

**HUDSON RIVER PARK TRUST
MINUTES
Of a
Meeting of the Directors
Held on
May 28th, 2009
Hudson River Park Trust
Spector Hall
New York City Planning
22 Reade Street
New York, New York
4:11p.m.**

Directors Present:

Diana L. Taylor, Chair

Robert C. Lieber, Vice Chair

Pam Frederick

Lawrence B. Goldberg

Franz Leichter

Theodore Roosevelt IV

Joseph B. Rose

Henry J. Stern

Paul Ullman

Joshua Laird, Representing, NYC Department of Parks & Recreation Commission Adrian Benepe

Rachel Gordon, Representing NYS OPRHP Commissioner Carol Ash

Susan Mattei, Representing NYSDEC Commissioner Pete Grannis

For the Corporation:

Connie Fishman, President

Noreen Doyle, Executive Vice President

Laurie Silberfeld, General Counsel

Karen Jennings, Assistant Treasurer

Maryann Monte, Assistant Secretary

HRPT Staff:

Marc Boddewyn

David Katz

James Koth

Other Staff

Also Present:

Jed Howbert, Deputy Mayor Lieber's Office

Arthur Schwartz, Hudson River Park Trust Advisory Council Chair

Marc Ameruso, Vice Chair Hudson River Park Trust

The Public

The Press

With a quorum of Trust Directors present, Chair Taylor called the May 28th, 2009 meeting of the Hudson River Park Trust to order at 4:11 pm.

Chair Taylor stated that the first order of business was the approval of the Minutes of the March 26th, 2009 Board of Directors meeting. She asked if there were any comments or questions. There being none, she asked for a motion to approve the minutes of the March 26th, 2009 Board of Directors Meeting. Director Stern moved and Director Goldberg seconded the motion. A vote was then taken and the following resolution was unanimously adopted:

HUDSON RIVER PARK TRUST - Approval of Minutes, and Ratification of the Actions Taken at the March 26th, 2009 Meeting of the Directors of Hudson River Park Trust

RESOLVED, that the Minutes of the Meeting of the Hudson River Park Trust Board of Directors held on March 26, 2009 are hereby approved, all actions taken by the Directors present at such meeting, as set forth in the individual Minutes of such meeting, are hereby, in all respects, approved and ratified as actions of the Hudson River Park Trust, and copies of such approved Minutes are hereby ordered filed with the records of the Corporation.

Chair Taylor then asked President Fishman to present the next item before the Board, authorization to contract with Traina Irrigation Corporation for Segment 3 irrigation construction work.

President Fishman explained the proposed irrigation contract will furnish and install of the irrigation system for all of the landscaping from Chambers to N. Moore Streets, which is south of the park area opened last summer. The contract was procured as a lump sum bid for all work.

An advertisement was published from April 14th through May 8th. A pre-bid meeting was held and five firms subsequently submitted bid proposals on May 20th, which were publicly opened. These ranged from \$232,000.00 to \$535,000.00. Trust staff and Turner Construction evaluated all proposals for experience, bonding, schedule, personnel, material sources, subcontractors, and M/WBE utilization.

Orange Irrigation / Hudson Valley Garden Center (“Orange”) was identified initially as the apparent low bidder. However an examination of Orange’s bid proposal indicated that their bid was incomplete. A post bid interview was held with Orange on May 22nd to review the missing bid materials. Notwithstanding clear direction regarding the need to provide the missing information, Orange’s subsequent documentation still failed to provide several key submittals, including a preliminary schedule and material supply listing.

(Director Rose entered the meeting)

President Fishman continued to explain that, as a consequence of Orange’s failure to provide several key submittals, Trust staff determined that their bid proposal was incomplete and unresponsive. Staff then closely evaluated the next the next lowest bid from Traina Irrigation Corp. and confirmed that all scope items were included in its bid. References of Traina Irrigation Corp. were contacted and found to be supportive.

President Fishman requested authorization to contract with Traina Irrigation Corp. in an amount of \$279,000.00 plus a 10% contingency, for a total contract authorization of \$306,900.00 for furnishing and installing the Chambers to N. Moore Street Irrigation work.

Chair Taylor asked if there were any questions or comments.

Director Stern inquired as to why the first company did not submit the required documents. “Why did they bid in the first place?”

President Fishman explained that she didn’t know why they hadn’t complied.

Chair Taylor asked if there were any additional questions or comments. There being none, Mr. Laird moved, and the motion was seconded by Ms. Mattei. A vote was then taken and the following resolution was unanimously adopted:

HUDSON RIVER PARK TRUST -Authorization for Hudson River Park Trust to Contract with Traina Irrigation Corp. for Segment 3 – Chambers to N. Moore Street Irrigation Construction for an amount not to exceed \$306,900.00.

RESOLVED, based on the materials presented to this meeting, a copy of which is ordered filed with the records of the Corporation, the Directors hereby authorize the Hudson River Park Trust to contract with Traina Irrigation Corp. in an amount not to exceed \$306,900.00 for Chambers to N. Moore Street Irrigation Construction; and be it further

RESOLVED, that the President or her designee(s) be, and each of them is hereby authorized to take such actions as the President or his designee(s) may deem necessary or appropriate in order to implement the foregoing resolution.

Chair Taylor asked President Fishman to present the next item before the Board, authorization to amend the contract with R. B. Conway & Sons for Pier 80 Bulkhead Repair Work.

