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SAMPLE MANAGEMENT AGREEMENT
BETWEEN
NYC BUSINESS IMPROVEMENT DISTRICT CONTRACT
AND
LOCAL DEVELOPMENT CORPORATION

Last Updated: 11/7/2016

BID-LDC Management Agreement

Between: **NYC DISTRICT MANAGEMENT ASSOCIATION, INC. (BID) and LOCAL DEVELOPMENT CORPORATION**

Agreement made as of Xth day of XX 2008 by and between the NYC District Management Association, Inc. (NYC DMA) a New York State not-for-profit corporation having its principal place of business (ADDRESS) and the Local Development Corporation (LDC), a not-for-profit corporation having its principal place of business at 3400 Reservoir Oval East, Bronx, NY 10467.

WITNESSETH

Whereas, the DMA is engaged in, the business of providing services to the NYC BID;

Whereas, in connection with its business as aforesaid the DMA requires certain services, and

Whereas, the BID shall operate independently and shall provide policy and administrative direction to the LDC regarding all NYC BID activities;

Whereas, the Corporation is willing to engage the administrative services of the LDC on certain terms and conditions;

Now Therefore, in consideration on the promises and mutual covenants herein contained, the parties hereby agree as follows:

1.0 Scope of Services:

The NYC DMA hereby retains and engages the LDC to administer the services set forth in the NYC DMA's contract with the City of New York, (the "City Contract"), (appended hereto as Exhibit A), which services collectively are hereinafter referred to as the "Program."

1.1 Program Goals:

The purpose of the Program is to implement the NYC BID in accordance with the BID Plan, the City Contract and the law.

1.2 Program Objectives:

Administer those supplemental services as described in Article 2 of the City Contract through contracts approved by the NYC DMA, Inc. for the first year of operations as more specifically detailed below:

A) Sanitation

The LDC upon the direction of the NYC DMA shall coordinate the hiring of a sanitation company to perform, but not be limited to, the following tasks: snow removal at curb crossings, plus sidewalk and curbside sweeping.

B) Graffiti

The LDC, upon the direction of the NYC DMA shall coordinate the hiring of a graffiti removal company and maintain street furniture, storefronts and facades graffiti free.

C) Security

Assist the NYC DMA in creating a public safety plan for the area, including but not limited to:

- i. Researching current and historical crime data;

- ii. Communicating and coordinating with the Police Precinct;
- iii. Presenting recommendations appropriate to the NYC DMA's budget;
- iv. Implementing the public safety program adopted by the NYC DMA; and
- v. Evaluating the efficacy and efficiency of the adopted program.

D) Holiday Decorations

The LDC, upon the direction of the NYC DMA shall coordinate the hiring of a licensed contractor to install holiday lights on NYC Avenue.

E) Promotional Services

The LDC, upon the direction of the NYC DMA shall develop and implement promotional services to promote local retail opportunities and shall be designed to increase the attraction of shoppers to the district. These services may include, but not be limited to:

- i. The issuance of special publications such as newspapers, calendars or special promotional inserts;
- ii. The staging of shopping, promotional and special events, such as street fairs, parades or sales days; and
- iii. The periodic compilation of CLS BID area statistics and their use as a marketing tool designed to assist property owners in their leasing of available retail and office space.

F) Administration

The LDC, upon the direction of the NYC DMA shall provide the administrative tasks outlined in the City Contract. The administration of the NYC BID will be performed by a part time salaried staff district manager with fringe benefits.

The LDC shall be responsible for scheduling and notification of a minimum of three meetings of the Board of Directors of the DMA board and one general annual meeting of the membership of the NYC BID. The LDC shall be responsible for preparing monthly reports for the NYC DMA Board of Directors. These reports shall include, but not be limited to, narratives describing the programs progress and a certified financial report including, but not limited to, a Statement of Revenues and Expenditures or any other task or directive as set forth by the NYC DMA Board of Directors.

2.0 Term of Agreement:

This agreement shall be effective (July 1, 2008) and shall run for a period of 1 year, with renewal option contingent upon NYC DMA and LDC approval.

2.1 Upon termination of this agreement, the LDC shall turn over to the NYC DMA all of the NYC BID's books, all records and documents that were maintained by the LDC pursuant to this agreement, and the Association shall turn over to the LDC any amounts due to the LDC after return of all books, records and documents.

3.0 Compensation:

In consideration of the DBP's performing the services of the Program (including, without limitation, all expenditures made pursuant to Section 1.2), NYC DMA shall pay to the LDC an amount not to exceed approximately \$XXX, which represents 20% of the NYC BID's FY 2008 budget (appended hereto as Exhibit C) for administrative services as outlined in Section 1.2. This fee will include all LDC salaries; benefits; and office, insurance and audit expenses arising under this agreement. In addition, NYC DMA shall reimburse the LDC for all reasonable NYC BID expenses incurred by the LDC and by all subcontractors, against adequate documentation.

