

Mission Statement and 2012 Performance Measurement Report

MISSION STATEMENT

As set forth in the Hudson River Park Trust's enabling legislation, Hudson River Park Act, Chapter 592 of the 1998 Laws of New York, as amended, the mission of the Hudson River Park Trust (the "Trust") is to encourage, promote and expand public access to the Hudson River, to promote water-based recreation, and enhance the natural, cultural, and historic aspects of the river from Battery Place to West 59th Street in New York City for residents and visitors to the area. The Trust has authority over the planning, construction, operation and maintenance of Hudson River Park.

PUBLIC BENEFIT

While residents and workers in and around the westside of lower Manhattan may be the primary beneficiaries, the benefits of Hudson River Park (the "Park") extend to all stakeholders including the people of the City of New York and tourists/visitors.

PERFORMANCE MEASUREMENT REPORT (2012)

1. Plan and Design the Park
2. Construct the Park
3. Operate and Maintain the Park

Overview:

2012 will be remembered as a year of major challenges for Hudson River Park. Foremost among these was Hurricane Sandy, and the approximately \$20 million dollars of damage it wreaked on the Park – most heavily on its electrical systems, but also on isolated park surfaces.

Another major challenge included the rapidly worsening condition of several legacy assets – in-water structures inherited by the Hudson River Park Trust (HRPT) that have not benefited from sustained care over a period of decades prior to the Park's creation. Early in the year, a majority of Pier 54 — the spot where Titanic survivors returned to shore — had to be closed due to pile conditions. At Pier 40, the Park's largest revenue generator and a vital community open space enjoyed by hundreds of thousands of children and adults every year, HRPT was forced to close stairwells, restrooms and public spaces as a safety measure. In addition, for the second straight year, HRPT drew upon its finite reserve fund to make critical repairs.

Despite these obstacles, HRPT certainly experienced many successes and moments of optimism in 2012 as well. HRPT's staff performed heroically in the face of difficult working conditions that included no heat and lights for days after Sandy. The Park also benefited from an

outpouring of volunteers and financial contributions following the storm, and we remain grateful for such support.

In other areas, 2012 was also a year of progress and fun. Elected officials and community residents joined HRPT to debate amendments to the Park's enabling legislation that could make it financially stronger in the future. Construction continued on future new park areas in Tribeca, Midtown and Clinton. We saw record attendance throughout the 5-mile expanse, and park staff continued to serve visitors by creating and offering hundreds of free education and entertainment programs for children and adults. We proudly worked with the Gagosian Gallery and Whitney Museum to exhibit a temporary art installation consisting of ten pieces of work by Yayoi Kusama on Pier 45; the installation brought joy to countless park visitors.

Finally, HRPT advanced other initiatives that enhance the park physically and strengthen it financially, such as attracting a mooring field and sailing school to Pier 25, identifying new day cruise vessels at Pier 40, and working with a private sector partner, Young Woo & Associates, to advance the required environmental review process for historic Pier 57. Located at 15th Street, this 1952 "Marine @ Aviation" structure, is expected to be transformed into an exciting mixed-use destination that will offer cultural programming, a large rooftop public park, several restaurants, flexible retail and entertainment opportunities, and a marketplace built from repurposed shipping containers.

Following are additional details on some of the year's highlights:

Hurricane Sandy:

Hudson River Park's four waterfront miles were the front line of Manhattan for damage from Hurricane Irene. Fortunately, the new park structures fared quite well structurally, with core infrastructure remaining intact or nearly so and escaping severe damage, just as they were designed to do. Miles of new plants and trees also weathered the storm successfully.

That said, several pier decks experienced damage to paving that heaved and created gashes across Piers 46 and 84. Pier 25 also experienced an upheaval of a section of its playground, and the Pier 40 ballfield surface was also largely destroyed. Thanks to assistance from Friends of Hudson River Park and a consortium of youth ballfield organizations, the Park subsequently received donations that allowed HRPT to restore the playground and ballfield far faster than would otherwise have been the case. Construction also began on Piers 84 and 46 to replace the damaged surfaces.

All or most of the Park's electrical and mechanical infrastructure was under water. At Pier 40, the aged transformers were destroyed. Staff worked late nights, weekends and early mornings for months to stabilize Pier 40's aged wiring and equipment to allow HRPT to continue functioning.

