

Brooklyn Bridge Park Corporation d/b/a
Brooklyn Bridge Park
Meeting of the Directors
Held at Brooklyn Public Library, Brooklyn Heights Branch
Brooklyn, NY

July 18, 2011

MINUTES

The following members of the Board of Directors were present at the meeting:

Robert Steel – Chairman
Peter Aschkenasy
Adrian Benepe
Martin Connor
Anita Contini
Peter Davidson
Juny Francois
David G. Offensend
Stephen Levin*
Seth Pinsky
John Raskin
Nanette Smith
Anne Strahle
Mathew Wambua

*Not present at all times

Also present were staff of Brooklyn Bridge Park (hereafter “BBP”), the Mayor’s Office, the New York City Department of Parks and Recreation, the New York City Economic Development Corporation and members of the press and public.

Robert Steel, Chairman of the Board of Directors, called the meeting to order at approximately 1:35 P.M. Jennifer Klein, Director of Capital Improvements and Secretary of BBP, served as secretary of the duly constituted meeting and confirmed that a quorum was present. The Chairman welcomed Councilman Stephen Levin, a new Board member nominated by himself and thereafter appointed by Mayor Bloomberg, and stated that he expected Councilman Levin to be joining the meeting. The Chairman also announced a new policy of limiting public speakers to one three-minute turn each to ensure that everyone has an opportunity to speak, with a second and third round if there is time left.

The first order of business was the approval of the minutes of the June 14, 2011 meeting of the Board of Directors. Chairman Steel asked if there were any changes or corrections. There being none, Chairman Steel requested a motion to approve the resolution. Upon the motion being duly made and seconded, the following resolution was unanimously¹ adopted:

¹ Mr. Levin was not present for this vote.

JULY 18, 2011

APPROVAL OF MINUTES TAKEN AT THE JUNE 14, 2011 MEETING OF THE DIRECTORS OF THE BROOKLYN BRIDGE PARK CORPORATION

RESOLVED, that the Board of Directors hereby approves the minutes of the Board of Directors meeting held on June 14, 2011.

* * *

Chairman Steel announced the next item for consideration: the adoption of certain alternatives contained in the study of Alternatives to Housing For the Funding of Brooklyn Bridge Park Operations (the "BAE Report"). He asked David Lowin, BBP's Vice President of Real Estate, to present the item.

Mr. Lowin presented BBP's analysis of the findings in the BAE report and BBP's recommendation that the Board (i) determine which, if any, of the alternative revenue sources to adopt and how much revenue such alternatives are to generate, and (ii) delineate whether the adopted alternatives are sufficient to act as a substitute in-whole for the revenue currently projected to be generated by residential developments at the John Street and/or Pier 6 Site.

Mr. Benepe stated that he believed that BBP staff did a good job with some of the analysis, but that his own experiences for the fees for the use of fields indicated that the report's projections may be optimistic on that point. He also stated that the Parks Department has softened its projections with respect to items like parking and even concessions. Consequently, Mr. Benepe requested time to do additional analysis to come up with projections based on Parks' experience and recommended that the motion be tabled for a future meeting.

Mr. Raskin stated that he was critical of the BAE Report in a different context and found it inadequate in certain ways, but agreed with Mr. Benepe that it would be valuable for the Board to have further time to consider the report before taking further action on it.

Chairman Steel asked if there were any other comments from Board members. There being none, Chairman Steel requested a second to Mr. Benepe's motion. Upon the motion being duly made and seconded, the Board unanimously² voted to table the vote to adopt certain alternatives to housing contained in the BAE Report.

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Chairman Steel next noted the arrival of Mr. Levin and welcomed him.

Chairman Steel suggested that, in light of the decision to table the second item, that the third agenda item – the vote to authorize BBP to proceed with residential development on the John Street Site – should be tabled to be consistent with the prior vote. Upon the motion being duly made and seconded, the Board unanimously voted to table the vote to authorize BBP to proceed with residential development on the John Street Site.