3.1 Payment:

The LDC administering the programs shall provide anticipated monthly line itemized expenses for the

following month to the NYC DMA, Inc. Board of Directors. The monthly bill shall include an itemized budget, a program update, payment shall be made if the NYC DMA finds the LDC to be in breach of this agreement.

3.3 Bank Account and Payment Authorization:

The LDC shall set up a separate bank account for the NYC DMA funds.

4.0 Inspection of Books and Records:

The financial and management records maintained by the LDC shall be available for the NYC DMA's inspection at any time during the business week upon 24 hour's notice.

5.0 Termination of Services: Subject to prior termination in accordance with the terms hereof, and subsequent to the term of this agreement, this agreement may be renewed by the consent of the parties for the term of 1 year, commencing on July 1, 2005 and continuing through and including the day immediately preceding the first anniversary of that date.

The term of the contract shall be from July 1, 2008 to June 30, 2009 with the option to renew for an additional year. Both parties reserve the right to cancel this contract at any time with (90) days prior written notice sent by certified U.S. mail.

6.0 Disputes: Any claim or dispute arising out of or in connection with this agreement, other than the termination of the contract, shall be settled by arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association as such rules may be in effect on the date of delivery of the demand for arbitration. The decision of the arbitrators or a majority of them shall be final and binding on both parties and their respective successors and permitted assigns, and judgement upon any award so rendered may be entered in any court have jurisdiction thereof.

7.0 Assignment of Services: In light of the unique services and performance to be rendered by the parties hereunder, neither this agreement nor any rights or obligations hereunder may be assigned by either party without the prior written consent of the other party.

8.0 Notification: Except as otherwise expressly provided in this agreement, any notice, request, demand or other communication required or permitted hereunder shall be in writing and shall be deemed to have been given when mailed by certified mail, return receipt requested, addressed to a party at the address of such party first set forth above, or at such other address as such party may hereinafter have designated by notice; provided, however, that any notice of change of address shall not be effective until its receipt by the party to be changed therewith.

9.0 Amendment of Contract: (a) Neither this agreement nor any of the terms and conditions hereof may be waived, amended or modified, except by means of a written instrument duly executed by the party to be charged therewith, and no evidence of any waiver, amendment or modification shall be offered or received in evidence in any proceeding or arbitration between the parties hereto arising out of or affecting this agreement or the rights or obligations of either party hereunder, unless such waiver, amendment or modification is in writing, duly executed as aforesaid. (b) Without limitation or the application of subparagraph (a) of this paragraph 9, no delay or failure by either party to take any action on account of any breach, default or non-performance by the other party or any nonparty, whether in a single instance or repeatedly, shall be deemed to constitute a waiver or any such or any other breach default, or of any provisions of or performance under this agreement, in any instance shall be deemed or construed as a waiver of any other breach, default, or performance.

10.0 Governance: This agreement, and all matters or disputes relating to the validity, construction, performance or enforcement hereof, shall be governed, construed, and controlled by and under the

substantive laws of the State of New York.

11.0 Agreement Binding: This agreement shall be binding upon and shall inure to the benefit of the parties hereof and their respective successors and permitted assigns.

12.0 Insurance: Throughout the period of performance, the LDC shall maintain (i) worker's compensation insurance for all persons employed in connection with the contract (ii) disability benefits for all such persons who come within the provisions of the disability benefits law; (iii) comprehensive liability insurance in the amount of not less than \$500,000 for bodily harm to or death of one person, \$1,000,000 for annual aggregate property damage. The policies required by clause (iii) above, shall name the New York City Department of Small Business Services and the NYC DMA, Inc. and its individual board members as additional insured.

13.0 Entire Agreement: This agreement, constitutes the sole and entire agreement and understanding between the parties hereto as to the subject matter hereof, and supersedes all prior discussions, agreements and understandings of every kind and nature between them.

14.0 Subject to City Contract

This agreement is made subject to the terms of the City Contract between the CLSDMA and the City of New York, and in the event of any conflict between this Management Agreement and the City Contract, the City Contract will govern. The terms of the City Contract (including, without limitation, Section 7.05 Equal Opportunity and Section 8.06 Assignment of Contracts Upon Termination) which relate to this Agreement are incorporated herein by reference.

15.0 Audit

An independent review shall be completed of the DBP activities under this Agreement within three months of the expiration of this Agreement. In the event this Agreement is renewed, an annual audit shall be completed not later than 90 days after the end of each term of the Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first set forth above.

NYC District Management Association, Inc.

Local Development Corporation

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____