

HUGH L. CAREY BATTERY PARK CITY AUTHORITY

Meeting of the Members
200 Liberty Street, 24th Floor
New York, NY 10281
May 25, 2022

Members Present

Martha Gallo, Acting Chair (via video)
Louis Bevilacqua, Member (via video)
Donald Capoccia, Member (via video)
Anthony Kendall, Member (via video)
Lester Petracca, Member (via video)
Catherine McVay Hughes, Member (via video)

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

The meeting, called on public notice in accordance with the New York State Open Meetings Law, convened at 2:02 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 April 27, 2022 meeting. Upon a motion made by Mr. Bevilacqua and seconded by Ms. McVay Hughes, the following resolution was unanimously adopted:

APPROVAL OF MINUTES OF THE APRIL 27, 2022 MEETING

BE IT RESOLVED, that the minutes of the meeting of the Members of the Hugh L. Carey Battery Park City Authority held on April 27, 2022, are hereby approved.

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Next, there was one comment submitted by the public that was read by Mr. Sbordone.

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Ms. Frederick then provided the Members with an update from the Investment Committee, which met that day and was led by the Committee Chair, Lester Petracca and members Catherine McVay Hughes and Martha Gallo. The Authority's Investment Advisors, represented by Steve Faber and Bob Cheddar of PFM Asset Management, and Jim Hadden and Lou Sarno of Ramirez Asset Management, provided an overview of the investment environment. Most notable was how the Fed's tightening bias impacted each firm's investment strategy which focuses on the short end of the curve with the firms taking a defensive duration strategy to meet the Authority's liquidity needs.

The Authority held \$590 million in investment assets at the end of the quarter consisting primarily of U.S. Treasuries, about 95%. That's up from 88% in the prior quarter with the portfolios effective duration staying at less than one year. Changes in the fund balances were largely driven by moves to support debt service requirements, or the required New York City transfers that will take place later in 2022. Given the portfolio's concentration in treasuries, the portfolio remains very high quality. And then lastly, the Advisors also presented a summary of the portfolio interest rate sensitivity analysis on each of their respective portfolios, and in both cases, they reflected the potential change of their rates moving up 150 basis points. And in both cases, those resulted from a price movement perspective than a loss, but these were far offset by income changes due to the rise in rates.

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

Mr. Nathan reported that for the month of April 2022, 31.24% of the Authority's total qualifying expenditures of approximately \$1.2 million was paid to MWBEs. Of this total amount, 10.3% was paid to MBEs, 4.86% as prime contractors, and 5.44% to MBE subcontractors. And of the total qualifying spend, 20.94% was paid to WBEs, 12.73% to WBE prime contractors, and 8.21% to WBE subcontractors. For the State Q4 reporting period, of the \$5.8 million spent, \$1.6 million or 27.98% was paid to service-disabled veteran owned businesses.

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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 by noting that Colorado State University, which has been conducting hurricane season forecasts for the Atlantic base for decades now, was predicting above average hurricane activity for the 2022 forecast, again for the 7th year in a row. He reiterated the urgency

of our resiliency efforts here in Battery Park City and the importance of resiliency more broadly. Mr. Jones also noted he would not be reporting on the ballfields resiliency efforts anymore with that project being complete.

On the South Battery Park City resiliency project, he mentioned the biggest milestone was the completion of the robust environmental review which was started back in September in conformance with SECR guidelines. A range of factors were reviewed as required ranging from land use to natural resources to water and sewer, infrastructure, noise and vibration, and more. The draft of our environmental impact statement can be found on our website. Also on our website, under the South resiliency project, all materials including prior community meetings, presentations and reports prepared or conducted over the last several years can be found. He then mentioned the required public hearing for the EIS took place on May 19th with about 50 participants, 10 of whom gave public comments. One of the comments that has resonated most was the importance of getting the word out about the construction work beginning in Wagner Park later this summer, which will result in the park's closure for the construction. He ensured we would get that word out as widely as possible in the neighborhood and beyond working with local elected officials as well to that end. When Wagner Park comes back, he stated, it would still include expansive lawns and public restrooms as well as a new community facility, a space for education and dining, and parks programming, with access for all. As part of the public hearing, new videos were debuted that use animated renderings to walk people through what the new designs will look like from the Battery extending through Wagner Park. Also, a scale model was available in the community room at 200 Rector for viewing along with those videos from 8:00 to 6:00 Monday through Friday. The procurement process was underway for the first package of that resiliency project, so requests for approval items would be forthcoming.

On the Northwest Battery Park City resiliency front, the procurement for the Progressive Design Builder was underway with the proposals received from the short-listed bidders.

Gwen Dawson and BJ had the privilege of speaking at the Waterfront Alliance Conference talking about resiliency, and paying tribute to Heather Morgan, our project manager on the South, who we lost too soon a couple of months ago.

Lastly, on the sustainability front, he mentioned a lot more recycling bins would be available in our parks as the Authority works towards Zero Waste efforts for our public spaces, one of the many projects building off of our Sustainability Plan that will be discussed publicly in the future.

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The next item on the agenda, presented by Authorization to Amend the Agreement with Alvéole, Inc. for beehive and care services.