President Fishman explained that last July the Trust began bulkhead and relieving platform repair work at 40th St. at the site of the former Pier 80 in a section of the historic bulkhead that had been found to be severely eroded. At that time, the board approved a contract with R.B. Conway and Sons based on a competitive bid process. Halcrow engineers, the Trust’s

parkwide marine inspection team, created the scope of work based on their visual inspection of the area. As the excavation progressed and the underwater relieving platform was unearthed, Conway discovered that the deterioration was more substantial than initially observed and additional timber relieving platform repairs were needed to complete the work.

(Director Roosevelt entered the meeting)

President Fishman continued to explain that a change order was submitted outlining the additional work which was reviewed and approved by the engineer and submitted to the Trust for final sign-off and payment. As the value of the additional repairs exceeds the total amount approved by the Board in 2008, further authorization is required to conclude the work.

President Fishman requested authorization to amend the contract with R.B. Conway & Sons in the amount of \$18,810, for a total contract authorization not to exceed \$470,668.00, for repairs to the former Pier 80 Bulkhead and Relieving Platform.

Chair Taylor asked if there were any questions or comments.

Director Stern asked if they were doing excavating or digging under water and found the bores were rotten. What did they find?

President Fishman stated that there is a granite bulkhead wall which is the edge visible from the water, behind that wall, anywhere from 20 to 40 feet depending on the location in the park, is a relieving platform that sits on timber piles. There are various constructions of it because it is not all the same structure throughout the five miles. But in certain areas the water actually gets into and behind the granite wall, with a combination of mud and stones and water underneath the granite wall and platform. The supporting timber piles rot as they age. Some of these are 150 years old or more. Until the pilings are seen, the full extent of the deterioration cannot be known.

Chair Taylor asked if there were any additional questions or comments. There being none, Director Rose moved and Ms. Gordon seconded the motion. . A vote was then taken and the following resolution was unanimously adopted:

HUDSON RIVER PARK TRUST -Authorization for Hudson River Park Trust to amend the contract with R.B. Conway & Sons for Pier 80 Bulkhead Repair Work in an amount of \$18,810, for a total not to exceed contract authorization of \$470,668.00.

RESOLVED, based on the materials presented to this meeting, a copy of which is ordered filed with the records of the Corporation, the Directors hereby authorize the Hudson River Park Trust to amend the contract with R.B. Conway & Sons in an amount of \$18,810.00, for a total not to exceed contract authorization of \$470,668.00 for Pier 80 Bulkhead Repair Work; and be it further

RESOLVED, that the President or her designee(s) be, and each of them is hereby authorized to take such actions as the President or his designee(s) may deem necessary or appropriate in order to implement the foregoing resolution.

The following is a verbatim discussion of the Hudson River Park Trust Board of Directors following approval of the corporate items on the agenda.

“DIRECTOR LEICHTER: Madame Chair.

THE CHAIR: Yes.

DIRECTOR LEICHTER: Yes. I want to add something under new business and ask the Board to consider or maybe act, and that's the issue that we have with Pier 40 that with the current restriction of the 30-year lease we're just not able to get any responsive -- any response to our RFPs.

And we have a good example of the difference that a 49-year lease makes, because at Pier 57 we've received three responsive and quite interesting proposals. And our concern has to be that we're really handcuffed with that 30-year restriction which

doesn't apply to Pier 57, doesn't apply to Chelsea Piers. And I think we need to lift that restriction if we're going to get really serious responses to any Request for Proposals. And the other consideration that we need -- that we need to have is, that it's important to move ahead on Pier 40 and that we just really can't delay any further. The Pier is in bad physical condition. We've already lost 160 parking spaces. The roof continues to collapse. We're losing more parking spaces and even more seriously, the pilings are in bad shape and we could even have a situation where we have to close the Pier. So I've been talking to some of the legislators about trying to get the restriction of 30 years lifted and the lease extension made for 49 years for Pier 40. And I've been told by one of the more influential legislators that it would be helpful if there was some expression by the Board supporting this. I think we all agree that we should have a 49-year lease. I don't want to preempt anybody's views on this, but I think we've discussed this before. And so I think it may be -- it's an appropriate time for us maybe to vote on a resolution urging that the lease period of Pier 40 be extended to 49 years which may help us get some legislation through this year. I don't say that the chances are very bright, but I think there is a glimmer of hope. And I think a resolution by this Board would help. And I would therefore, urge all of you to join me and let's have a resolution that says that --

(Vice Chair Lieber entered Spector Hall.)

DIRECTOR LEICHTER: -- Pier 40 should have a lease of, a permissible lease for 49 years.

THE CHAIR: Yes.

DIRECTOR STERN: Yes. What Senator Leichter said sounds very sensible to me. But could anyone tell me why some piers have 30-year leases and other

piers are allowed to have 49-year leases? What's the basis for the variation between piers?

DIRECTOR LEICHTER: Well, I can I can answer that because I was involved in the negotiations in that. Initially they were all 30 years. And we then -- I think even before the Trust came into existence, Chelsea Piers was able to work on an extension of their lease through 49 years. When Pier 57 -- when we first issued an RFP, it was realized that in order to take available of the historical preservation credits, you had to have a 49-year lease. So we extended the lease for Pier 49 (sic). So I mean we extended the lease for 57 and we made it 49 years.

