

HUGH L. CAREY BATTERY PARK CITY AUTHORITY

Meeting of the Members
200 Liberty Street, 24th Floor
New York, NY 10281
August 5, 2025

Members Present

Don Capoccia, Chairman (via video)
Martha Gallo, Vice Chair
Catherine McVay Hughes, Member
Anthony Kendall, Member
Clinton Plummer, Member

Authority Staff in Attendance: Raju Mann, President & CEO
Allie Atlas, Chief of Staff
Marie Baptiste, Deputy Treasurer
Brett Beecham, Acting General Counsel
Terence Cho, Vice President of Real Estate
Sarah Fisher Curtin, Director of Sustainability
Claudia Filomena, Senior Director of Capital Projects and Resiliency
Pamel Frederick, Chief Financial Officer/Treasurer
Megan Hood, Deputy General Counsel, Real Estate
Craig Hudon, Vice President of Parks Programming
Karl Koenig, Controller
Ryan Murray, Chief Contracting Officer
Lauren Murtha, Paralegal/Assistant Corporate Secretary
Jahmeliah Nathan, Vice President of Administration and Senior
Advisor for Diversity Contracting
Jason Rachnowitz, Deputy Controller
Kimberlae Saul, Vice President Planning & Design
Nicholas Sbordone, Vice President of Communications and Public
Affairs
Ryan Torres, Vice President of Parks Operations
Yves Veve, Senior Director of Infrastructure

Others in Attendance: Charles Essig, BPC Lender
Jennifer Rodberg, Fried Frank (via video)
Various members of the public

The meeting, called on public notice in accordance with the New York State Open Meetings Law, convened at 1:48 pm.

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The first item on the agenda was a request for approval of the minutes of the June 25, 2025 meeting.

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

APPROVAL OF MINUTES OF THE JUNE 25, 2025 MEETING

BE IT RESOLVED, that the minutes of the meeting of the Members of the Hugh L. Carey Battery Park City Authority held on June 25, 2025, are hereby approved.

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There were two comments submitted by the public for the period of public comment.

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The next item on the agenda was the President's Report.

Mr. Mann gave a quick overview of the reopening of Wagner Park with a slideshow of pictures. He also mentioned the lineup of events with the local and citywide organizations. He thanked the Board for its leadership and courage to deliver this work. He then gave a brief update on the cyber incident which took place a few weeks ago and the payment issues that affected several buildings in Battery Park City.

Other quick updates included introducing a new staff member, our new Senior Vice President of Design and Construction, Heather Furman. Heather, a landscape architect by training, has worked as a Project Director for many years working with a wide variety of clients and public institutions, for profit institutions delivering all kinds of complicated projects around the city. She will be working with Angela and Kimberly, and Claudia, in managing the Northwest project.

Finally, he noted the Wagner Hotel agenda item which has been a longstanding discussion, and he was pleased to bring this action to the Board after a lot of work on Terence's and Megan's part, as well as partner Charles Essig from Two West.

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The next item on the agenda, presented by Terence Cho, was an authorization to enter into certain agreements with regard to the repositioning of the Site 1 Hotel including an Assignment & Assumption Agreement, Amendments of the Site 1 Ground Lease, Hotel Unit Lease Amendment, and Hotel Unit Sublease and an Extension Agreement.

Mr. Cho began by explaining this was a request to authorize the Authority to enter into a series of agreements collectively referred to as the hotel agreements with the goal of repositioning and reopening the former hotel, located at 2 West Street on Site 1 and formally operated as the Ritz Carlton Battery Park. He explained that these agreements include an assignment and assumption agreement, amendments to the existing ground and hotel unit leases, and a lease extension agreement.

As background, he further explained, Site 1 was developed originally as a mixed-use condominium building that includes approximately 115 residential units, the skyscraper museum, and the hotel unit. The hotel unit is roughly 315,000 square feet occupying the bottom 13 floors of the building. Urban Commons' hotel unit filed for Chapter 11 bankruptcy in 2022 shortly after the pandemic, and after a 2023 auction BPC Lender, LLC took ownership and renegotiated terms with BPCA. The proposed agreement extends the lease from 2069 to 2119, phases in base rent increases (reaching \$1M by 2027 and at least \$3.2M or a percentage of revenues from 2039 onward) and includes additional revenue streams and escalations. The hotel must be renovated within three years and reopen in 2027/28 as a Marriott-branded luxury hotel with union labor, MWBE, and STVOB participation. All required state, city, and stakeholder approvals have been secured, the terms were deemed fair market value, and closing will make BPCA whole on past due rent while ensuring long-term revenue growth. In conclusion, Mr. Cho asked the Members to approve the resolution authorizing the Authority to execute the hotel agreements in accordance with the summary of terms outlined in the materials. Available to answer any questions was Charles Essig from BPC Lender and outside counsel Jennifer Rodberg from Fried Frank.

