population is under 55
- 55% of our companies are in creative industries such as media, design, and technology



When the Connection opened its doors in 2009, Hudson Square was a fledgling neighborhood with few retailers. Now, we are home to nearly 70 ground-floor retailers operating in over 450,000 square feet of active retail space.

Popular chains such as Pret a Manger, Just Salad, Dig Inn, and Hale and Hearty have joined the culinary offerings alongside neighborhood institutions like Mae Mae Café, PJ Charlton's, and Giorgione's. In addition, several independent eateries have opened in the last year, such as Union Bar and Kitchen on Spring Street and Il Principe, located on the ground floor of the new 122-room Hotel Hugo.

Upcoming residential development will generate additional demand and our greening efforts will encourage pedestrians to meander along our retail corridors.

# Traffic & Transportation

*Before the Connection opened in 2009, Hudson Square was a neighborhood physically and psychologically dominated by the Holland Tunnel. One of our main objectives was to change both the perception and the reality by creating a safe and pleasant pedestrian environment. In these past five years, we have worked with the city and our neighbors to create a place that puts people first.*



## Movement

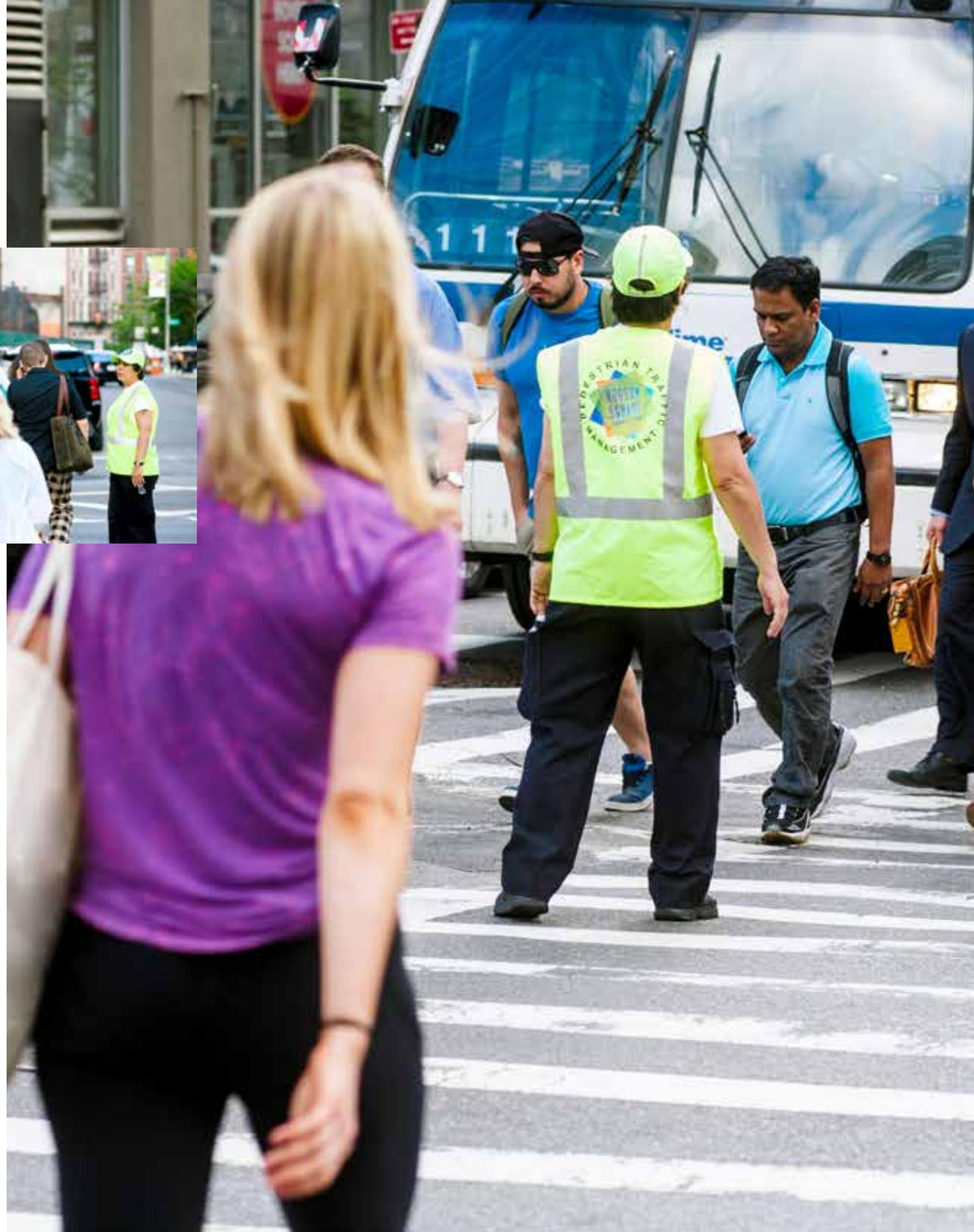
The number of people working and visiting Hudson Square has grown substantially in the past five years. Working with the City and the MTA, we've begun to make small improvements that add up to a big difference in the way people get around in and get to Hudson Square. Throughout the neighborhood, you'll notice enhancements to our streetscape designed to make our streets safer for pedestrians.