THE CHAIR: And another thing that made it a lot easier was that the proposal, that everybody loved it, the neighborhood loved it. There was no opposition. So Pier 40 has been such a problem because it meets so much opposition to do anything. So basically what we're looking for is another waiver to the 30-year lease. And personally I think it's a great idea and we need to do something. It can't hurt. I think it's a great idea. Yes.

DIRECTOR ROSE: I think it's a suggestion worth entertaining. To assure that there's a consensus on this and it doesn't become a tug of war, that I think it would be useful for the Trust Board to have a request or a suggestion from the Friends and the Advisory Council, Community Advisory Council to that effect, as well with whatever concerns were ever expressed so that we can all be on the same page so the message that gets delivered to the Legislature is a consensual one as opposed to having to have it sorted out between different parties.

So if there's going to be any objection to this, the locals out there, let's have the discussion here before it gets confusing up in Albany.

DIRECTOR LEICHTER: Joe, I --

DIRECTOR ROSE: If we do it, let's just do the legwork ourselves so we don't then have it --

THE CHAIR: Yes.

DIRECTOR LEICHTER: That's fine. But you're not suggesting that we wait for this Board to pass a resolution until something is done by the Advisory Council or by the Friends?

DIRECTOR ROSE: No. I guess my suggestion is that if there is any concern, if there's -- obviously we've been through this. We understand that among the many concerns, one of the problems of getting something that everyone's going to find - everyone is an understatement - that we'll find an appropriate consensus among all the interested parties is the term of the lease. So if there are -- if the Community Advisory Group has a concern, that having it be 49 instead of 30 years, let's hear it and hear the explanation why so we can take it into account.

THE CHAIR: You know, I hear exactly what you're saying. But I think that under any circumstances it's become fairly clear that we're not going to get anything done on that Pier without a lease extension. And there will be opposition because this is New York City. There will be opposition.

DIRECTOR LEICHTER: Joe.

THE CHAIR: So I think - I don't think that we lose anything by sending a letter, but I really feel we should work with the other groups and maybe get a letter from

them too. But I think we should lead the way. And sending a letter to the state legislature saying that we think it's a really good idea. In fact, we can't do anything on this pier without the extension. And what do we do -- and also work with the other groups, the Friends, et cetera, to lines. Because I agree with you, I think it makes it a lot stronger. But I don't think that we need to get a consensus on that first until we have this resolution.

DIRECTOR ROSE: I just want to make sure that the voice that gets sent, that gets heard in Albany is a consistent one and that if there are issues -- and obviously it's not going to be announced.

THE CHAIR: Yes, right.

DIRECTOR ROSE: But we have a good working relationship with the various parties here of trying to make some headway, I think we should just be sure that we do that.

THE CHAIR: How about if we pass a resolution here saying that, authorizing staff to put together such a letter to send around for all of us to sign and also authorizing staff to work with the Friends and the other interested organizations to bring them along?

DIRECTOR ROSE: Sure.

DIRECTOR LEICHTER: I think that's a good way to proceed.

DIRECTOR FREDERICK: Madame Chair?

THE CHAIR: Yes.

DIRECTOR FREDERICK: May I ask a question? Are you talking about a letter or a resolution? I mean --

THE CHAIR: A res --

DIRECTOR FREDERICK: A formal resolution?

THE CHAIR: Well, what do you think this --

DIRECTOR LEICHTER: Well, I thought what you were saying is that we would pass a resolution and that the letter would say that we want to advise you that the Board of Directors --

THE CHAIR: The resolution was passed, right. Thank you for that clarification.

DIRECTOR FREDERICK: Only 'cause I didn't know if it was like a formal reso or if we were all individually, just when you said we were all signing it.

THE CHAIR: I think it would be great to all -- well, to tell them and I think a letter signed by everybody on the Board is very powerful. So why don't we pass a resolution saying, however you want to word it, and then send a letter to all the legislators signed by all of us saying we passed this resolution.

DIRECTOR ROSE: At the end of the day it's the sense of the board, the Board of the Trust anyhow because it's not a part of our formal purview.

THE CHAIR: Right.

DIRECTOR ROSE: We can't change the legislation anyway so it's a resolution to extend the sense of the board.

THE CHAIR: So why don't we authorize staff, legal counsel to work with the Senator and come up with something and then get it done. I think we have a sense of what we want.

DIRECTOR GORDON: Do we need to so move you?

THE CHAIR: Yes.

DIRECTOR STERN: Authorize or direct?

THE CHAIR: Direct. Yes, direct. Yes. Thank you.

PRESIDENT FISHMAN: Is there any language that we need to have Counsel actually sort of write loosely right now? I'm not quite sure if I understand. Is there a vote that needs to happen or is this sort of a -- I'm not quite sure what the process is.

THE CHAIR: I think that what the Senator is talking about here is, this Board right now passes a resolution which would state - support, where this board supports the extension of the lease term for Pier 40 to 49 years from the current 30 years.

DIRECTOR STERN: Yes.

THE CHAIR: And direct staff to work with the various organizations also involved to bring them along to hopefully do the same thing as we're doing.

DIRECTOR LEICHTER: Yes. Just so that we have a -- I think that's fine. But just so that we have actual language for a resolution for our records. I mean let me propose an actual resolution is: That we urge the Legislature to extend the lease, the permissible lease term for Pier 40 to 49 years from the current 30 years.