One of the most encouraging aspects of the Hurricane's aftermath was seeing the amount of support that the Park received. In conjunction with Friends of Hudson River Park, HRPT hosted several clean up and "mulch madness" volunteer events to do park clean-up and to restore mulch throughout the park's planted areas. By December, it was possible to see the fruits of all their labors.

HRPT's previous experience with Tropical Storm Irene allowed us to hit the ground running with respect to coordinating repairs and upgrades with FEMA. This work began immediately, ultimately resulting in 100 individual FEMA applications. Of the approximately \$20 million in damage sustained, HRPT expects to receive all but \$2 million back due to these efforts and with the State and City's support.

New Construction:

Entering 2012, approximately 70 percent of the Park was complete and open to the public. Signature new construction projects for the year included:

Pier 97:

Progress continued on the northernmost public pier in the Park. Funded to date through settlement fees from litigation initiated by Friends of Hudson River Park, construction on Pier 97 in 2012 consisted of completing the marine platform that will serve as the structural base for future park amenities once funding is available.

Pier 81 to Pier 83 Bulkhead

In 2012, HRPT awarded a contract to repair a section of collapsed bulkhead adjacent to Piers 81 and 83 that failed as a result of Tropical Storm Irene. HRPT worked closely with FEMA to secure much of the cost of this repair.

Tribeca Upland and Pier 26

In 2012, construction continued on both the next phase of upland park work which will include Hudson River Park's largest dog run as well as the combined boathouse/restaurant building on Pier 26. The upland contractor experienced flooding of equipment and site work caused by the storm, but was back to work the week of November 12th and has been working uninterrupted since then. Work is progressing well and remains largely on schedule with this next Park phase due to open in Summer 2013.

At Pier 26, the building contractors experienced various effects from Hurricane Sandy but there were similarly no major failures. Subsequent to the Hurricane, staff worked with the design team to raise the mechanical equipment to avoid future flooding issues. HRPT also incorporated a flood wall system into the design as further protection for this building.

4. Provide Free and/or low cost public recreational, educational and cultural opportunities
5. Promote environmental stewardship and enhance the estuarine sanctuary

During the summer of 2012, HRPT hosted its annual *Take Me to the River* free summer event series, offering over 88 free events including movies, dance lessons and live music, and rock, jazz, classical and blues concerts on multiple piers. A total of 100,000 people attended including a record breaking 6,500 people who enjoyed a RiverRocks concert featuring the band Grimes on Pier 84 in August.

Pier 63 was the host site for two Bowery Presents concerts which were sponsored by Converse. Each concert drew a crowd of 2,000-4500+ attendees and featured some of the hottest indie rock bands on the scene such as Sleigh Bells and The Kills. In connection with the concerts, Converse also hosted two skateboarding events at the Pier 62 Skate Park, where demos and contests were ran by the Converse Skate Team.

Pier 40 hosted the 2nd Annual Tribeca NYFEST Soccer Day in connection with the Tribeca Film Festival. Over 2,000 spectators and participants came out to attend the all-day festival. Company teams from the film, music, sports, fashion, TV, advertising and design industries battled it out during the 5-a-side tournament. Children were able to participate in games as well. The highlight of the day was the celebrity tournament that took place in the afternoon.

In addition to our free entertainment programming, the Trust's Environment and Education Department also had a busy line up of summer park programming serving 6,000 children and adults across a broad age spectrum. In addition, staff organized field trips for public and private schools from all around the New York region, with environmental education provided by HRPT staff.

During the summer's Big City Fishing program, sixty different Hudson River specimens were caught and released by nearly 1500 anglers. 2012 also marked the inaugural year for many new programs including our Science on the River festival series which attracted over a thousand participants over two Saturdays. Hudson River Park WILD!, our Sunday morning nature walk program, allowed patrons to discover the wealth of wildlife that calls Hudson River Park home. The new RiverTOTs program gave young children and their care givers an opportunity to learn about the Hudson River and its surrounding ecosystem through guided, age-appropriate craft and play experiences focused on the natural environment.

In addition to implementing these and many other public enrichment programs, our new partnership with the Student Conservation Association (SCA)-Americorps attracted environmental educators from all over the country. SCA staff proudly taught thousands of city

summer camps groups, introducing these young campers to the wonders of the Hudson River Estuary through hands-on activities and experiential learning.