(full text from transcript) Currently the hotel unit is owned by Urban Commons, LLC, which filed for Chapter 11 bankruptcy in 2022 shortly after the pandemic. Following an auction in 2023, BPC Lender, LLC, the debtor in possessions lender emerged as the only qualified bidder and has since re-negotiated the hotel agreements with BPCA, subject to a requirement that BPC Lender complete a significant renovation of the hotel unit. Also, as part of the negotiations, BPC Lender sought an extended term of lease beyond 2069. BPCA and BPC Lender have now reached an agreement on modified terms for the hotel agreements. Under the proposed terms, the lease will be extended from 2069 to 2119, base rent will increase in phases from \$250,000 in 2024 and 2025 to \$1 million annually by 2027. From 2039 onward, base rent will be the greater of \$3.2 million or a percentage of the sum of room and food and beverage revenues, and following post-2054 through the end of the term in 2119, base rent will reset regularly to the greater of six percent of fair market value, or 105 percent of the previous year's base rent. In addition, other terms include base rents are subject to annual escalations, and more details on base rent can be found in your Board materials. Other rental revenues include percentage run and 5 percent of the amount of gross operating income, about \$17.5 million for the period before 2039, as well as refinancing and transfer fees on capital events. In addition, as a condition of the lease amendment, the hotel unit must operate as a luxury chain scaled hotel and under a luxury hotel brand agreed to by the residents and the hotel operator. As far as approvals as required by the New York State Public Authority's law, and BPCA's Real Property Disposition Guidelines, BPCA obtained an appraisal of the required base rent of the extension agreement, which is a disposition of real property and which was deemed to be fair market value as per the appraisal. BPCA submitted a written explanation of the proposed extension agreement in late fall of last year to the New York State Legislature, OSC, State Budget, and State of New York Office of General Services for a mandatory 90-day waiting period, which has now since concluded. BPCA staff has also obtained the approval from the City from the Mayor's office and City Comptroller to enter into the extension agreement as required by BPCA settlement agreement from the 2023 amendment. Other stakeholder support includes support from the Hotel and Gaming Trades Council Unit, as well as the residential board and managers of adjoining residential condominium. Should the members authorize the proposed hotel agreements, BPCA and BPC Lender are anticipated to close on the transaction tomorrow. At closing, BPC Lender will pay all required amounts at closing including past due rent and pilot owed to BPCA and BPCA will be made whole. Once closed, BPCA Lender as the hotel unit's

sublessee and hotel unit owner will begin renovations of the hotel, and are required to be substantially complete within three years from the date of the hotel agreements. The hotel at this time is anticipated to open in late 2027 or early 2028, and will be operated as a luxury brand under the Marriott flag. The project includes 30% MWBE and 6% STVOB participation requirements and will operate under our union agreement. The project will also restore and grow BPCA revenue without negatively impacting the Authority's financial standing. In conclusion, we request the Members to approve the resolution authorizing the Authority to execute the hotel agreements in accordance with the summary of terms outlined in your materials. Available to answer any questions was Charles Essig from BPC Lender and outside counsel Jennifer Rodberg from Fried Frank.

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

AUTHORIZATION TO ENTER INTO THE SITE 1 HOTEL AGREEMENTS

BE IT RESOLVED, that the President and Chief Executive Officer (the “President”) of the Authority or her/his designee(s) be, and each of them hereby is, authorized and empowered to execute the Assignment & Assumption Agreement, Amendments of the Site 1 Ground Lease, Hotel Unit Lease, and Hotel Unit Sublease, and the Extension Agreement (collectively, the “Hotel Agreements”) in accordance with the materials presented to the Members; and be it further

RESOLVED, that the President of the Authority or her/his designee(s) be, and each of them hereby is, authorized and empowered to execute and deliver the Hotel Agreements on behalf of the Authority, subject to such changes as the officer or officers executing the Hotel Agreements 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 Hotel Agreements; and be it further

RESOLVED, that the President of the Authority 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, Authorization to file the “Proposed Budget and Financial Plan” for fiscal year 2026 pursuant to Section 2801 of the Public Authorities Law.

Ms. Frederick explained this was a State requirement that was approved annually. It involved submitting a projective budget, which includes the actual from last year, and the projected budget for the next few years through 2029. She then asked for an approval to file the Proposed Budget and Financial Plan, to post it in PARIS and online on our website, as well as putting it in several buildings around the Battery Park site.

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

AUTHORIZATION TO FILE THE “PROPOSED BUDGET AND FINANCIAL PLAN FOR FISCAL YEAR 2026 PURSUANT TO SECTION 2801 OF THE PUBLIC AUTHORITIES LAW

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 file the “Proposed Budget and Financial Plan” for fiscal year 2026 pursuant to Section 2801 of the Public Authorities Law.

RESOLVED, that the President of the Authority, or her/his designee be, and each of them hereby is, 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 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 Brett Beecham, was approval of the August 5th Consent Agenda.

Mr. Beecham presented one item for the Consent Agenda which included an extension to the agreement with Venable LLP. The Members were asked to authorize a contract extension through December 31, 2026 to enable the firm to continue its representation of the Authority. Mr. Beecham then asked for approval of the resolution as presented in the materials.