DIRECTOR ULLMAN: Can I ask another question? I understand the process, but in order for the lease term to be extended under the Act, the Act itself has to be opened up. So that's the -- the resolution, in effect, is saying that we agree with the concept of opening up the Act first and then for the explicit purpose, and no other purpose, of extending the lease from 30 to 49 years, or are we thinking about something else?

THE CHAIR: Practically speaking they probably do have to open up the Act. But they could also just amend that one section of the Act and say, except for, you know, Pier 40 and for Pier 57. And so practicality, yes.

DIRECTOR STERN: It's just two words, 30 to 49?

PRESIDENT FISHMAN: Can I ask -- Laurie, when this was done for Pier 57, what exactly did the amendment say, do you recall?

MS. SILBERFELD: It was a separate stand alone amendment to the Act that provided for the extension of the term of 57 only, and recognized the need to do so because of the historic tax credit provision and for no other purpose. So, you know, it really wasn't, what Paul was getting at, that you weren't opening it up generically. You were opening it up only for 40 and only in that instance, only for 57 and only for that purpose. So you could do a similar thing for 40, yes. I mean we had done an amendment to the Act once before on Pier 40 that had to do with our ability, when we had to get a conversion to 50 percent of the footprint, there was a deadline for that and we were able to extend that for a year. But we went through the initial Pier 40 RFP process, if you will recall, when Pier 40 had been operated by C&K Properties.

DIRECTOR ROSE: Just so I can be clear in terms of what I was saying. I was seeking, maybe just because than I think we probably anticipated, I'm talking about the Hudson River Park Advisory Council entity, which as I understand it, is a creature of the statute, the Park Statute as well. So we the Trust and the Advisory Council are creatures of the statute. We are asking for both Trust Board and then we're seeking the ascent of the Advisory Council to an amendment to the legislation to permit a lease of up to 49 years on Pier 40 as is the case for Pier 57.

DIRECTOR LEICHTER: Joe, I have to disagree with you on this. I fully agree with your suggestion, a meritorious one, that we get the Friends on board and talk to them

already. Also the Advisory Council. But I certainly don't like the idea that action that this Board takes requires the approval of the Advisory Council.

DIRECTOR ROSE: I didn't say that. I wasn't saying that. I wasn't saying that. We agree, Senator.

THE CHAIR: I think everybody is saying the same thing, yes.

DIRECTOR LEICHTER: I think as you said it before or as Diana said it, that the staff also --

CHAIR: We direct staff to --

DIRECTOR LEICHTER: -- convey, convey this to those two organizations that works with them to gain their support.

THE CHAIR: Yes.

PRESIDENT FISHMAN: Laurie, do you have language that you think is consistent with what Senator Leichter just said?

MS. SILBERFELD: I have a sense of it and I can work with the stenographer to make sure that to the extent that my scribbled notes aren't clear, then I'll get it from Marc and I'll work with Senator Leichter to make sure that it says what he's trying to convey.

DIRECTOR STERN: Question: Do the same tax credit considerations that apply to the previous piers apply to Pier 57?

MS. SILBERFELD: No.

THE CHAIR: No.

PRESIDENT FISHMAN: The Pier 57 tax credits are unique and they do not apply to Pier 40.

THE CHAIR: Which is unfortunate. Yes.

DIRECTOR GORDON: Is it so moved?

DIRECTOR FREDERICK: So 'cause I'm suffering from a little bit of confusion. So are we just -- are we agreeing to write a general reso saying that we urge the Legislature to do something --

THE CHAIR: Yes.

DIRECTOR FREDERICK: -- or are we sending these resos addressed to individual legislators?

THE CHAIR: No. We are passing a resolution which says that we really, really, really want the legislature to change this with legislative --

DIRECTOR FREDERICK: And then who will see it and how do we -- then how do we like create action?

THE CHAIR: Well, see -- do you want to pass around to everybody what the resolution says?

(Overlapping conversation.)

THE CHAIR: This is not complicated.

DIRECTOR FREDERICK: No, I'm just saying, who gets it? How does it create action? That's all I'm asking. Like

THE CHAIR: Every legislator will get a letter --

DIRECTOR FREDERICK: Okay.

THE CHAIR: -- from the Park Trust saying that we had passed this resolution and please, please, please change the -- amend the legislation so that we can have 49 years.

DIRECTOR GORDON: And then we could do some lobbying and then Senator Leichter will help us.

THE CHAIR: Right, correct.

MS. MATTEI: Why do we have to have a resolution? Why can't we just write a letter?

CHAIR: It's not as strong. It's much better. I think the Senator is absolutely right. If we pass a resolution, we have taken action. We're not just writing a letter.

MS. MATTEI: Okay.

THE CHAIR: Anything else?

MS. SILBERFELD: Can I suggest that you pass a resolution now along the lines that you've all discussed.

THE CHAIR: Yes.

MS. SILBERFELD: And then direct staff to write a letter to convey that and then we'll pass that draft letter around so that the resolution is passed now.

THE CHAIR: Yes.

VICE CHAIR LIEBER: I move it.

THE CHAIR: Thank you. Second?

DIRECTOR ROOSEVELT: Second.

THE CHAIR: All in favor

(Chorus of "ayes.")

THE CHAIR: Opposed?

(No response.)

THE CHAIR: Great. Okay. Thank you.

DIRECTOR STERN: You said it passed unanimously?

THE CHAIR: Yes. Correct? There were no "nays" there, right? Or abstentions?