More and more, our neighborhood – which has historically prioritized the movements of motor vehicles – is looking and feeling like an authentic, walkable place. New Jersey-bound commuters will always pass through here, but those of us here every day are slowly but surely reclaiming the streets of Hudson Square as a vital piece of the City.

**+11%**  
pedestrians

**+14%**  
subway ridership

pedestrian plazas  
countdown signals  
high visibility crosswalks  
new signage  
new crosswalks  
new lane striping



# PTMs

*Hudson Square is home to the Holland Tunnel and some of the most congested streets in the city. The Connection is pleased to do our part in supporting Mayor de Blasio's Vision Zero initiative, and is proud to be the first neighborhood to come up with a program primarily focused on pedestrians.*

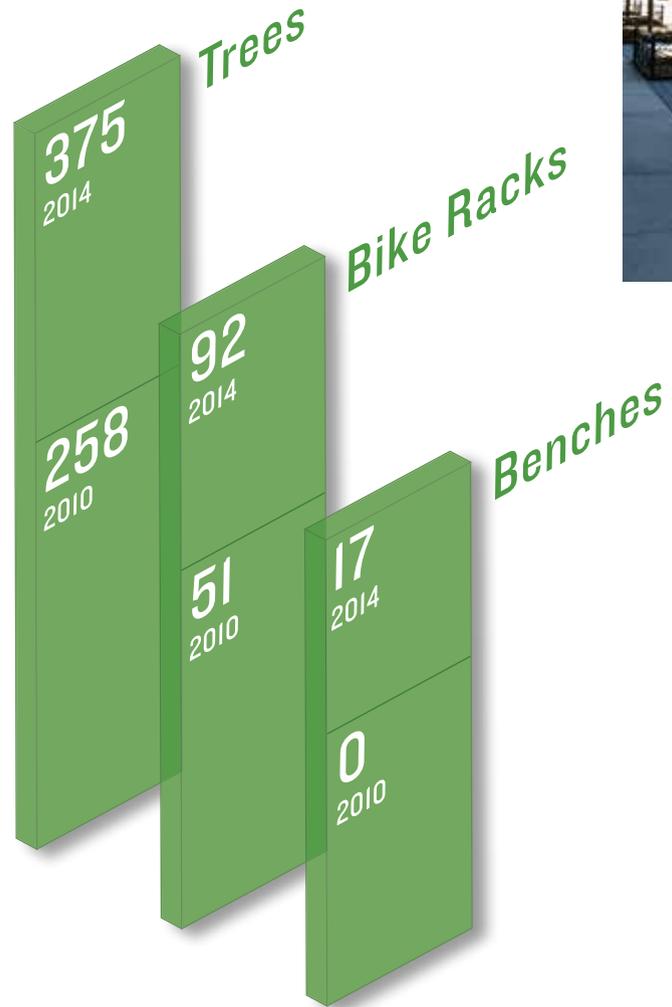
Our signature program - the Pedestrian Traffic Managers (PTMs) - are specially trained agents whose purpose is to:

- Make our streets safer and easier to cross
- Prevent motorists from blocking the box
- Create a better pedestrian experience
- Reduce honking

The PTMs supplement NYC's Traffic Enforcement Agents on Varick Street during the height of evening rush hour.

