

HUGH L. CAREY BATTERY PARK CITY AUTHORITY

Meeting of the Members
200 Liberty Street, 24th Floor
New York, NY 10281
December 15, 2021

Members Present

Martha Gallo, Chair (Pro Tem)
Lester Petracca, Member
Anthony Kendall, Member
Catherine McVay Hughes, Member

Authority Staff in Attendance: Benjamin Jones, President and Chief Executive Officer
Anthony Buquicchio, Senior Project Manager (via phone)
Gwen Dawson, Vice President, Real Property
Claudia Filomena, Director of Capital Projects (via phone)
Pamela Frederick, Chief Financial Officer/Treasurer
Abigail Goldenberg, General Counsel
Craig Hudon, Vice President of Parks Programming (via phone)
Susie Kim, Deputy General Counsel
Karl Koenig, Controller (via phone)
Varun Kohli, Vice President of Planning and Design
Kevin McCabe, Chief Resilience Officer (via phone)
Franco Morizio, Asst. Vice President, Construction & Site Mgmt. (via phone)
Eric Munson, Chief Operating Officer
Lauren Murtha, Paralegal/Assistant Corporate Secretary
Jahmeliah Nathan, Vice President of Administration
Robert Nesmith, Chief Contracting Officer (via phone)
Nicholas Sbordone, Vice President of Communications and Public Affairs
Alexis Torres, Chief of Staff (via phone)
Ryan Torres, Vice President of Parks Operations

Others in Attendance: Astha Puri, HR&A Advisors
Olivia Moss, HR&A Advisors
Carl Weisbrod, HR&A Advisors

The meeting, called on public notice in accordance with the New York State Open Meetings Law, convened at 2:37 pm. All participants attended the meeting via videoconference or via telephone.

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The first item on the agenda was a request for approval of the minutes of the November 21, 2021 meeting. Upon a motion made by Ms. McVay Hughes and seconded by Mr. Petracca, the following resolution was unanimously adopted:

APPROVAL OF MINUTES OF THE NOVEMBER 21, 2021 MEETING

BE IT RESOLVED, that the minutes of the meeting of the Members of the Hugh L. Carey Battery Park City Authority held on November 21, 2021, are hereby approved.

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Next, there was one presentation during the period of public comment.

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Ms. Frederick then provided the Members with an update from the Investment Committee, which met for its quarterly meeting. Attending the meeting were the Chairman, Lester Petracca, and members Catherine McVay Hughes and Martha Gallo. Providing a review of the materials were the Authority's advisors, PFM Asset Management, Ramirez Asset Management, as well as Mohanty Gargiulo, the Authority's Swap Advisor. The committee voted unanimously to approve the August committee meeting minutes. The committee also reviewed the Investment Report and Guidelines for the quarter ending October 31, 2021. Steve Faber from PFM provided a summary of the Investment performance and Bob Cheddar provided an overview of the backdrop of the market. Lou Sarno then provided a summary of the Authority's short-term market dynamics. The Authority held approximately \$462 million in investment assets at the quarter end consisting primarily of U.S. Treasuries, and satisfied all of the conditions of its investment guidelines and bond resolutions.

PFM and Ramirez also presented an analysis of the interest rate sensitivity of the portfolio reflecting the change in value and return given incremental changes in interest rates. These reflected about a potential 1% decline on the longer duration portfolios and a slight gain on the short duration portfolio given an approximate 100 basis point rise in rates. Seema Mohanty presented an overview of the Authority's Swap portfolio, and discussed the implication of the Authority's adherence to the ISDA protocol associated with the cessation of LIBOR, which will occur June 30, 2023, and the transition of our Swaps to SOFR. The complexity of derivatives was discussed as well as the potential alternatives that the Authority has going forward.

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The next item on the agenda was the M/WBE Utilization Report presented by Ms. Nathan.

Ms. Nathan reported that for the month of November 2021, 33.42% of the Authority's total qualifying expenditures of approximately \$1.6 million was paid to MWBEs. Of this total amount, 28.08% was paid to MBEs, 1.38% to MBE prime contractors, and 26.7% to MBE subcontractors. And of that total qualifying expenditure, 5.34% was paid to WBEs, 3.99% to WBE prime contractors, and 1.35% to WBE subcontractors.

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The next item on the agenda was an update on the Authority's resiliency projects by Mr. Jones.

Mr. Jones began with recognition of Heather Morgan, who was an integral part of the AECOM resiliency team, who passed away very recently. She was a leader in the resiliency field for AECOM, and instrumental in advancing BPCA's projects. Mr. Jones expressed his deep gratitude for her contributions and mentioned she would be missed very much.

Mr. Jones then noted that work continues on the South Battery Park City resiliency project with finalizing the draft EIS and preparing the 100% construction drawings. As mentioned in the last Board

meeting, Gwen was continuing to work with AECOM and will be working with Board Member Don Capoccia on the amendment that was contemplated for additional construction administration services.