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

AUTHORIZATION TO EXECUTE AN AMENDMENT TO AN AGREEMENT WITH VENABLE LLP FOR LEGAL SERVICES

BE IT RESOLVED, that in accordance with the materials submitted at this Board meeting, the President and Chief Executive Officer (the “President”) of the Battery Park City Authority (the “Authority”) or his/her designee(s) be, and each of them hereby is, authorized and empowered to execute an amendment to extend the term of the Authority’s legal services contract with Venable LLP through December 31, 2026; and, be it further,

RESOLVED, that the President or his/her designee(s), and each of them hereby is, authorized and empowered to execute and deliver the amendment on behalf of the Authority, subject to such changes as the officer or officers executing the amendment shall, with the advice of counsel, approve as necessary and appropriate and in the best interest of the Authority, such approval to be conclusive evidence by the execution and delivery of the amendment; and be it further,

RESOLVED, that the President or his/her 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 and further actions heretofore taken are hereby ratified, and any actions hereafter taken are confirmed and approved.

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Mr. Plummer made a motion to enter Executive Session, which was seconded by Ms. McVay Hughes, to discuss proposed, pending or current litigation. The Members entered Executive Session at 2:24 p.m.

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There being no further business, upon a motion made by Mr. Plummer and seconded by Mr. Kendall, the Members unanimously voted to adjourn the meeting. The meeting thereupon adjourned at 3:25p.m.

Respectfully submitted,

Lauren Murtha

Lauren Murtha

Public Comment
August 5, 2025

1. **Melanie Moore**: Good afternoon. My name is Melanie Moore. I'm a member of North Cove Sailing, which operates out of North Cove Marina. I'm here today with several of my fellow sailors, who respectfully urge the Authority to consider phasing the Northwest Resiliency Project in a way that keeps at least half of North Cove Marina open from May 1st through October 31st each year, and to bring in a qualified operator to continue running it during construction so that our club may continue operations. We fully support the urgent need for climate resiliency, but sustainability is not only about infrastructure, it's also about sustaining public access, community, and continuity. The Sailing Club has long served as a vital public amenity offering affordable sailing lessons, youth programs, and subsidized memberships that connect people of all backgrounds to the water. We believe this vision aligns with your own. The New York City Waterfront Revitalization Program calls for maintaining and enhancing public access to the water, including boating. Policy 8 supports maintaining public access during waterfront development, and Policy 3 specifically promotes recreational boating and marinas as essential parts of the working waterfront. The BPCA's enabling legislation also makes public recreation a core purpose, not just after construction but during it. And under the Public Trust Doctrine, BPCA as a public benefit corporation must preserve public use of navigable waters, including for recreation and education. We're asking for a solution. The balance is needed. Climate resiliency with public access to the water. Keeping half the marina open from May through October, and ensuring there's an operator in place would meet this goal. We're confident a solution exists that meets both climate goals and community needs, and we would very much appreciate the opportunity to discuss this with you further. Thank you for your time.

2. **Joel Hoag**: Hello everyone. My name is Joel Hoag, and I'm also a member of the North Cove Sailing Club, I'm also one of the ambassadors, and today I kind of want to talk about continuity, right. So I've been a member of the club for now eight years, since 2017 when it opened. And in that time as an ambassador I worked on building community programs, and helping with as Melanie said, kids' sail programs, publicly available, sails, lots of special events we do for sailing, regattas that incorporate all the clubs, sailing clubs around the harbor to come to us and sail. And we do a lot of work with that, and so any closure of the marina is going to kind of destroy that, right, we lose a lot of access, we lose our continuity, right. And so in 2014, I joined Manhattan Yacht Club, as you probably all know left the marina in 2015, and while I was there I helped them build community, but as you also probably know, when they left, they lost half of their members, at least half who went to other places, right. Took them many years to recover. It sort of destroyed the decade's long effort they spent to build the sailing community in this marina. After that, North Cove started up, but between them, [Indiscernible] Sailing School came in the marina, and I also helped them try to build a community. They were here for only two years before they decided to halt operations and move somewhere else, but in those two years I met with Steve and Doris Culvey [phonetic] to try to build community with them and turn into a similar type of club we had before, and continue with the community

involvement, classes, and building that we were doing previously, but they left. So then North Cove Sailing came in, and I then joined North Cove Sailing, and for the past eight years I've been working with them to build the community and try to bring it back to what it was, but since the interruptions have happened multiple times, that continuity has gone away, so we lose the ability to continue building community and we lose the ability to grow and bring people in, right. And so we'd like to not see history repeat itself. We'd love to be able to see continued access for some portion of the marina to be open where we can have a presence, we can continue our programs, and continue to build community, and keep the sailors all together within the New York Harbors. It's a great thing to do, and as we all know, some people like boats. So we ask for that access, right. And we know it can't be full access to the marina, it's got to be only partial access, but without that, we are completely lost, we lose all community building chances, right, and we have to start from square one in the four or five years from now, however long the project takes. It's a significant length of time, so we hope you can help it. Thank you.