# Streetscape

*In 2009, Hudson Square still looked like the industrial neighborhood it once was, not the place where people come to create, imagine and innovate. The streets were under-lit, what few trees existed were neglected, and there was virtually no open space. HSC embarked on a mission to re-imagine what our streets could be. The \$27 million improvement plan, Hudson Square Is Now, was unveiled in 2012 and has already yielded results.*



The total number of trees in Hudson Square has increased by 45% in part thanks to our partnership with the Parks Department and the New York Tree Trust who helped us bring the Hudson Square Standard (HSS) to life. We've also added over 5,000 square feet of permeable pavement as part of the HSS which helps to absorb stormwater runoff. The benefits once these trees are fully grown:

- Capture 702,856 gallons of stormwater annually, equivalent to the amount used by 9 residences annually
- Reduce 3,740 lbs. of carbon dioxide from the atmosphere annually, equal to driving roundtrip from NYC to LA
- Decrease air pollutants which reduces asthma and other respiratory illnesses

In addition to greening our streets and making the neighborhood more resilient, we have installed new street furniture: benches, bike racks and street lights.

# Spaces

*Early on, we recognized the importance of downtime to the creative process. Partnering with the Port Authority of NY & NJ, we renovated three spaces previously inaccessible to the public with new trees, tables, chairs and umbrellas, and created three new public outdoor spaces: Freeman Plaza West, East and North.*



The wedge-shaped green space on Avenue of the Americas and Spring Street was created with the extension of 6th Avenue in the 1930s. The space has been underutilized and in need of a restoration for many years. HSC has partnered with the NYC Parks Department to reimagine this public space that sits at the intersection of the Village, Soho, and Hudson Square.



# Hudson Square through the years

*When the Connection was created five years ago, a cornerstone of our mission was to put Hudson Square on the map. Slowly but surely, people have begun to appreciate that Hudson Square is a unique place with its own special vibe. People are seeing and embracing the neighborhood's evolution.*

**HUDSON SQUARE IS BECOMING A REAL NEIGHBORHOOD AND BEGINNING TO DEFINE ITSELF.**

**DOWNTOWN EXPRESS, SEPTEMBER 2010**

*"The steady clanking of the printing presses today is replaced with music, laughter and fun and games that were so sorely missing back in the day."*

*—Phil Mouquinho, PJ Charltons, July 2011*

**HUDSON SQUARE IS CLEARLY A MANHATTAN NEIGHBORHOOD TO WATCH.**

**NEW CONSTRUCTION MANHATTAN, NOVEMBER 2010**

**A NEIGHBORHOOD INCREASINGLY HOUSING INNOVATIVE MEDIA AND DESIGN FIRMS AND DOWNTOWN RESIDENTS.**

**NEW URBAN NETWORK, JANUARY 2011**

*"When we compared being opposite Penn Station in that area versus 375 Hudson, it seemed obvious that it was better to go into a brand new area." Mr. Mumma added that he was somewhat apprehensive about being the first ad agency in that part of the city, but he believes that within five years, Saatchi & Saatchi will be joined by other firms.'*

*—Richard M. Mumma, Sr. VP for Saatchi & Saatchi, July 1985*

**HUDSON SQUARE IN LOWER MANHATTAN HAS COME A LONG WAY IN RECENT YEARS.**

**CRAIN'S NEW YORK BUSINESS, NOVEMBER 2010**

*"When we moved into 304 Hudson Street in 2006, we saw the potential for a great business community with lots of room for growth. Today, buildings are full with tenants, there are new shops and restaurants opening regularly, and the entire area is thriving."*