Our resiliency work at the Ballfields, he mentioned, was now substantially complete. This would be the Authority's first resiliency project. The protective measures are in place, and the team was finishing up restoring the sidewalks around the perimeter and planning to demobilize by the end of the month.

Work on the Northwest Resiliency Progressive Design Build engagement continues. There was a Request for Qualifications that the team has been reviewing to short-list vendors for the next phase of our RFP. Interviews were underway. There was a lot of strong interest and teams.

Then, on the sustainability front, Battery Park City received recent publicity for our longstanding trash compactor program here in the neighborhood by a number of Zero Waste advocates. Our dog waste pilot program was finally coming to fruition for compost. He reported we would be able to put that safely to use soon in short order.

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The next item on the agenda, presented by Ms. Torres, was a request to enter into an agreement with Abalon Exterminating Company, Inc. for pest control services.

Ms. Torres began by explaining that the Parks Operation Department was seeking approval to enter into a three-year contract for a not-to-exceed amount of \$25,000.00 with Abalon Exterminating Company, Inc. to provide pest control services for Battery Park City Authority owned indoor spaces. These spaces largely include the Ballfield offices, the garage, 6 River Terrace Community space, Rockefeller Parkhouse, the Ambassador Command Center, and 75 Battery Place office. From time to time these spaces require pest control service. The services were advertised to MWBE and SDVOB businesses only. The Committee reviewed the proposals submitted and interviewed four vendors. Abalon provided the lowest cost and was determined to be qualified to perform the work. Ms. Torres noted that Abalon was a WBE and would have 100% utilization for our goals. Based on this information, the Parks Operations Department requested approval to enter into an agreement with Abalon to provide pest control services for a term of three years for a not-to-exceed amount of \$25,000.00

Upon a motion made by Mr. Petracca and seconded by Ms. McVay Hughes, the following resolutions were unanimously adopted:

AUTHORIZATION TO ENTER INTO AN AGREEMENT WITH ABALON EXTERMINATING COMPANY, INC. FOR PEST CONTROL SERVICES

BE IT RESOLVED that in accordance with the materials presented to this meeting, the President and Chief Executive Officer of the Hugh L. Carey Battery Park City Authority (the "President") or her/his designee(s) be, and each of them hereby is, authorized and empowered to enter into an agreement with Abalon Exterminating Company, Inc. to provide Pest Control Services for a term of three (3) years for a not-to-exceed contract total of \$25,000.00, and be it further

RESOLVED, that the President or her/his designee(s) be, and each of them hereby is, authorized and empowered to execute and deliver the contract on behalf of the Hugh L. Carey Battery Park City Authority, subject to such changes as the officer or officers shall, with the advice of counsel, approve as

necessary and appropriate and in the best interests of the Authority, such approval to be conclusively evidenced by the execution and delivery of the contract; and be it further

RESOLVED, that the President or her/his designee(s) be, and each of them hereby is, authorized and empowered to execute all such other and further documents and to take all such other and further actions as may be necessary, desirable or appropriate in connection with the transactions contemplated in the foregoing resolutions, and any such execution of documents and any other further actions heretofore taken are hereby ratified and any actions hereafter taken are confirmed and approved.

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The next item on the agenda, presented by Ms. Frederick, was authorization to enter into a contract with Valles Vendiola for performance rent and condo deficiency audit services.

Ms. Frederick explained that the Authority was seeking an accounting firm to audit rents payable to the Authority for certain leases with performance-based rents. She explained that BPCA was near completion of the first audit of approximately five buildings and would cycle through audits of all buildings with performance-based rents over several years, conducting approximately five audits per year depending on the size, scope, and complexity of the audits.

Ms. Frederick further explained that the initial audit was led by Crowe, our internal auditor that subcontracted the services of an MWBE firm to complete the work. For future audits, the Authority elected to complete a diversity procurement for MWBE and SDVOB firms. The Finance department evaluation team interviewed three of the six bidders and found that Valles had demonstrated a thorough understanding of the assignment, was experienced representing commercial lessors in such audits, and were the best value for the Authority. Ms. Frederick requested that the Board authorize the Authority to enter into a contract with Valles for the not-to-exceed amount of \$225,000 for a one-year term with the option to extend the contract for an additional two one-year periods.

Ms. McVay Hughes asked how often Valles would report back to the Authority. Ms. Frederick responded that Valles would provide periodic updates on the progress of every audit but would only submit written reports upon completion of each audit.