* * *

² Mr. Levin was not present for this vote.

Chairman Steel announced that the fourth item for consideration was the approval of the licensing agreement with Friends of Jane's Carousel. Chairman Steel reported that he visited the site a couple of weeks ago when the final pieces of the Pavilion were put into place, and that it was a very special thing for him to watch the engineering and see it all come together. Chairman Steel noted that the engineering was extraordinary and expressed his belief that it will be a wonderful public amenity and apart from the Carousel, the building itself is a work of art. On behalf of the Park, the Board and the public, Chairman Steel thanked Jane and David Walentas for their generous gift of the Carousel, \$3.5 million to improve the surrounding Park and guaranty of the Carousel's ongoing operation and maintenance.

He then asked Suma Mandel, the General Counsel of BBP, to present this item.

Ms. Mandel presented the proposed Authorization to enter into a License Agreement with Friends of Jane's Carousel, Inc., for the Operation and Maintenance of Jane's Carousel.

In response to questions from Mr. Offensend, Ms. Myer confirmed that charging for carousel rides is customary practice at carousels in other parks like Bryant Park and Prospect Park, and stated that Jane's Carousel would charge \$2.50 per carousel ride.

Ms. Contini expressed her appreciation for the gift and stated that the early Jean Nouvel designs for the Pavilion are extraordinary. Ms. Contini pointed out that often donors provide gifts which fall apart, and highlighted that Walentases gift was extraordinary in that they are guaranteeing the maintenance and operation in addition to donating the carousel and pavilion.

Mr. Raskin stated that he was not comfortable voting on the proposed resolution, as he had not received it before the meeting, and asked Chairman Steel if he could abstain from voting. Chairman Steel responded in the affirmative. Ms. Strahle stated that she also did not receive the resolution.

In response to questions from Mr. Davidson, Ms. Myer stated that there would be the ability for Friends of Jane's Carousel to have ancillary food and souvenir carts adjacent to the carousel, that she anticipated that they would be similar to the ones outside the Prospect Park carousel and that BBP would retain oversight over the number and location of such pushcarts.

There being no further questions, Chairman Steel requested a motion to approve the resolution. A motion was duly made and seconded. Mr. Raskin, Ms. Strahle and Mr. Levin abstained. The following resolutions were adopted:

JULY 18, 2011

AUTHORIZATION TO ENTER INTO A LICENSE AGREEMENT WITH FRIENDS OF JANE'S CAROUSEL, INC., FOR THE OPERATION AND MAINTENANCE OF JANE'S CAROUSEL, AND AUTHORIZATION TO TAKE RELATED ACTIONS

BE IT RESOLVED, that BBP is hereby authorized to enter into a License Agreement with Friends of Jane's Carousel, Inc., for the Operation and Maintenance of Jane's Carousel; and be it further

RESOLVED, that the President of BBP and her designees be and each hereby is authorized and empowered to take all actions and execute such documents as she or they may deem necessary or appropriate to effectuate these resolutions.

* * *

Chairman Steel announced that the fifth item for consideration was the election of a new Secretary and Treasurer of the Corporation. He asked Ms. Mandel to present this item.

Ms. Mandel presented the BBP staff's recommendation that, in light of BBP's recent hiring of a full time General Counsel and full time Chief Financial Officer, that the Board elect these staff members as Secretary and Treasurer, respectively.

There being no questions, Chairman Steel requested a motion to approve the resolution. Upon the motion being duly made and seconded, the following resolutions were unanimously adopted:

JULY 18, 2011

ELECTION OF TREASURER AND SECRETARY, AND AUTHORIZATION TO TAKE RELATED ACTIONS

BE IT RESOLVED, that BBP hereby elects the following persons to the offices set forth opposite their respective names, each such person to serve in the capacity indicated until the election or appointment and qualification of his or her successor or until his or her prior death, resignation or removal:

Name	Office	
Cedric Gaddy	Treasurer	(to succeed David Lowin)
Suma Mandel	Secretary	(to succeed Jennifer Klein)

; and be it further

RESOLVED, that the President of BBP and her designees be and each hereby is authorized and empowered to take all actions and execute such documents as she or they may deem necessary or appropriate to effectuate these resolutions.