DIRECTOR GOLDBERG: This is subject -- this is subject to seeing the language in the resolution?

THE CHAIR: The resolution is going to be one sentence. It's basically going to say we -- this is a resolution urging the State Legislature --

DIRECTOR ROOSEVELT: What you want to see is the language in the letter.

THE CHAIR: You want to see the letter. The resolution is one sentence --

DIRECTOR ROOSEVELT: You will get to see that.

DIRECTOR GOLDBERG: Fine.

THE CHAIR: -- saying we urge the legislature to change -- to amend the act so that Pier 40 can be 49 years. But it will be worded a lot more elegantly than that. But it's a change.

DIRECTOR ROSE: Can I just say for the record, in the context of the Pier 57 waiver. The reason for this request is because in order to support the kind of capital investment that's required for any meaningful repairs and utilization of Pier 40 in any kind of acceptable way, without prejudice to any one or other kind of an application, we recognize from experience that we need to have a longer lease term, if possible, to do it. It's not -- it's not in regard to anything that we saw. Just our understanding that what we see in 57 we need to have a longer time to defray whatever capital investments or whatever proposals that we see. This is not part of any --

THE CHAIR: Right. Yes, and I think that that would be a paragraph in the letter as to why we did this.

DIRECTOR ROSE: Okay. I just wanted that to be clear so there's no question that this is --

THE CHAIR: Thank you. You're absolutely right. Any other discussion on this point?

(No response.)

THE CHAIR: Thank you, Senator. Okay.”

** (End Verbatim)**

Chair Taylor asked President Fishman to present the President’s Report.

President Fishman explained that there will be a very short report and that Noreen Doyle will report on the Pier 57 process.

President Fishman congratulated the Friends of Hudson River Park and A. J. Pietrantone on a very lovely fundraiser benefit.

Also, she advised that the 2009 Macy’s fireworks will be held this year on the Hudson River in celebration of the Henry Hudson Quadricentennial. It will take place from roughly from 24th to 50th Streets. The entire West Side Highway will be closed from 125th Street to south of the Chelsea Piers.

We are working with the Mayor’s Office, the NYC Police Department, the NYC Fire Department, and all the other agencies who are involved.

As of now the parts of the Park that will be open for viewing will be Clinton Cove, Pier 84 or parts of it, and Pier 54, which is at 13th Street.

We are working right now with all of the businesses in the park and all of the not-for-profit tenants on how this will affect them.

We are rapidly completing the Chelsea section of the Park. Pier 64 is now open, and if you would like a tour we will be glad to accommodate you. The merry-go-round is being built, the skate park is being built. The Lynden Miller Display Garden already has been planted. It will not be finished until 2010, but right now it looks just about like you could go and sit on the lawn.

President Fishman asked Ms. Noreen Doyle to present the Pier 57 report. Ms. Doyle thanked President Fishman. Below is the verbatim report from Ms. Doyle:

“The Trust staff and our consultants have continued to review the three Pier 57 proposals. Originally, we had hoped to be able to make a recommendation to you at this May meeting, but there are still a number of outstanding questions that we are addressing. We wanted to provide you with an update on some of these issues.

As you know, Pier 57 is listed on both the State and National Registers of Historic Places. As such, the winning proposal will be subject to review by the State Historic Preservation Office. In addition, all three proposals intend to take advantage of federal historic tax credits as part of their overall financing concept. These credits provide the lessee with up to a 20% tax credit based on the cost of the rehabilitation and the amount of qualified rehabilitation expenses. The standard for restoring a structure to qualify for tax credits is higher than with only the State process.

Given the importance of this issue, we have reached out to SHPO to request a preliminary, informal review of all three proposals, including with an eye toward any issues that might be problematic at the point of applying for tax credits. We appreciate

that SHPO has made themselves available to all three developer candidates, all of whom have now had the opportunity to speak directly with SHPO's staff to get a preview of possible concerns. All three proposals have elements that would likely have to change. Among the issues we have discussed are concerns about the height of new structures on the roof, and the amount of trees and greenery on the rooftops.

Another important agency that will be involved in the review process is the Department of Environmental Conservation. They too have been willing to provide informal feedback on the three proposals, and we have provided their input back to the teams. Generally speaking, the extent of new platform coverage will be a concern, although new platform specifically for water-dependent uses such as boating is conceptually acceptable. We have not heard any comments from DEC that would be considered "fatal flaws" for any of the proposals. This includes the proposed small "tunnel" between the caissons in the Durst/C&K proposal and the new elevator shafts that would be necessary for both the Related and Youngwoo proposals.

You are all aware that one of the major issues for both the Trust and the community is traffic. We have been working with the three teams and our traffic consultant to analyze their submissions in this regard. Among the issues we are considering are their vehicular trip generation rates and adequacy of parking spaces based on proposed uses and the circulation and pier frontage designs. The community feels very strongly about maintaining as much of a park-like setting east of the building as possible. The Trust's consultant is about to send out another round of traffic questions in response to the teams' initial submissions.

As you know from previous discussions, staff was asked to look more closely at Youngwoo & Associates' proposed use of containers as the signature component of their design including with respect to overall feasibility and cost. We have met with Frank Sciame, Youngwoo's construction manager, to review the cost estimate in more detail, and the estimate has been revised and increased by approximately \$5 million to reflect some concerns raised by Trust staff. The total development budget is now \$196.4 million. I also visited the "Puma City" container project in Boston (11,000 sf) designed by LOT-EK, Youngwoo's architect, to get a better feeling for how containers could be reused, and met with Puma City's owner's representative to get a sense of the regulatory and approvals issues that project faced. You should have received some photos from me from this field trip.

