

Appendix: BBPDC data disclosed on January 29, 2009

slide 11: CONSTRUCTION BUDGET

CAPITAL COSTS BY ELEMENT – FULL PARK BUILDOUT

BASE COSTS	COST	% OF TOTAL PARK BUDGET
•UTILITIES	\$61,500,000	18%
•BULKHEAD/WATERFRONT	\$26,600,000	8%
•DEMOLITION/SITE PREP	\$22,200,000	6%
•ENVIRONMENTAL REVIEW	\$4,200,000	1%
•CONSTRUCTION MANAGEMENT & GC	\$41,300,000	12%
•ARCHITECTURE AND ENGINEERNG	\$20,400,000	6%
•MISCELLANEOUS SOFT COSTS	\$13,100,000	3%
•CONTINGENCIES	\$5,000,000	2%
TOTAL BASE COSTS	\$194,300,000	56%

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slide 12: CONSTRUCTION BUDGET

CAPITAL COSTS BY ELEMENT – FULL PARK BUILDOUT (CONTINUED)

PARK ELEMENT	COST	% OF TOTAL PARK BUDGET
BASE COSTS	\$194,300,000	56%
<u>CORE PARK ELEMENTS</u>		
PROMENADE/PATHWAYS/PLAZAS	\$38,500,000	11%
PARK STRUCTURES	\$27,800,000	8%
PARKLAND NORTH OF BK BRIDGE	\$14,600,000	4%
PLANTED AREAS	\$14,500,000	4%
ACTIVE SPORTS COURTS/FIELDS	\$12,000,000	3%
LAWNS	\$8,300,000	3%
PLAYGROUNDS	\$3,900,000	1%
<u>UNIQUE PARK ELEMENTS</u>		
WAVE ATTENUATION	\$16,400,000	5%
NATURAL WATERFRONT & WETLANDS	\$9,500,000	3%
BERMS	\$7,000,000	2%
TOTAL	\$347,000,000	100%

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Maintenance & Operations Budget = Development Revenues + PILOT Payments

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slide 21: MAINTENANCE AND OPERATIONS BUDGET

	EIS Projection 2004\$	Adjusted 2008\$ equiv*	New 2008 Projection
• Landscape Maint. & Op.	\$4,475,000	\$5,046,000	\$4,813,000
• Administrative Expenses	\$1,380,000	\$1,556,000	\$1,556,000
• Security and Recreation Staff	\$2,682,000	\$3,024,000	\$3,024,000
• Utilities & Insurance	\$1,037,000	\$1,170,000	\$507,000
• Marine Infrastructure	\$3,600,000	\$4,060,000	\$4,060,000
• Vehicle Replacement	\$202,000	\$228,000	\$160,000
• Capital Reserve	\$1,820,000	\$2,052,000	\$1,984,000
• TOTAL:	\$15,200,000	\$17,136,000	\$16,104,000

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Capital reserve calculated as a percentage of construction budget, representing annualized cost of replacing large systems as they reach the end of their expected lifecycles.

- These costs are not typically covered by City parks operating budgets:
- City parks are not billed for utilities
- NYC self-insures
- City Parks do not have capital reserves and must rely on the availability of funds from the City's Capital budget – which can lead to deferred maintenance

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MARINE INFRASTRUCTURE COSTS

- Piers 2 through 6 are built on approximately 12,000 timber piles, which must be encapsulated to protect them from marine borers.
- The cost of this work could be as high as \$150 million, which must be performed over the next 15 years.
- No public agency (City or State) is able to fund this work as a capital expense, therefore it must be covered in our operating budget.

slide 29: PROJECTED DEVELOPMENT REVENUES

Revenues from Ground Rent and PILOT

DEVELOPMENT SITE	PROJECTED REVENUE	% OF TOTAL REVENUE	% OF PARK LAND
360 Furman Street	\$2,982,000	18%	3.5% (existing)
Empire Stores	\$1,075,000	6%	2.0% (existing)
Pier 1	\$5,246,000	31%	2.6%
Pier 6A	\$4,604,000	27%	0.3%
Pier 6B	\$2,147,000	13%	0.3%
John St	\$855,000	5%	0.3%
TOTAL	\$16,909,000	100%	9.0%

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slide 30: OPERATIONS MODEL

SHORT-TERM BUSINESS MODEL

- BBPDC collects approximately \$3 million annually from 360 Furman in ground rent and PILOT.
- BBPDC will have collected approximately \$5 million in ground rent and PILOT fees from 360 Furman Street prior to Park opening.
- M&O costs for the “early openings” of the park will be approximately \$4 million annually (excluding maritime infrastructure costs) and increase as more of the Park is built and opened.
- Projected expenses are covered by available revenue funds in the early years.
- As more sections of the Park’s first phase are built, the approved development sites must be phased in to ensure that revenues cover operating expenses and maritime infrastructure rehabilitation.