* * *

Chairman Steel announced that the fifth item for consideration was a presentation regarding the RFP for a mixed use development on Pier 1. He asked Mr. Lowin to present this item.

Mr. Lowin presented an overview of the BBP's plans with respect to an upcoming RFP for a development to be located on two sites on Pier 1 and consisting of 170-225 hotel rooms and 150-180 residential units, restaurant/café use, and parking. Mr. Lowin stated that BBP expected to issue the RFP in late July or August.

In response to a question from Mr. Raskin, Mr. Lowin confirmed that the slideshow accompanying his presentation would be made available on BBP's website after the presentation to the community on the following day.

Mr. Raskin asked whether the Pier 1 RFP addressed the option in the BAE report of receiving a one-time payment from Watchtower in order to redesign the Pier 1 development. Mr. Lowin responded that if that alternative is adopted by the Board prior to the issuance of an RFP, then it would be included. In response to an additional question from Mr. Raskin, Ms. Myer stated that she would have to get back to Mr. Raskin on whether the timing of the RFP would allow for inclusion of the one-time payment option from Watchtower, but that it is important to proceed with the RFP at this time.

Mr. Offensend stated that that over the past several years, the Park has had a lot of review - first on the expense side with respect to the maintenance budget - and now with the CAH process, which he felt was very productive and which identified in specific detail alternative sources of revenue which could reduce the dependence on residential development. Mr. Offensend stated that he believed that it is time to move forward with these RFPs because the review process has been a long process, this is financially a very complex puzzle, and until the Park receives real proposals from real developers the Park will not know what it is dealing with. Mr. Offensend also pointed out that nothing about the RFP process would obligate BBP to accept any proposal at all.

In response to a question from Mr. Levin, Mr. Lowin stated that the RFP did not include in its evaluation criteria any priority as to the proportion of residential units to hotel rooms.

Mr. Connor expressed concern that a developer would propose a completely residential use, because he viewed a hotel facility as an amenity to the Park, as well as a revenue generator.

Mr. Lowin clarified that the development would need to comply with the guidelines that are in the General Project Plan, which allows for 170-225 hotel rooms and 150-180 residential units, but that BBP was not expressing a preference as to the exact number of each beyond those requirements.

There being no further questions, Chairman Steel commented that although the Pier 1 RFP was a non-voting item, it was good to have the presentation, and expressed approval of BBP staff's community outreach efforts.

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Ms. Myer next presented the President's Report. She provided an update on: (i) construction of the Empire Fulton Ferry section of the Park and installation of the carousel; (ii) reconstruction of the piles under Pier 5; (iii) Park programming; (iv) the Tobacco Warehouse litigation; (v) the anticipated release of the RFP for the Pier 5 bubble; and (vi) the results of a park wide user survey recently conducted by BBP staff, which indicated that during this summer, the Park had over 30,000 visitors a day each day on Saturday and Sunday.

Mr. Benepe stated that it is very difficult to do a good count and congratulated the Park on its efforts as well as the results of the count. Mr. Benepe further stated that 60,000 people is comparable to full house at the old Yankee Stadium, or a full house on the Great Lawn in Central Park. Mr. Benepe also commented that there has been a series of official visitors to the Park – including a group from Amsterdam, the mayor of St. Louis together with his delegation, and a delegation from the French Minister of Sustainability which included a number of cabinet-level people from France. Mr. Benepe

stated that he had an opportunity to speak to these visitors and they were all blown away by the Park, and that he believed that the Park has now become part of the international eco and design tours where people come from all over the world to see it, like the High Line. He congratulated and thanked BBP staff and Nancy Bowe and Nancy Webster of the Brooklyn Bridge Park Conservancy.