Throughout the year, HRPT works with countless other tenants and partners to help us program the Park and to improve the range and depth of offerings for Park visitors. In 2012, we began working with the Children's Museum of the Arts to offer free children's art programming at Pier 25 and Bike New York began a program of weekly free learn to bike classes for children and adults at Pier 54. Pier 25 proudly hosted a number of historic vessels, including the *Gazela*, the *Nantucket Lightship* and the *Picton Castle*, fulfilling another long standing park policy. We appreciate the energy, dedication and commitment of resources that goes into every one of these initiatives.

6. Establish an estuarine sanctuary management plan

The Hudson River Park Act required the Trust to prepare an Estuarine Sanctuary Management Plan (ESMP) which has provided guidance on balancing the needs of various park purposes while monitoring and enforcing park policies, laws and regulations to manage and protect the sanctuary. The ESMP is composed of goals and objectives in four key areas: resource protection, public access and recreation, education and environmental research. The Trust continues to work vigorously in each of those areas while also working with the NYS Department of Environmental (DEC) conservation to update and revise the ESMP.

In addition, over the course of the past several years, the Trust has been working with DEC and others on planning for a Pier 26 Estuarium contemplated in the Park's General Project Plan. As envisioned, the Estuarium would combine site-specific research and compelling educational programming to increase scientific and public understanding necessary for effective management, stewardship and protection of the Hudson River Estuary. Incorporating science and education about climate change and other related concepts about the broader environment is consistent with this vision. Trust staff has worked with DEC to prepare a Request for Expressions of Interest (RFEI) seeking organizations and partners in the development and operation of the planned Estuarium. Staff expects to release the RFEI shortly after Labor Day.

7. Promote economic development and tourism in the state of New York

The Park continues to draw millions of visitors – both New Yorkers and from around the world each year. As all the neighborhoods on the west side of Manhattan continue to grow with residents and tourists alike, and the number of Park amenities and types of tenants and permittees also are increasing and becoming more diverse in their offerings. Visitorship is on the upswing, increasing economic growth and opportunities.

8. Operate on a model of economic self-sufficiency

Hudson River Park Legislation

At the end of 2011, HRPT launched a broad based discussion with elected officials, community leaders and environmental and civic organizations regarding the Park's financial challenges. Together, participants explored a wide range of ideas that could generate additional income to care for this now vital asset for all New Yorkers. Over the course of the last one and half years, HRPT held or attended dozens of meetings working to reach consensus on changes to permissible uses and lease terms at designated commercial piers, ideas that would reduce park maintenance costs, inclusion of Pier 76 as a revenue generating pier, and other proposals, all of which are intended to help secure the Park's viability and self-sufficiency going forward. The level of engagement from participants was high, as was the desire to find workable solutions in recognition of the park's needs. Working with the electeds and others who participated in the task force, HRPT was able to secure legislative changes on a number of these ideas at the end of June. The bill awaits the Governor's signature.

Additionally, HRPT continued to pursue other opportunities to increase revenue within the Park through uses and guest events that will pay rent or fees. The Hornblower vessels at Pier 40 and the ongoing planning to convert vacant Pier 57 into a vibrant mixed use facility are examples of progress in this area.

Private Fundraising & the Neighborhood Improvement District

In 2011, HRPT formalized its relationship with Friends of Hudson River Park as its private fundraising partner. Throughout 2012, HRPT and Friends worked closely together to plan the 2012 Hudson River Park Gala, raise private money after Sandy, attract dedicated new Board members, and increase Hudson River Park's profile and name recognition among members of the general public. This partnership will become increasingly important to the Park and HRPT is enthusiastic about the creativity, leadership and skill Friends' Board Members have added to the park.

One Friends' initiative that we are enthusiastic about them pursuing is the proposed Neighborhood Improvement District. Along with many property owners along the Park's length, Friends has been working on a plan to generate income to support the park and the adjacent Route 9A bikeway by requiring property owners to contribute a small annual amount towards these costs. Friends is determining the best way to move forward and the Trust will continue to be an active participant in the process since the annual income it could provide on an annual basis would help secure the Park's future.