Upon a motion made by Ms. McVay Hughes and seconded by Mr. Petracca, the following resolutions were unanimously adopted:

AUTHORIZATION TO AMEND THE AGREEMENT WITH VALLES VENDIOLA LLP

BE IT RESOLVED that in accordance with the materials presented to this meeting, the President and Chief Executive Officer of the Hugh L. Carey Battery Park City Authority (the “President”) or her/his designee(s) be, and each of them hereby is, authorized and empowered to enter into an agreement with Valles Vendiola LLP to provide Performance Rent and Condo Deficiency Audit Services for a term of one year with two, one-year options to renew (with a potential term of up to three years) for a not-to-exceed amount of \$225,000.00, and be it further

RESOLVED, that the President or her/his designee(s) be, and each of them hereby is, authorized and empowered to execute and deliver the contract on behalf of the Hugh L. Carey Battery Park City Authority, subject to such changes as the officer or officers shall, with the advice of counsel, approve as necessary and appropriate and in the best interests of the Authority, such approval to be conclusively evidenced by the execution and delivery of the contract; and be it further

RESOLVED, that the President or her/his designee(s) be, and each of them hereby is, authorized and empowered to execute all such other and further documents and to take all such other and further actions as may be necessary, desirable or appropriate in connection with the transactions contemplated in the foregoing resolutions, and any such execution of documents and any other further actions heretofore taken are hereby ratified and any actions hereafter taken are confirmed and approved.

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The next item on the agenda, presented by Ms. Goldenberg, was the appointment and confirmation of Assistant Corporate Secretary.

Ms. Goldenberg first recognized the service of Susie Kim, who is leaving BPCA after six years having served as Deputy General Counsel, Corporate Secretary, and Ethics Officer. Ms. Goldenberg acknowledged Susie's hard work and role as a trusted partner to her and to all the Authority's senior staff. She expressed gratitude for her work and wished her the best of the luck, knowing that she will be very successful.

Ms. Goldenberg then introduced Brett Beecham, the Authority's Associate General Counsel, and asked for approval of a resolution naming him as Assistant Corporate Secretary.

Upon a motion made by Mr. Petracca and seconded by Ms. McVay Hughes, the following resolutions were unanimously adopted:

APPOINTMENT OF ASSISTANT CORPORATE SECRETARY OF THE BATTERY PARK CITY AUTHORITY (THE "AUTHORITY")

BE IT RESOLVED, that pursuant to Article II Section 2 of the Authority's By-laws, the following officer is hereby appointed to the office indicated next to his name to serve until his successor shall be duly elected, unless he resigns, is removed from office or is otherwise disqualified from serving as an officer of the Authority, and that he shall take office immediately upon such appointment:

Assistant Corporate Secretary.....Brett Beecham;

and be it further

RESOLVED THAT Brett Beecham shall and he is hereby authorized to do all the acts, deeds and things which are necessary, desirable, appropriate and attendant to performing the duties for the aforesaid appointment; and be it further resolved that any actions taken as may be necessary, desirable or appropriate, in connection with the duties contemplated in the foregoing resolutions, and any further actions taken prior to the date hereof are hereby ratified, confirmed and approved.

This resolution shall take effect immediately and shall be filed in the Authority's official corporate records.

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Ms. McVay Hughes made a motion to enter Executive Session, which was seconded by Mr. Petracca, to discuss the negotiations related to the lease of real property, the publicity of which could

substantially affect the value of the relevant properties. The Members entered Executive Session at 3:12 p.m.


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The Members exited Executive Session at 4:10 p.m.

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There being no further business, upon a motion made by Mr. Kendall and seconded by Mr. Petracca, the Members unanimously voted to adjourn the meeting. The meeting thereupon adjourned at 4:11 p.m.

Respectfully submitted,


Lauren Murtha
Assistant Corporate Secretary

Public Comment
November 17, 2021

1. **Mr. Pat Smith**, President of the Battery Park City Homeowner's Coalition: Good afternoon, members of the Battery Park City Board of Directors. On behalf of the Battery Park City Homeowners Coalition and the thousands of homeowners we represent, our sincere best wishes for the holiday season and for the exciting year ahead. In the year ahead, we must conclude a fair and practical ground rent agreement covering the 18 residential condos in Battery Park City. This agreement must provide sufficient funds to maintain the operation of the BPCA including maintenance of the most beautiful public space in New York City. The agreement also must ensure necessary funds for the next BPCA bond issue dealing with resilience, protecting our homes and in the neighborhoods. This agreement, however, must be affordable for the people who live in Battery Park City. The current ground rent structure threatens homeowners with financial ruin. We will be unable to pay our ground rents, unable to sell our homes because financial institutions will not write mortgages on property shackled by these ground rents. This financial Armageddon also threatens the continued success of the BPCA, especially its credit worthiness and ability to sell bonds. If we can't pay our ground rent, the BPCA will be constrained in its ability to pay debt service. As a first step, the Homeowner's Coalition urges this Board to resist pressure to add extraneous spending measures to the bond issue. The next bond issue should fund only measures needed for the benefit of Battery Park City. These bonds paid for by Battery Park City homeowners and other property owners already will provide flood protection to SOHO, Tribeca, and the financial district. Battery Park City property owners also will continue to make a substantial surplus payment to New York City to underwrite affordable housing. We cannot add additional burdens to Battery Park City property owners by tacking them onto the bond issue. Again, if we can't pay the BPCA can't pay. The Homeowner's Coalition is confident that we can work with this bonding to achieve a fair and practical solution and we look forward to success in the year ahead. Again, in the spirit of the season, and every season, God bless us everyone.