

## FOR CONSIDERATION

October 22, 2009

TO: The Directors

FROM: Dennis Mullen

SUBJECT: Brooklyn Bridge Park Civic and Land Use Improvement Project –  
Empire-Fulton Ferry State Park

REQUEST FOR: Authorization to acquire the Empire-Fulton Ferry State Park site (the  
“Property”) from New York State; Authorization to convey the Property to  
Brooklyn Bridge Park Development Corporation (“BBPDC”); and  
Authorization to Take Related Actions

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## BACKGROUND

At their June 2009 meeting, the BBPDC Board of Directors authorized BBPDC to lease for a ninety-nine year term (for a nominal rent of \$1 dollar per year) from New York State Department of Parks, Recreation and Historic Preservation (“OPRHP”) the site of the Empire-Fulton Ferry State Park (the “Site” or the “Property”). The Public Authorities Control Board approved that authorization. The Site is located between the Brooklyn and Manhattan bridges and is bound by Water Street to the south, New Dock Street to the west, Main Street to the east, and the East River to the north. The Site currently includes a large lawn for passive recreation, a timber boardwalk along the river’s edge, Empire Stores (a 325,000 gsf vacant masonry industrial building), and the shell of the Tobacco Warehouse building. The Site is to become part of the Brooklyn Bridge Park (the “Park”).

OPRHP and the New York State Office of General Services (“OGS”) have determined that, rather than disposing of the Site by lease to BBPDC, title to the Site should be conveyed by the State to New York State Urban Development Corporation d/b/a Empire State Development Corporation (“ESDC”) for conveyance of title to BBPDC. As was the case with the lease, the title will be subject to historic preservation covenants regarding the Empire Stores and Tobacco Warehouse structures, and the Site will be subject to a reversion of title to the State of New York in the event that the area currently used for public park recreational purposes is no longer utilized for such purposes. The BBPDC Board has approved the acquisition from ESDC of title to the Site.

The State acting through OPRHP will declare the Property surplus to its needs and transfer responsibility for the Property to OGS. Pursuant to statute, ESDC will request OGS to transfer the Property to ESDC. ESDC will transfer the Property to BBPDC in order to have the Property become part of the Park. All conveyances will be made for nominal consideration (e.g., \$10). OPRHP, OGS, ESDC, and BBPDC will cooperate to conclude the final conveyance of title to BBPDC prior to January 1, 2010. The proposed conveyances would give BBPDC the ability to

execute a unified park experience for this section of the Park. BBPDC will be subject to all applicable environmental and historic preservation regulations with respect to the Site.

The Brooklyn Bridge Park General Project Plan, adopted as modified, incorporates all of the waterfront land along the 1.3 mile stretch from Atlantic Avenue to Jay Street into the Brooklyn Bridge Park project, including the Empire-Fulton Ferry State Park. In order to facilitate the development of a cohesive park, the Empire-Fulton Ferry State Park land will become part of the Brooklyn Bridge Park. This arrangement would allow BBPDC to:

- Continue the Site's current park use and provide a seamless park experience for Brooklyn Bridge Park users, avoiding the confusion of multiple park management
- Rehabilitate the Site by:
  - Installing lighting to allow for evening hours of operation,
  - Improving the drainage by re-grading the park
  - Installing an underground storm water retention tank that will allow us to re-use storm water for park irrigation, and
  - Extending the existing lawn across the current alignment of New Dock Street
- Accept and install on the Site the donated Jane's Carousel, a restored, historic carousel that is currently housed in a warehouse nearby.
- Issue an RFP for the redevelopment of the Empire Stores complex for a term that would be sufficient to amortize the initial capital expenditures.

BBPDC is responsible for all operations and maintenance of the Park, which will be funded out of development revenues collected from development sites, including the Empire Stores located within Empire-Fulton Ferry State Park. BBPDC will collect all revenues generated by the Park, to be used for the maintenance and operations of Brooklyn Bridge Park. Projected revenues include development revenues from Empire Stores, private event revenues from the Tobacco Warehouse and commercial film and photos shoots.

Once BBPDC has coordinated construction documents for the rehabilitation of Empire-Fulton Ferry State Park, BBPDC will bid out the construction work with the goal of commencing construction in January 2010. Construction is estimated to last for nine months, at which point Empire-Fulton Ferry State Park will re-open as part of the Brooklyn Bridge Park.

### ENVIRONMENTAL REVIEW

ESDC staff has determined that the requested authorization constitutes a Type II action as defined by the New York State Environmental Quality Review Act ("SEQRA") and the implementing regulations for the New York State Department of Environmental Conservation. No further environmental review is required in connection with this authorization.

### AFFIRMATIVE ACTION

ESDC's non-discrimination and affirmative action policies apply to this contract. There is a 20% Minority/Women-owned Business contractor and/or subcontractor participation goal during

the development of this project, which includes the preconstruction and construction phases, and an overall goal of 25% minority and female workforce participation during construction.

REQUESTED ACTION

The Directors are hereby requested to authorize the Corporation to acquire from the State of New York the Empire-Fulton Ferry State Park site.

ATTACHMENTS

Resolution

October 22, 2009

Brooklyn Bridge Park Development Corporation - Brooklyn Bridge Park Civic and Land Use Improvement Project – Empire-Fulton Ferry State Park (“the Property”) - Authorization to acquire the Empire-Fulton Ferry State Park site from New York State; Authorization to convey the Property to Brooklyn Bridge Park Development Corporation (“BBPDC”); and Authorization to Take Related Actions

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RESOLVED, that based on the materials presented to this meeting and ordered filed with the records of the Corporation (the “Materials”), the Corporation is hereby authorized to acquire from New York State the site of the Empire-Fulton Ferry State Park (the “Property”) in accordance with the Materials presented to this meeting; and be it further

RESOLVED, that based on the Materials, the Corporation is hereby authorized to transfer title to the Property to BBPDC in accordance with the Materials presented to this meeting; and be it further

RESOLVED, that the Chairman and CEO designate of the Corporation or another Officer of the Corporation or each of their respective designee(s) be, and the same hereby are authorized to execute and deliver on behalf of the corporation all documents, instruments and agreements that the Chairman and CEO designate, such Officer or such designee shall deem necessary and appropriate to carry out these resolutions; and be it further

RESOLVED, that the Chairman and CEO designate of the Corporation or another Officer of the Corporation or each of their respective designee(s) be, and the same hereby are, authorized to take any action necessary and appropriate to carry out the foregoing.

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