On behalf of the Board, Chairman Steel seconded Mr. Benepe's comments with regard to his appreciation of Ms. Myer and the BBP Staff.

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There being no more comments or questions from the Board, Chairman Steel stated that the Board planned to go into executive session after the public portion of the meeting, after which the meeting would reopen for an instant to adjourn. He stated that there will be no public aspects to the meeting after the executive session. Chairman Steel then invited the public to make statements and reminded them of the polo.

Sandy Balboza, Executive Director of the Atlantic Avenue Betterment Association, expressed concern about the DOT's plan to make interim pedestrian improvements to the Atlantic Avenue entrance and reroute the B63 bus into the Park roadway. In response to a question from Ms. Balboza, Ms. Myer stated that BBP worked closely with the DOT on changes to the Atlantic Avenue entrance to improve safety and address the challenge of separating access by trucks to Pier 7 from pedestrian access to the Park, and that a good way to do that is to move the bus stop closer to the Park.

In response to a further question from Ms. Balboza, Ms. Myer stated that the current plan is a test and Chairman Steel stated that BBP would see how things would unfold based on the results.

Anthony Manheim, a member of the Campaign for Brooklyn Bridge Park, expressed concern about the shortfall in revenues discussed at the prior board meeting and asked whether BBP was contemplating an increase in the number of housing units or hotel units in order to meet the projected revenue stream. Mr. Manheim also raised a concern about issuing an RFP now when there are still a number of unsold units at One Brooklyn Bridge Park.

Mr. Lowin stated that the current projections for Park revenue incorporate the PILOT reductions at One Brooklyn Bridge Park and BBP still believes that it can meet the maintenance and operations budget of the Park with the development program outlined in the General Project Plan.

Judy Francis, President of the Brooklyn Bridge Park Defense Fund, expressed her belief that the Park's funding model does not work and should be re-evaluated, and raised a concern about pedestrian safety at the entrance located in the south end of the Park.

In response to several questions from Ms. Francis, Chairman Steel stated that while he would not go through all of her questions, the Park is continually reevaluating, making long term projections and considering all public feedback. Ms. Francis further expressed her belief that the Park's decision-making was faulty.

Claude Shostal, the Vice Chair of the Brooklyn Bridge Park Conservancy, expressed his appreciation for the descriptions of Ms. Myer's and Mr. Benepe's descriptions of park visitation. Mr. Shostal stated that he believed that the Park is a world class park which will transform the City and both local and international visitation. On behalf of the Conservancy, Mr. Shostal urged the Board to make a

decision about revenue potential in a reasonable timeframe in order to ensure the long-term revenue potential for the Park's maintenance and operations, as well as the completion of construction which everyone wants to see.

Nancy Webster, the President of the Brooklyn Bridge Park Conservancy, stated that it is clear that the public is voting with their feet, citing the numbers from BBP's recent visitor count, as well as the success of the Conservancy's various public programming efforts. Ms. Webster also stated that the Park clearly has tremendous forward momentum and expressed her thanks.

Ms. Balboza commented on the BAE Report's conclusion that the affected community would not support the creation of Park Improvement District to raise revenue. She stated that when Atlantic Avenue recently went through a BID process, feedback and support was sought from the community from the beginning and she did not believe that the same was done in this case.

There being no further public business, Chairman Steel requested a motion to enter into Executive Session for a presentation from the City's Conflicts of Interest Board for the directors and staff of BBP. Upon the motion being duly made and seconded, the public left the room and the Board entered into Executive Session.

* * *

Upon the Board adjourning the Executive Session, the public was invited back into the meeting. Director Smith requested a motion to adjourn the meeting and upon the motion being duly made and seconded, the meeting was adjourned at 3:00 PM.

Respectfully submitted,

/s/ Jennifer Klein
Jennifer Klein
Secretary of the Meeting

Dated: August 2, 2011