Members of the Finance Committee had raised questions about the proposed participation of Kumho Investment Bank in both the lender and equity roles. In April, several members of the Finance Committee joined staff and our real estate and finance consultant in a video conference call with senior representatives from Kumho. Several of their officials also met subsequently with the Trust during a visit to New York. We have been working with our financial consultant to prepare materials that can be submitted to all three teams that will help us ascertain the milestones at which the developers will be able to provide the desired levels of financing commitment to the Trust.

Since our last meeting, Durst and C&K have provided some clarifications on one of their proposed uses as well. The 52,000 square foot "Live Music Venue" is now being referred to more broadly as a Performance Space. It would accommodate approximately 250 people. No actual tenant has been provided, but it is viewed conceptually as being

akin to the Roundabout Theater's Studio 54 space or Symphony Space. Durst and C&K have also submitted more information on their proposed excursion boats and the numbers of passengers anticipated daily.

You should know that all three teams have made themselves very available to both staff and the Community Working Group. The Working Group has been meeting approximately every other week for several months to interview the teams, ask questions, and discuss priorities and concerns about each submission. They are endeavoring to complete their recommendation for your consideration prior to our July Board meeting. Generally, they share the Trust's enthusiasm for the quality of the submissions and for many of the proposed uses. Aside from traffic, specific discussion points have included design, degree of historic preservation, amount and location of public open space (the western portion of the roof remains a very high priority), connections to the inland neighborhood, and attractiveness of the proposed uses. While everyone seems to agree that facilities for non-motorized boats are desirable (we also received this comment from many members of the public during the public comment period), there is no clear consensus yet on the amount of boating that is desirable at the pier.

We hope to have received responses to some remaining questions for the teams by the end of June so that we will have time to share the responses with you prior to the July 30th Board meeting.

I thought I would close by quoting the opening comment from a Chelsea resident during the public hearing that we conducted in February. 'I'm so impressed that I hardly know where to go. My breath is taken away. I think it's spectacular.' She made the comment about all three proposals."

Chair Taylor thanked Ms. Doyle and asked if there were any comments or questions.

There were none.

Next, Chair Taylor asked for the Advisory Council Report. Arthur Schwartz, Chair of the Council had not yet arrived at the meeting. Mr. Marc Ameruso stated that he was Co-Chair of the Advisory Council and offered to give the waterfront safety report. The following is a verbatim report of Mr. Ameruso's report followed by the subsequent Advisory Council report by Mr. Schwartz:

MR. AMERUSO: Good evening. My name is Marc Ameruso. I co-chair the Advisory Council. The first agenda item that we worked on was waterfront safety. And just to give you a brief review. We formed a Waterfront Safety Group in January of 2008. And then some months after that, for those of you who weren't here, I gave a power point presentation on safety measures that are done at Chelsea Piers and other parts of the country and around the world. And subsequent to that, in September of 2008 we passed a resolution giving recommendations to the Trust on how they can implement some of these things with some of our recommendations. Basically where we stand now is things like cleats and chains that could be put on the bulkhead or ladders that may be able to help people if they fell in the water, for whatever reason they might fall in the water, to hold onto to wait for rescue is still being looked into. And basically we're just going to have a follow-up meeting probably in a month or so to get updates on what's feasible, what's been looked at and so we can kind of get on the same page with that.

Connie also mentioned, one of the things we mentioned was phones, emergency phones that already exist. And she had mentioned that she's looking into how those things

can be made more visible so different colors or whatever it might be so people can see them. Another issue that came up was safety on the bike paths. Arthur Schwartz, who is now the Chair in the rotation, mentioned that his daughter and wife were hit by a pedicab and her daughter's arm was broken by, needless to say, a reckless bicyclist. So we're going to also look into this type of safety thing.

DIRECTOR STERN: On the path?

MR. AMERUSO: We spoke about it other occasions with signage and dismounting bikes at the intersections and things of those nature. So that would be a separate meeting with other agencies to see how we could improve that. But needless to say there are a lot of reckless bicyclists and speeding bicyclists, even though there's no speed limit, speeding for lack of a better term and roller bladers. And I believe it was in Central Park about two or three years ago, a person was killed by a roller blader who knocked over a pedestrian and they hit their head. So these things happen and it's a concern of us about enforcement and this type of thing. Yes, Commissioner, you had a question?

DIRECTOR STERN: Hit by a car, right, not a roller blader?

MR. AMERUSO: It was a bicyclist, was my understanding.

A VOICE: He was hit by a car.

MR. AMERUSO: Oh, it was a car? He said pedicab. That's what he said.

A VOICE: No, I'm not talking about what had --

DIRECTOR STERN: The doctor was killed.

MR. AMERUSO: Oh, you're talking about the Central Park case or --

DIRECTOR STERN: No, no.

MR. AMERUSO: -- I was talking about Arthur Schwartz' daughter's case was a pedicab situation.

DIRECTOR STERN: Was that just her?

MR. AMERUSO: The bicyclist.

DIRECTOR STERN: How old is she?

MR. AMERUSO: She's five, five years old.