Ms. Torres began by explaining that in 2021, the Authority entered into an agreement with Alvéole, Inc. through a discretionary procurement process providing a one-year service for beekeeping in the amount of \$6,100.00 with an expiration date of June 27, 2022. The beehives and bees installed last summer have been successful in terms of community engagement, pollinating the flowers, and increasing awareness of the importance of bees and pollinators. She explained that, rather than risk the hive's population by moving it in the middle of the summer, we

should continue the current hive. Alvéole, Inc. has agreed to continue to provide services at the expiring contract's price of \$5,700.00 per year. This approval requested an extension to the contract term by three years to June 27, 2025, and to increase the contract value by \$17,100.00 to a new not-to-exceed amount of \$23,200.00.

Upon a motion made by Mr. Peracca and seconded by Mr. Kendall, the following resolution was unanimously adopted:

AUTHORIZATION TO AMEND AGREEMENT WITH ALVEOLE, INC.

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 amend the agreement with Alvéole, Inc. to extend the term by three (3) years to June 27, 2025 and to increase the contract value by \$17,100.00 for a new not-to-exceed amount of \$23,200.00, 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.

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The next item on the agenda, presented by Mr. Munson, was an authorization to enter into an agreement with Vivid Health, LLC for CPR and First Aid Training Services.

Mr. Munson explained that the Authority provides CPR and first aid training to members of our staff who are either public facing, Fire Wardens, or on our Safety Advisory Committee. Our contract with our CPR trainer expired last month, and so the team conducted a discretionary procurement for a new contract. Five proposals were received, all from MWBEs, and Vivid Health was determined to be the best value proposer. Their bid was significantly cheaper than the others received, and their team of former EMTs can provide firsthand knowledge and expertise when training our staff. The requested authorization was to enter into a three-year, \$15,000.00 agreement with Vivid Health.

Upon a motion made by Ms. McVay Hughes and seconded by Mr. Kendall, the following resolution was unanimously adopted:

AUTHORIZATION TO ENTER INTO AN AGREEMENT WITH VIVID HEALTH, LLC

BE IT RESOLVED, that in accordance with the materials presented to this meeting, the President & Chief Executive Officer (the "President") of the Authority, or her/his designees be, and each of them hereby is, authorized and empowered to enter an agreement with Vivid Health, LLC to provide CPR and first aid training services for a term of three (3) years for the non-to-exceed amount of \$15,000.00; and be it further

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

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Mr. Petracca made a motion to enter Executive Session, which was seconded by Mr. Kendall, 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 2:22 p.m.

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The Members exited Executive Session at 3:41 p.m.

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There being no further business, upon a motion made by Ms. McVay Hughes and seconded by Mr. Petracca, the Members unanimously voted to adjourn the meeting. The meeting thereupon adjourned at 3:42 p.m.

Respectfully submitted,

Lauren Murtha
Assistant Corporate Secretary

Public Comment
April 27, 2022

1. Pat Smith, President Battery Park City Homeowners Coalition

The Battery Park City Homeowners Coalition objects to the Battery Park City Authority (BPCA)'s failure to maintain our community and to engage with us, the designated representatives of the neighborhood's condominiums, on critical issues, including exploding ground leases. Some of the reasons for this crisis of confidence are:

1 - Lack of Equity and Transparency – We don't know what Brookfield Place pays in ground rent, but we know from the CBRE Report that the ground rent for this largest property in Battery Park City is frozen until 2049, as residential ground rents are projected to more than double.

2 – Failure to Negotiate in Good Faith – The BPCA has refused for five years to engage in good faith negotiations with the Homeowners Coalition to address the critical ground rent issue. More recently, you have instead resorted to a campaign of mis-information designed to maximize the amount of money squeezed from homeowners. Without including us, you have turned to outside consultants to develop unworkable plans and drag out what should have been a simple process, while forcing our community to foot the \$1 million bill for these consultants. Your latest plan, offering rebates to some Battery Park City residents if you determine they meet an arbitrary income threshold, is unworkable and unacceptable on its face.

The BPCA proposal will divide the residents of Battery Park City between those receiving the rebates and homeowners paying ever higher ground rents to support the rebates.

The Coalition is urging homeowners to refuse to complete the BPCA survey because we don't trust the BPCA with sensitive financial data with you. We demand that you spend no more of our money to hire consultants to pursue this ridiculous scheme.

3 – Failure to Address Sustainability – After years of promotion and hundreds of thousands of dollars in consultant fees, the BPCA has done nothing to help the residential condos improve their low energy ratings from New York City and avoid millions in looming penalties.

4 – Failure to Protect Our Homes – Ten years after Superstorm Sandy, the BPCA has done little or nothing to protect the 16,000 residents of this very vulnerable community.

After many years of being ignored on important fiscal, governance, and quality-of-life issues, the residents of Battery Park City are increasingly convinced that the BPCA is not acting in their interests. As this neighborhood has been completely built out, the BPCA needs to transition from the role of a real estate developer maximizing the financial take from its residents to a proper agency that listens to residents; spends taxpayer funds wisely, and serves the community. Again, the Homeowners Coalition demands that you stop spending money on consultants, and stop hatching new re-development and fiscal plans for a mature, fully-developed neighborhood with no input from the community.

You should take no significant action until Gov. Kathy Hochul has the opportunity to consider whether the current BPCA leadership is one that can carry our neighborhood forward in the right direction.

Sincerely,
Pat Smith, President on behalf of the Battery Park City Homeowners Coalition