

BBP Financial Model Update

Board of Directors October 21, 2013



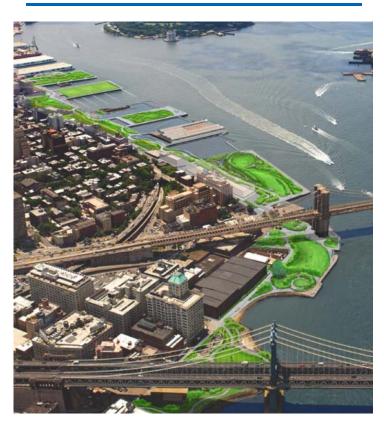
WWW.BROOKLYNBRIDGEPARK.ORG

BACKGROUND BBP required to be financially self-sustaining



EXPENSES: BACKGROUND 2005 Park plan estimated expenses for proposed park

Maintenance and operation of 85 acres of waterfront park

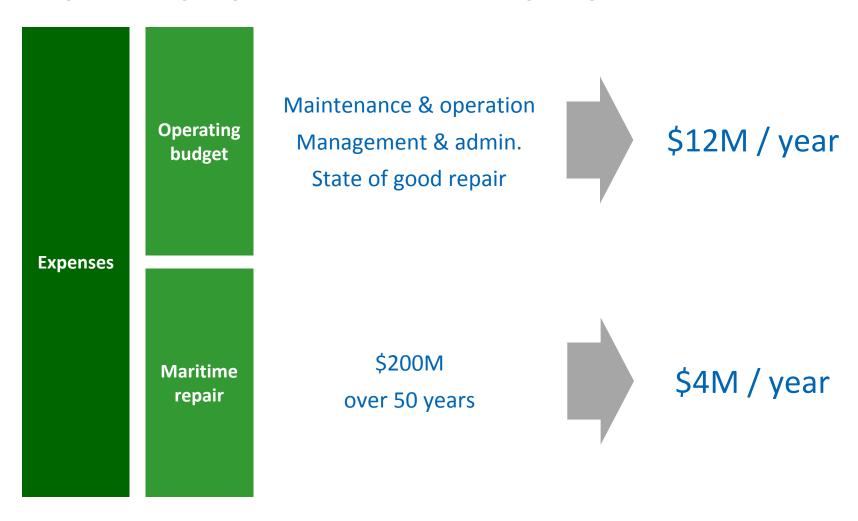


Marine infrastructure in various states of deterioration





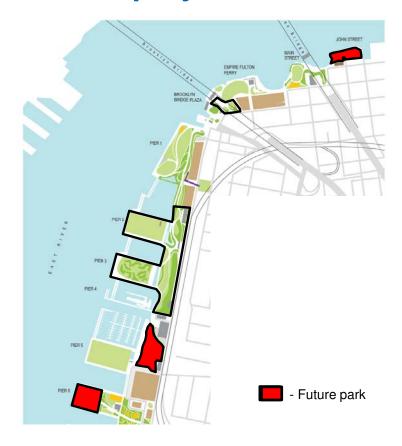
EXPENSES: BACKGROUND Expenses projected to be \$16M per year at build-out



EXPENSES: UPDATE

Operating budget largely in line with projection thus far

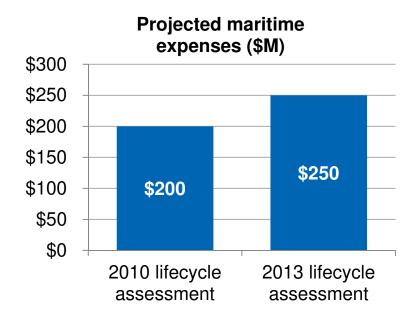
	Open park space	Operating budget
Today	41 acres ¹	\$6.4M
Park build-out	85 acres ²	\$12M



^{1.} Includes development sites (8 acres)

