



Hudson River Park Trust

Mission Statement and 2013 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 West side 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 (2013)

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

Design, maintenance, financial and legal staff at the Trust spent much of the year on continued recovery from Superstorm Sandy which struck in late October 2012. Intensive work was undertaken in the first quarter of 2013 to make the Park operational for the summer season. However, after the Park reopened, previously-undetected damage to underground infrastructure and other systems caused "brown-outs" and other problems. This resulted in an expanded, and more expensive, repair program which is still continuing.

Aside from electrical systems, two of the Park's beloved playgrounds also sustained significant damage, particularly the one at Pier 25 in Tribeca. A neighborhood favorite, Pier 25's playground was also named by TimeOut NY as one of the top three NYC playgrounds in 2012. During Sandy, Pier 25 Playground sustained nearly \$450,000 in damage. In early May, thanks to community donations organized through Friends of Hudson River Park, the playground reopened in time for the summer. A comprehensive restoration of the Pier 51 playground in Greenwich Village is now also under way.

In total, capital repair costs associated with Superstorm Sandy are currently estimated to be approximately \$27.3 million spread over three fiscal years. The Trust has been

working closely with the Federal Emergency Management Agency (FEMA) to obtain the maximum eligible reimbursement for approved repairs. The Trust has also been informed that the State will likely provide reimbursement for the non-federal share of eligible disaster recovery expenses. While the reimbursement process for these programs is multi-staged and exacting, the effort is expected to pay off with reimbursements to the Trust of up to 90 percent of approved repairs.

While projects related to Sandy recovery consumed the majority of our Design staff's time, the Trust still advanced several new construction initiatives.

Fendering was installed on Pier 97, completing the marine phase of construction at a total cost of approximately \$20 million; most of these funds were secured through successful litigation brought by Friends of Hudson River Park.

Construction of the combined non-motorized boathouse/restaurant on Pier 26 in Tribeca neared completion. The Pier 26 boathouse is the fourth non-motorized boathouse to be built within the Park.

The Trust also completed repairs to a section of collapsed bulkhead adjacent to Piers 81 and 83 in Midtown that failed as a result of Tropical Storm Irene. HRPT worked closely with FEMA to secure much of the cost of this repair. Its completion will improve pedestrian access in this highly touristed area.

2013 was the second consecutive year in which the Trust was forced to spend more for emergency repairs at Pier 40 – historically the Park's largest income generator -- than it could take in from parking and other revenue sources at this site.

Until a few years ago, Pier 40 generated approximately 40 percent of the income needed to care for the entire Park, but that revenue is jeopardized as a result of the pier's very poor condition – a legacy of decades of deferred maintenance prior to the Park's creation. Over the past two years, the Trust's Board has somewhat reluctantly authorized the use of more than \$13 million of the Trust's finite reserve fund for urgent roof, stair and elevator repairs, and the pier urgently needs many tens of millions more to fix piles and additional roof areas. There is to date no funding source for these repairs; sale of future unused air rights per the recent legislative amendment is the best hope. In the meantime, Pier 40 continued to be an invaluable community resource for its prized ballfields. Finding a way forward on Pier 40 remains one of the Trust's highest priorities.

The cultivation and management of Hudson River Park's green space require both vision and expertise. As a waterfront park, the location makes unusual demands on caretakers, and the horticulturalists charged with maintaining Hudson River Park must continually find creative solutions so that trees, shrubs, flowers and lawns can thrive along the Hudson River. Five Zone Gardeners and fifteen Seasonal Gardeners serve as full-time employees and interns, respectively, charged with overseeing all elements of horticulture maintenance, including turf, arboriculture, plant propagation, entomology, irrigation and fine gardening.

Hudson River Park offers the rare opportunity for individuals to engage with the land and with one another through our emerging Volunteer Program. Under the supervision of Seasonal Gardeners and a Volunteer Coordinator, volunteers learn about planting, pruning, mulching, and weeding. While volunteer events focus largely on horticulture, Hudson River Park offers occasional riverside clean-ups as well. Last year, Friends of Hudson River Park coordinated volunteer activities for over 1,000 Park enthusiasts. The spectacular tulip display in the Park's Chelsea section, hundreds of sunny daffodils blooming at Pier 40 in Greenwich Village, and the improved habitat garden serving migratory monarch butterflies and other creatures at West 26th Street, are living, breathing examples of our volunteers' valuable contributions.

Hudson River Park boasts a number of site specific sculptures commissioned especially for the Park. In addition, it also hosts periodic temporary installations. In 2013, the Trust partnered with CYNTHIA-REEVES Projects to install *Light/Dark*, an installation of black granite sculptures by Jonathan Prince installed on Pier 64 at 24th Street.

4. Provide Free and/or low cost public recreational, educational and cultural opportunities

2013 was the Park's best summer ever in terms of attendance at our public events and education programs. The star of the free events series was our RiverFlicks movie series, which screened big hits from 2012 including *Argo* and *Silver Linings Playbook* and drew average crowds of 5,000 people a night. Our 14th annual Blues BBQ was also a huge hit, attracting over 8,000 people who enjoyed great music and food throughout the day.

Last year, Hudson River Park also expanded our family programming with performances from an interactive improv show with lively content geared towards children. Health and fitness programs also expanded, with free yoga, dance and exercise classes blossoming in multiple neighborhood locations. Overall, the 65 free events programmed specifically by park staff brought fun and fitness to over 80,000 people participants.

Aside from cultural and event programming, our Public Events staff facilitated recreational play for the over 400,000 park goers who participate in organized sports activities on Park courts and fields, hosting soccer, baseball, lacrosse, rugby, basketball, tennis and more. Thanks to quality programming provided by the Park's wide range of for-profit and non-profit tenants under the Trust's oversight, tens of thousands more also played beach volleyball, mini golf, rowed, kayaked, dared the trapeze, swam or cycled.

