

SOUTH STREET SEAPORT LIMITED PARTNERSHIP
19 Fulton Street
New York, NY 10038

March 19, 2013

Honorable Margaret Chin
Member, New York City Council
City Hall
New York, NY 10007

Re: Pier 17 Redevelopment - ULURP Nos. 130052ZMM, 130053ZSM, 130054ZSM,
130055ZSM, 130056ZAM, 130059PPM

Dear Councilmember Chin:

On behalf of the South Street Seaport Limited Partnership (“SSSLP”) and The Howard Hughes Corporation (“HHC”), I want to thank you for the opportunity to meet to discuss our proposal to revitalize Pier 17 at the South Street Seaport. As a follow-up to that discussion, HHC and SSSLP are prepared to make the following commitments.

A. Subject to approval of ULURP Application No. 130059PPM, SSSLP will execute amendments to its Lease with the City of New York (“City”) (“Lease”) for the Renovation Project, as defined in the Letter of Intent among HHC, SSSLP and NYCEDC (“LOI”), that provides the following:

1. Construction of the Renovation Project will not be required to start until October 1, 2013, and SSSLP will permit existing tenants who are otherwise in full compliance with the terms and conditions of their respective leases to remain in the Pier 17 building until September 9, 2013.

2. All areas of the roof of the Pier 17 building (other than those areas reserved for restaurant use and mechanical equipment) shall be open to the public at no charge except when an area (other than the “public access area” within the Rooftop Access Area, as defined in the Declaration executed by SSSLP and the City, which must always remain open to the public at no charge) is closed temporarily for private use. On up to four occasions/year (of which up to two can be on a Saturday, Sunday or legal holiday), SSSLP shall make available, for no rental charge, to a community based organization (such as the PTA of the neighborhood school or neighborhood senior citizen or youth center) (“CBO”) of which it has reasonably approved either up to one half of the Rooftop Access Area or the stage within the prolongation of Fulton Street for an event or activity sponsored by such organization. SSSLP shall use reasonable good faith efforts to provide

free public access to as much of the roof as is reasonably possible during those times of private or CBO use.

3. No later than June 30, 2014, SSSLP will hire an acoustical engineer to make recommendations as to reasonable measures to reduce sound transmission from the rooftop event space and the pier level event space. SSSLP will direct the acoustical engineer to promptly prepare and submit to SSSLP a report describing these sound reduction measures and, promptly after it is submitted, will transmit a copy of the report to Speaker Quinn, Councilwoman Chin, the City Council Land Use Division, and NYCEDC, as Lease administrator. SSSLP will work in good faith to implement noise reduction measures set forth in the report that are both commercially reasonable and feasible.

4. At such times as there are events being held simultaneously on both the roof and pier levels of Pier 17, SSSLP shall consult with the New York City Police Department as to a reasonable interval between the ending times for each event, and it shall thereafter establish, in its discretion, the ending time of each such event.

5. SSSLP shall, within the area of the South Street Seaport leased to it, cause a food market that includes locally and regionally sourced food items and that is open to the public seven days a week to open as part of the Renovation Project. SSSLP shall, subject to *force majeure*, use commercially reasonable efforts to open the food market prior to October 1, 2014.

B. HHC and SSSLP will execute an amendment to the LOI that will provide that the option in the LOI to propose a Mixed-Use Project (as defined therein) will require that the Mixed Use Project include a food market in the Tin Building having at least 10,000 square feet of floor space of selling and circulation space (excluding mechanical and storage space) on the ground floor that includes locally and regionally sourced food items that are sold by multiple vendors and is open to the public seven days a week.

C. SSSLP will prepare and submit to you and the Land Use Division of the City Council a plan for the incorporation of maritime infrastructure onto Pier 17 ("Docking Plan") on or before June 30, 2013. The plan will include provision of cleats and bollards in certain areas at the edge of Pier 17, installation of gates at selected locations in the fence and railing that surrounds the pier (and the relocation of adjacent seats at such locations), but it will not include any changes to the existing level of the pier or any relocation of the fence and railing. SSSLP will use good faith efforts to gain approval of the Docking Plan by the City Planning Commission ("CPC") on the basis that it is substantially in accordance with the CPC-approved plans. If CPC does not approve the Docking Plan on this basis, SSSLP will commence and thereafter diligently prosecute a modification to the authorization under Section 62-822 to incorporate the Docking Plan into the CPC-approved plans for Pier 17.

D. SSSLP will offer each existing tenant on Pier 17 who is in good standing and has not threatened or is not a party to landlord-tenant litigation with SSSLP an opportunity to present to it a proposal for a retail establishment in the new Pier 17 building on or before August 9, 2013. SSSLP

will evaluate each proposal in light of its consistency with, among other things, the merchandising strategy and mix of uses at, and its potential impact on the success of SSSLP's programs for, both the new Pier 17 building and the South Street Seaport as a whole, and it will promptly advise any tenant that submits a proposal as to whether, in its discretion, it will or will not enter into negotiations to lease it space in the new Pier 17 building at rents consistent with those being sought therein. SSSLP will upon the completion of its evaluation deliver a report on this process to your office.

We have discussed the substance of these commitments with NYCEDC. NYCEDC has told us that, as a business matter, it finds them acceptable and will, when it has received a draft of the amendments to both the LOI and the Lease from us, send them to the New York City Law Department and ask for an expedited review. Both we and NYCEDC will use our best efforts to draft the amendments, have them reviewed and approved and, if they are approved, executed prior to March 20, 2013.

We thank you for your consideration of this proposal, and we look forward to working with you to create an exciting and successful project at the Seaport.

Sincerely,

A handwritten signature in black ink, appearing to read 'CP' followed by a stylized flourish.

Christopher Curry

cc: Hon. Christine Quinn, Speaker
Land Use Division, New York City Council
Patrick O'Sullivan