DIRECTOR ROSE: Are pedicabs allowed, are the for-hire pedicabs allowed on the bike path?

THE CHAIR: No --

MR. AMERUSO: This was related to me so that's all the information --

PRESIDENT FISHMAN: They are allowed in terms of their own transportation. So they are like a bicycle with no passengers when they are riding for their transportation purposes. They are not allowed to solicit fares or carry passengers.

DIRECTOR ROSE: Are the PEP officers patrolling that? I mean that's --

PRESIDENT FISHMAN: Yes, they're aware of that.

DIRECTOR ROSE: Because you know I've been on this issue about bike safety for, since the path was open. And I'm sorry to hear about Arthur's daughter. And it just - I hope you guys are on this because it's ongoing issues, especially as the weather is now nice and people are out there. The more successful we become, unfortunately the more problematic and then higher the degree of vigilance. And there is a speed limit also, as I understand this.

THE CHAIR: Yes, I thought there was.

PRESIDENT FISHMAN: No. There is no posted speed limit.

DIRECTOR STERN: Why don't we do that?

DIRECTOR ROSE: In that case, I think it might make sense for us -- and I know it's a DOT issue, to -- it's appropriate given the usage to have the speed limit on the bike path. And this is not -- you know, this is not the Tour De France going on over there. This is a --

THE CHAIR: Yes.

PRESIDENT FISHMAN: Well, sometimes you would think it might be.

DIRECTOR ROSE: No, I understand. But to the extent that this is -- I'm not proposing a resolution, but I'm asking staff -- (Laughter.)

THE CHAIR: Yes. Actually, I think that's a good idea.

DIRECTOR ROSE: I'm asking staff to look into, to work on this issue. Because one of the underlying facts is that there's only a certain amount of speed that can be handled, especially on a narrow path with lots of different users and two different directions. And it's -- you're going to have -- people will get killed.

THE CHAIR: We will direct staff to look into this.

DIRECTOR STERN: May I suggest like 15 or 20 miles an hour.

THE CHAIR: So why don't we --

DIRECTOR ROSE: Central Park has a speed limit.

PRESIDENT FISHMAN: For cyclists?

DIRECTOR ROSE: Yes.

DIRECTOR STERN: The only thing is that for the speed limit to be effective, it varies at different times of day. I mean there are a lot of people during the day and it should be lower than if you --

THE CHAIR: Yes. I think there are a lot of ramifications on this and I think we should direct staff to look into it.

DIRECTOR GOLDBERG: Think about it very carefully.

THE CHAIR: Yes, very. And let the record show that everybody on the Board is concerned about this issue.

PRESIDENT FISHMAN: Also, since we're not unique in this, there was a report that came out just last week where a survey had been done. And I think close to 80 percent of the cyclists that they had seen in bike lanes citywide out on the streets and everywhere else were in violation of traffic rules very frequently.

DIRECTOR STERN: What about helmets?

THE CHAIR: I think it's a state law.

MR. AMERUSO: It's already required under --

PRESIDENT FISHMAN: There's a required helmet law for minors, but I don't think for adults.

MR. AMERUSO: Yes, right.

PRESIDENT FISHMAN: I think there's an age limit to the requirements.

DIRECTOR STERN: That's enforceable?

THE CHAIR: That's where you get back to the legislature. I think it's a state law.

DIRECTOR STERN: Yes.

DIRECTOR LEICHTER: Connie, why do we allow the pedicabs if they're just being used for the transportation of the pedicab only?

PRESIDENT FISHMAN: As a form of transportation they are, in fact, bicycles with a little seat behind them. What they're not allowed to do is conduct business on the bikeway.

DIRECTOR LEICHTER: My concern is, you know, they tend to be pretty wide and --

PRESIDENT FISHMAN: They're probably no wider than those things that people put on the backs of their bicycles that they put children and pets in and ride along behind them.

DIRECTOR LEICHTER: Oh, I see. I think they are because they hold as many as two or three people, certainly two. So it's just that, as you know, there's some very narrow passages on the bike path. I certainly think we have the authority to say that --

PRESIDENT FISHMAN: Well, we don't, but State DOT might. We're not the regulator of the bikeway.

DIRECTOR LEICHTER: Of the bike path.

MR. AMERUSO: That's one of the issues we want to bring up for our meeting is that it's a multi-jurisdictional maze of who can enforce within, you know, a foot or two and how we could mitigate that.

THE CHAIR: Yes. I think --

DIRECTOR STERN: Its parkland and we don't have the authority --

PRESIDENT FISHMAN: It's not parkland. It's part of the highway. It belongs to State DOT. And, in fact, we are not allowed to put up signage independent of what the State DOT and the Federal Highway will approve on that bikeway.

DIRECTOR LEICHTER: You're sure that the Act doesn't give us the authority to control --

PRESIDENT FISHMAN: Positive.

(Laughter.)

DIRECTOR STERN: Do we want it? Do we want the responsibility?

PRESIDENT FISHMAN: What we don't want is the liability.

THE CHAIR: Right. So I think the bottom line here is we direct staff to look really seriously at this issue and report back.

MR. AMERUSO: So in any event, what was -- what was reported at the meeting was it happened on the bike path. There was a pedicab and someone was injured. And we agreed that we were going to have follow-up meetings and research and find out what we can -- and report back obviously and work with the staff.

THE CHAIR: Thank you.