*—James Gibson, Powley & Gibson, August 2014*

**FOOD, MUSIC, CREATIVE PEOPLE AND FIRE DEPT HISTORY...WITHIN 7 BLOCKS.**

**WABC-TV, AUGUST 2011**

*"...those of us who were there at the transition's early stages, marvel at the change and brag about being pioneers"*

*—Tom Winner, Wieden+Kennedy, August 2014*

**...A HUB FOR TECHNOLOGY AND CREATIVE COMPANIES.**

**DNAINFO, FEBRUARY 2012**

*"Having worked in Hudson Square since 2004, it has been great to see the changes that have taken place over the last five years. With a noticeable increase in the number of people working in the area, the new amenities and lunch spots, and the street and sidewalk improvements, the neighborhood has a fresh, vibrant feel."*

*—Gareth Mahon, Robin Key Landscape Architecture,*

*September 2014*

**THE CITY'S NEXT HOT NEIGHBORHOOD**

**COMMERCIAL OBSERVER, 2013**

**HUDSON SQUARE HAS BEEN A HOT AREA FOR DEVELOPMENT.**

**NEW YORK OBSERVER, APRIL 2011**

**THIS NEIGHBORHOOD THAT ONCE LACKED ITS OWN IDENTITY HAS CERTAINLY PUT ITSELF ON THE MAP.**

**NY1, JANUARY 2012**

*"When we moved here, there were no ATM machines and little to eat! Now we have banks a plenty and fine dining and even recently food trucks! It's great!"*

*—Jim Herr, Rafael Viñoly Architects, August 2014*

**THE CURBED CUP NEIGHBORHOOD OF THE YEAR: HUDSON SQUARE!**

**CURBED, JANUARY 2013**

**NOW, ONE BID IS BREAKING NEW GROUND...**

**DOWNTOWN EXPRESS, JUNE 2014**

# the Future of Hudson Square

*While residents make up a small portion of the current daytime population, the 2013 rezoning of the neighborhood has created a pipeline of over 15 new developments that are planned or under construction. These projects are expected to bring over 6,000 new residents to the neighborhood, at which point residents could represent almost 10% of the Hudson Square population, creating an opportunity for a true 24/7 neighborhood. Let's take a peek ahead at the Hudson Square of tomorrow.*

1. Hudson Street—redesign
2. Freeman Plaza—temporary public spaces
3. Hudson Square Standard—tree planting with green infrastructure
4. Green space on Spring and 6th Ave. (Soho Square)—redesign

 Planned & Projected Development



# Financials

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

Statement of Financial Position			Statement of Activities		
<b>Assets</b>	<b>2014</b>	<b>2013</b>	<b>Support and Revenues</b>	<b>2014</b>	<b>2013</b>
Cash & Cash Equivalents	\$ 3,232,231	\$ 1,424,681	Assessment Revenue	\$ 1,700,000	\$ 1,700,000
Accounts Receivable	\$ 33,857	\$ 3,000	Program Service Revenue	\$ 29,357	\$ 7,100
Property and Equipment	\$ 165,269	\$ 185,780	Contributions and Interest	\$ 43,442	\$ 7,236
Prepaid and Other Assets	\$ 2,284	\$ 269	Government Grants	\$ 37,256	\$ 0
<b>Total</b>	<b>\$ 3,433,641</b>	<b>\$ 1,613,730</b>	<b>Total</b>	<b>\$ 1,810,055</b>	<b>\$ 1,714,336</b>
<b>Liabilities/Net Assets</b>			<b>Expenses</b>		
Liabilities	\$ 2,067,099	\$ 88,094	Traffic	\$ 377,866	\$ 356,356
Net Assets	\$ 1,366,542	\$ 1,525,636	Streetscape	\$ 761,997	\$ 322,634
			Marketing & Economic Development	\$ 488,843	\$ 452,420
			Administration	\$ 340,443	\$ 302,020
<b>Total</b>	<b>\$ 3,433,641</b>	<b>\$ 1,613,730</b>	<b>Total</b>	<b>\$ 1,969,149</b>	<b>\$ 1,433,430</b>
			Increase in Net Assets	-\$ 159,094	\$ 280,906

## Membership Rolls

Members as of June 30, 2014: 89\*

\*An up-to-date copy of the membership rolls are available to all members upon request.