Hudson River Park hosts free and low cost environmental education programming for school groups, summer camps and the general public, using the Hudson River waterfront as its classroom. Programs allow participants to interact with the river and park through enriching and fun activities that awaken the scientist within. By making environmental education fun, engaging and relevant to teachers, Hudson River Park seeks to influence the next generation of New Yorkers to become responsible stewards and supporters of natural resources.

Hudson River Park provides individuals with first-hand experiences in the history, ecology and wildlife of the Park, teaching science and stewardship in the process of doing so. In 2013, the Park hosted approximately 15,000 adults and children in high quality, free and low cost educational programming, making the Park a leader in environmental education in NYC. Two-thirds of the students who participated in the Park's school programs live in the other boroughs, with 41% coming from Brooklyn and 28% from the Bronx, and more than 70% were also eligible for free and reduced lunches.

Pier 25 proudly hosted a number of historic vessels, including the Nantucket Lightship and the North River Historic Ship Festival, fulfilling another long standing park policy. From Big City Fishing to RiverTOTS, the park provided a diverse collection of recurring and special events for a mix of park patrons of every age.

5. Promote environmental stewardship and enhance the estuarine sanctuary

In 2013, the Hudson River Park Trust expanded several of its environmental monitoring programs to aid in its conservation efforts. Monitoring how and the frequency at which fishes, birds, crustaceans and insects use the Park's land and waters provides valuable information about the viability and adaptability of these populations. Hudson River Park also facilitates several water quality monitoring projects that inform our assessment and education of the Hudson River's health. The information gathered from these environmental monitoring initiatives helps Park staff make informed decisions about management and operations, and to ensure the protection of the natural habitat for wildlife.

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 the 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 and other government partners 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 receive responses to the RFEI on July 18, 2014.

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.

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

The Park continues to draw millions of visitors – both from New York and 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

At the end of 2011, the Hudson River Park Trust 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 the Park, which in its brief lifespan has become a vital asset for all New Yorkers.

The discussions created broad understanding that Hudson River Park is in need of significant financial help. In sum, the Park is facing enormous costs to rebuild aging Park infrastructure, particularly though not exclusively at Pier 40. The amount of income generated within the Park's boundaries has not kept pace with these infrastructure costs. As a result, HRPT's ability to sustain the high quality operations that Park users have rightfully come to expect has eroded, and the public now understands that there is risk of further decline unless the Park can become more financially self-sufficient.

Over the course of nearly two years, the Trust held or attended dozens of meetings to try to reach consensus on changes that could both reduce maintenance costs and generate new income. The level of engagement from participants was high, as was the desire to find workable solutions in recognition of the park's needs.

In June 2013, the New York State Legislature amended the Hudson River Park Act. Governor Andrew M. Cuomo signed this critical legislation in November 2013.

The legislation allows for some longer term commercial leases and will permit a wider array of uses on certain designated commercial piers. At Pier 76, currently a municipal tow pound, the City of New York agreed to relinquish the half of the pier that it previously retained for future commercial use and to allow the Trust to generate income

to support the Park in that area instead. The balance of the pier would remain restricted to public open space.

The new legislation also the first step in ensuring that the Park and the adjoining neighborhoods benefit financially from future development along the Park corridor. Since the first section of the Park opened, approximately \$4 billion has been invested along the park corridor, in over 100 buildings, yet the Park has not received any financial benefits from this new development. The legislation now authorizes the transfer of unused air rights within one block east of the Park from the few piers where commercial development is permitted, subject to changes in existing zoning regulations. The process of amending zoning will entail extensive coordination with the City, local community boards and elected officials. It will also require environmental review and ultimately approvals through the City's mandated ULURP process.

Assuming air rights transfers can be approved, funds from such transfers will be used to implement desperately needed repairs to the infrastructure of Pier 40 and allow for capital funding to complete the 30% of park which has yet to be transformed into beautiful public open space.

In 2013, the City Council of New York gave its final and unanimous approval to allow a critical rezoning of Pier 57 as part of a mixed use, private sector development in this historic pier. Once the pier is restored, the innovative food and retail uses and new public open space provided there will bring new vitality to a currently moribund park area while also generating critical new income for Hudson River Park's operations.

Hudson River Park was conceived as a public-private partnership. Since the Trust's inception, the Park has worked with partners ranging from large scale commercial tenants like Chelsea Piers and Circle Line to non-profit boating and community organizations to help activate and enliven the park while also generating income in the form of rent to support park operations.

Throughout 2013, HRPT and the Friends of Hudson River Park worked closely together to plan the hugely successful Hudson River Park Gala, raise private money for horticultural programs and playgrounds, attract volunteers and increase Hudson River Park's profile and name recognition among members of the general public. Every year, this partnership becomes increasingly important given the Park's needs, and HRPT is enthusiastic about the creativity, leadership and skill that Friends' Board Members and staff have added to the Park.

In 2013, Hudson River Park experimented with a paid concert series on Pier 26 in partnership with The Bowery Presents. The "Live on Pier 26" series provided audiences the ability to see top notch acts including Empire of the Sun, Passion Pit and fun!, all while generating new revenue to support Park operations.

Another noteworthy initiative was the partnership with DirecTV in honor of this year's Super Bowl celebrations. With support from the active ballfield user community at Pier 40, the Trust authorized the temporary construction of a superbly outfitted tent where Jay Z and Beyoncé performed in return for significant rent to the Trust.

Looking ahead, the Trust will continue to focus on creative sponsorships that can increase revenue for Park operations while still prioritizing the needs of public Park users.