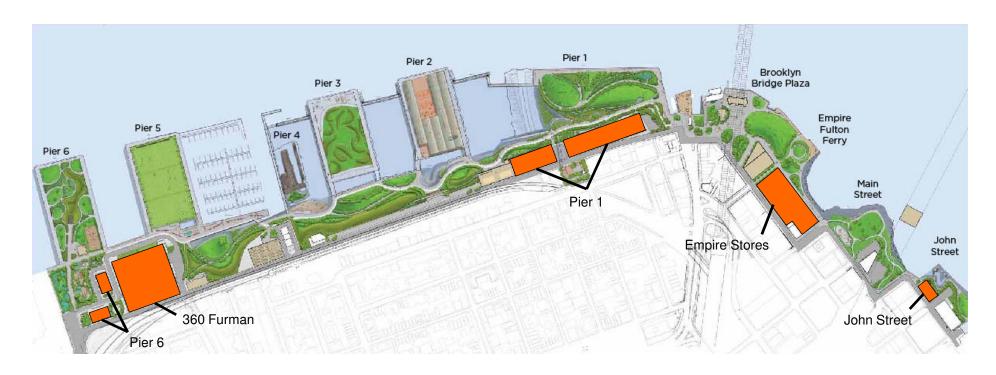
^{2.} Includes calm water zone (10 acres) and development sites (8 acres)

EXPENSES: UPDATEMaritime repair estimates have increased by 25%



- Growth driven by increase in unit cost of pile repair
- Same scope of work
- More competitive economic environment

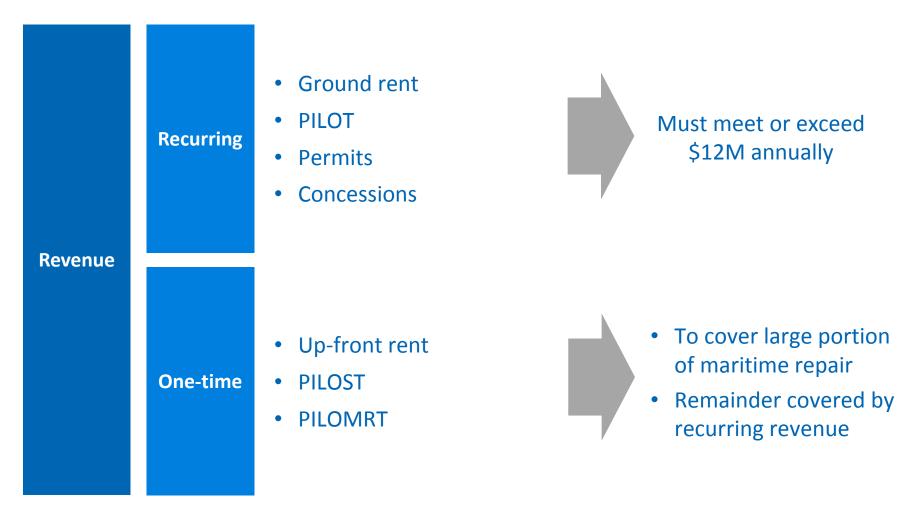
REVENUE: BACKGROUND Revenue model created to match projected expenses



REVENUE: BACKGROUND Revenue model created to match projected expenses

Changing market circumstances Ground rent PILOT More one-time, less Recurring recurring revenue **Permits Concessions** Lower residential PILOT Revenue Higher revenue from **Empire Stores Up-front rent** One-time PILOST **PILOMRT**

REVENUE: BACKGROUND Revenue model created to match projected expenses



REVENUE UPDATE: Four development sites awarded to date

Recurring revenue

	Status	Rev. per year (\$M)
OBBP	Awarded	\$2.4
Pier 1	Awarded	\$3.3
John St.	Awarded	\$0.9
Empire Stores	Awarded	\$2.6
Permits/ concessions	Awarded	\$0.9
SUBTOTAL		\$10.0
Pier 6	Pending	\$3 - \$4
TOTAL		\$13 .5

One-time revenue

	Status	One-time rev. (\$M)
OBBP	Awarded	\$4
Pier 1	Awarded	\$27
John St.	Awarded	\$25
Empire Stores	Awarded	\$36
Permits/ concessions	Awarded	-
SUBTOTAL		\$92
Pier 6	Pending	\$70 - \$100
TOTAL		\$160 - \$190

vs. \$12M in opex \$1.5M / year sin maritime repair

Maritime repair complete in 40 to 60 years

Summary

- BBP is constantly refining financial model to reflect latest on-the-ground realities and market trends
- Current financial projections are in line with originally conceived financial plan; however, uncertainty exists associated with:
 - Future M&O expenses associated with unopened park sections
 - PILOT revenues from development sites
 - Maritime repair expenses over life of the Park
 - Strength of residential real estate market