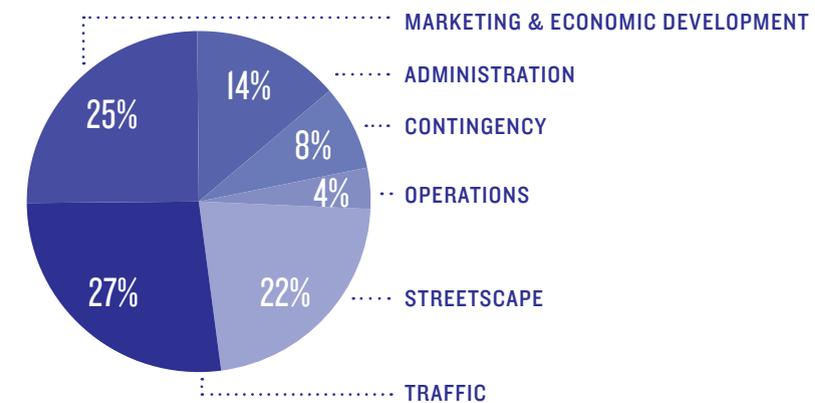
# Financials

## FISCAL YEAR 2015 OPERATING BUDGET

Approved by Board of Directors on June 26, 2014

July 1, 2014 - June 30, 2015	Total	Administration	Marketing & Economic Development	Traffic	Streetscape	Operations
<b>Revenues</b>						
Assessment Revenue	\$ 2,500,000					
Interest Income	\$ 10,000					
SoHo Square Proj Mgmt Fee	\$ 100,000					
<b>Total</b>	<b>\$ 2,610,000</b>					
<b>Expenses</b>						
<b>Program Expenses</b>						
Contract Services	\$ 1,074,250	\$ 221,000	\$ 313,250	\$ 290,000	\$ 150,000	\$ 100,000
Purchases & Other Expenses	\$ 105,250	\$ 50,000	\$ 44,250	\$ 2,500	\$ 7,500	\$ 1,000
Management and General	\$ 836,000	\$ 96,000	\$ 301,000	\$ 215,000	\$ 215,000	\$ 9,000
<b>Total Program Expenses</b>	<b>\$ 2,015,500</b>	<b>\$ 367,000</b>	<b>\$ 658,500</b>	<b>\$ 507,500</b>	<b>\$ 372,500</b>	<b>\$ 110,000</b>
Capital Reserve Transfer	\$ 400,000			\$ 200,000	\$ 200,000	
Contingency	\$ 194,500					
<b>Total Budget</b>	<b>\$ 2,610,000</b>					