MR. AMERUSO: And in lieu of Arthur walking in the next five seconds, you'll have to give the rest of the agenda or report at the next meeting.

THE CHAIR: Okay. Great.

MR. AMERUSO: All right. Thank you.

THE CHAIR: Thank you very much.

MR. AMERUSO: Thank you, Madame Chair.

THE CHAIR: Okay. Is there any further business?

MR. AMERUSO: It think they said -- I think they just said Arthur is coming in the door.

THE CHAIR: I think we're going to start losing people.

MR. AMERUSO: Someone tell him to hurry up.

DIRECTOR FREDERICK: In the meantime, can I ask -- may I ask Connie and Noreen a question?

THE CHAIR: Yes, sure.

DIRECTOR FREDERICK: Have we done all the contracts up to N. Moore on Segment 3 that need to be --

PRESIDENT FISHMAN: No. I think there is one remaining contract for the granite in the esplanade. And beyond that --

MR. BODDEWYN: Landscape.

PRESIDENT FISHMAN: Sorry?

MR. BODDEWYN: Landscape.

PRESIDENT FISHMAN: And landscape.

DIRECTOR FREDERICK: And how about the boathouse?

PRESIDENT FISHMAN: That is hopefully for the fall. There are design revisions that were requested by the community board and we have authorization now to increase that design contract to start implementing those.

DIRECTOR FREDERICK: Okay.

PRESIDENT FISHMAN: So that would not be completed at the same time as the Pier 25 work.

DIRECTOR FREDERICK: Okay. And then you have N. Moore to Laight?

PRESIDENT FISHMAN: Correct.

THE CHAIR: Mr. Schwartz.

MR. SCHWARTZ: Hi. Good to see everybody again. As I guess you heard, the Advisory Council continues to be alive and vigorous. I believe we continue to have quorums at our meetings and which means that people continued to be interested and want to have an impact on the governance of the park. The safety issue took up a lot of the discussion at our last meeting. As I said at the meeting, and I'll say here, I was personally affected 'cause my entire family was knocked over in a bike accident on the bikeway just above Stuyvesant High School. And my daughter broke her arm last Thursday. So there are a lot of issues and hopefully we'll take those up with Connie and the staff and the DOT, which I guess has to be involved in those discussions. But I think it's something that needs to be of concern not just 'cause people get hurt, but because there's also potential -- potential liability. And I know the first question my wife asked is, who could we sue? So we want to we don't want to deal with that right now.

I think the other issues that -- the other issue that I think took up the most time at that meeting was some, you know, we peppered Connie with many, many questions about the finances of the park, particularly the operational budget and the loss of income from spaces that are -- from areas on Pier 40 that have to be closed to parkers. Apparently from what Connie reported to us, there's a \$600,000 per year loss at the moment due to spaces that are closed because of deterioration of the roof. And the situation isn't going to get better. I think it's of concern to the, you know, to everyone and to the Advisory Council that a plan be adopted that is more than just closing areas of the park. And that to the extent that there is sufficient operational money to do -- to do broader repairs on the roof, that needs to go forward. And I also believe, and I think we will be addressing this in the coming months as an Advisory Council, that there needs to be more of a plan to move

forward, in the absence of private development, with some sort of piecemeal restructuring and development of Pier 40 under the guidance of the Trust.

THE CHAIR: Can I ask you a question?

MR. SCHWARTZ: Yes.

THE CHAIR: Where's that money supposed to come from?

MR. SCHWARTZ: Where's which money supposed to come from?

THE CHAIR: To do piecemeal repairs to the pier.

MR. SCHWARTZ: Well, that -- I'm not privy to all of the budgetary details of the Trust, but the Trust does have operational money. And if there is -- you can't just let the roof continue to deteriorate. And that would be a question -- even if --

THE CHAIR: I agree.

MR. SCHWARTZ: -- even if -- even if -- even if somehow in one month you could put out an RFP and pick somebody, no construction would start on Pier 40 for three years. I mean just between an RFP process and an EIS process and permitting process and a zoning process and everything else that would have to go on, we wouldn't see construction there for quite a while. The Trust would have to address the deterioration. If Related had gotten designated in the most recent round of RFPs, they would have been beginning construction probably until sometime next year and then the issue would have existed. And the Trust, say you hit a point of losing a million dollars a year of income, I don't know that you can just say, well, there's nothing we can do about it until we -- until we get somebody to knock down the pier and rebuild it. So given that situation or given

our actual situation which is that there is no developer, it's a crisis that needs to be addressed in some way more than just people saying, "it's a crisis and it needs to be addressed," which seems to be most of what we hear.

THE CHAIR: Thank you for advice on this.

MR. SCHWARTZ: I'm not giving any particular advice --

THE CHAIR: Duly noted.

MR. SCHWARTZ: -- but I do believe that the Advisory Council, the elected officials, you now, want to work very closely with the Trust Board in developing a resolution as quickly as possible. And that's it.

THE CHAIR: Fine. Thank you.

MR. SCHWARTZ: Thank you.

THE CHAIR: Thank you very much.

There being no further business, Chair Taylor requested a motion to adjourn. Director Roosevelt moved; Ms. Gordon seconded. All voted in favor and the meeting was adjourned at 5:05 p.m.

Respectfully submitted,

A handwritten signature in blue ink that reads "Maryann Monte". The signature is written in a cursive style and is positioned above a horizontal line.

Maryann Monte