## FY 2015 OPERATING BUDGET

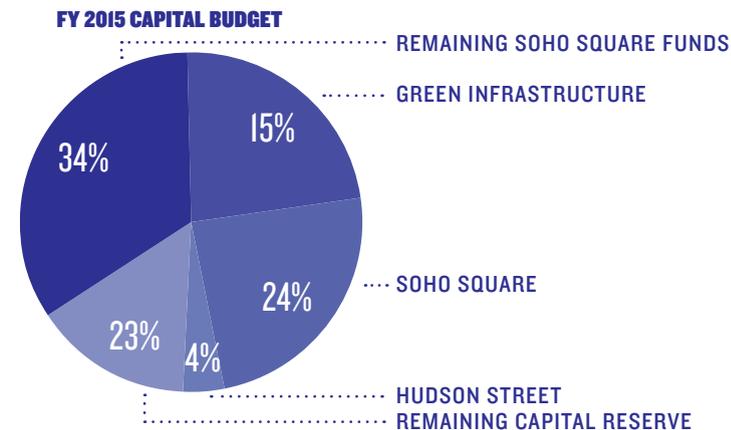


# Financials

## FISCAL YEAR 2015 CAPITAL BUDGET

Approved by Board of Directors on June 26, 2014

July 1, 2014 - June 30, 2015	Total	Green Infrastructure	Hudson Street	SoHo Square
<b>Funds</b>				
<b>Capital Reserve</b>				
Projected balance as of June 30, 2014	\$ 638,434			
Projected FY 14 Operating Surplus	\$ 318,883			
FY 15 Capital Reserve Transfer	\$ 400,000			
<b>SoHo Square</b>				
Governmental Grants	\$ 1,863,506			\$ 1,863,506
<b>Total</b>	<b>\$ 3,220,823</b>			
<b>Expenses</b>				
Contract Services	\$ 1,390,000	\$ 505,000	\$ 120,000	\$ 765,000
<b>Projected Remaining Funds as of 6/30/15</b>				
<b>Capital Reserve</b>				
Total Funds as of 6/30/14	\$ 1,357,317			
Total FY 15 Expenses	\$ 625,000	\$ 505,000	\$ 120,000	
<b>Projected FY 15 Surplus</b>	<b>\$ 732,317</b>			
<b>SoHo Square</b>				
Total Funds as of 6/30/14	\$ 1,863,506			
Total FY 15 Expenses	\$ 765,000			\$ 765,000
<b>Projected FY 15 Surplus</b>	<b>\$ 1,098,506</b>			



## Staff

**Sean Patrick Vera**  
Marketing Assistant

**Suzy Changar**  
Vice President Communications  
& Marketing

**Ellen Baer**  
President

**Michael Portegies-Zwart**  
Planning Associate

**Jacob McNally**  
Economic Development Associate

**Renée Schoonbeek**  
Vice President Planning  
& Capital Projects

### Elected Officials:

**The Honorable Bill de Blasio**, Mayor of New York City  
**The Honorable Gale A. Brewer**, Manhattan Borough President  
**The Honorable Scott M. Stringer**, Comptroller of New York City  
**The Honorable Corey Johnson**, Council Member (District 3)

## Special Thanks

Adelphi  
Edelman NY  
Edison Properties  
Manhattan Mini Storage  
Financial Times

Great Performances  
Mae Mae Café  
New York City Fire Museum  
New York Genome Center  
New York Public Radio

Pearson PLC  
Port Authority of NY & NJ  
Trinity Real Estate  
Trump Hotel  
Viacom Entertainment Group  
Spike, Comedy Central, TVLand

## Board of Directors

**Jason Pizer**  
Chair  
Trinity Real Estate

**Andrew Lynn**  
Port Authority of NY & NJ

**Jeffrey Sussman**  
Treasurer  
Edward J. Minskoff Equities

**John Maltz**  
Greiner-Maltz Company of New York

**Mindy Goodfriend**  
Secretary  
Connection Partners LLC

**Anthony Mannarino**  
Extell Development Company

**Michelle Adams**  
Tishman Speyer

**Mary McCormick**  
Fund for the City of New York

**Tobi Bergman**  
(non-voting member)  
Community Board 2 Representative

**James Montanari**  
Pearson plc

**Anthony Borelli**  
Edison Properties

**Phil Mouquinho**  
PJ Charlton Restaurant

**John Cucci**  
Viacom Entertainment Group

**Liz Neumark**  
Great Performances

**William Fair III**  
New York Genome Center

**Howard Pulchin**  
Edelman

**Dale Fitzgerald**  
Resident

**Donna Vogel**  
Newmark Grubb Knight Frank

**Brett Greenberg**  
Jack Resnick & Sons, Inc.

**Laura Walker**  
New York Public Radio

**Ryan Jackson**  
Stellar Management

**Kim Whitener**  
Here Arts Center

# About the Connection

Launched in July 2009, the Hudson Square Connection is completing the neighborhood's transformation into a major creative hub that is home to more than 40,000 people working in advertising, design, media, communications, technology and other creative 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 [HudsonSquareBID.com](http://HudsonSquareBID.com).

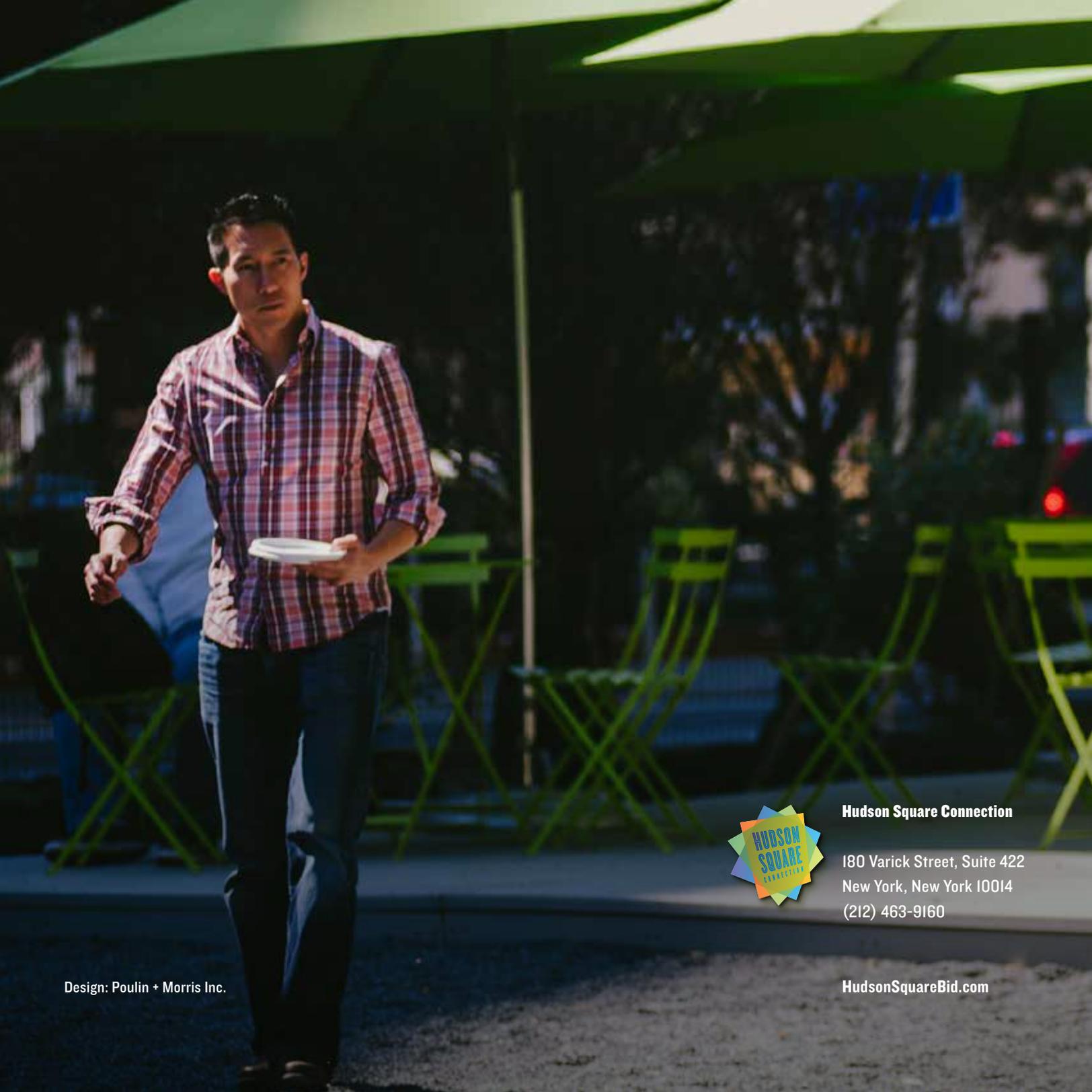
Incorporated as a 501c3, not-for-profit organization, our formal name is the Hudson Square District Management Association, but we do business as the Hudson Square Connection. The district we manage is a Business Improvement District (BID), one of 70 such organizations around the city. Unlike most BIDs that focus on supplemental security and sanitation services, we provide traffic management and placemaking programs, building a connected community in a forward-thinking Manhattan neighborhood. To accomplish this, 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. We now have a full time staff of six; you can read our bio's 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**

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Design: Poulin + Morris Inc.

[HudsonSquareBid.com](http://HudsonSquareBid.com)