



CITY OF NEW YORK
MANHATTAN COMMUNITY BOARD FOUR

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JEFFREY LEFRANCOIS
Chair

JESSE R. BODINE
District Manager

May 23, 2023

Maria Torres-Springer
Deputy Mayor
City Hall
New York, NY 10007

Andrew Kimball
President and CEO
Economic Development Corporation
One Liberty Plaza, New York NY, 10006

RE: Pier 94 Proposed Lease

Dear Deputy Mayor Torres-Springer and President Kimball:

For 14 years, Manhattan Community Board 4 (MCB4) has been waiting for the long promised public improvements in the area of Pier 92 and 94, and for those 14 years the community has been failed by EDC and Vornado. Upon a thorough review of the difficult-to-access-by-the-public lease for Pier 94, and with the new findings provided from the lease of the Manhattan Cruise Ship Terminal, MCB4 remains deeply concerned by the lease terms and the process by which it was developed. A full review of the lease and its terms should be reviewed by the city's Office of Management and Budget. At MCB4's monthly meeting of its Executive Committee on May 22, 2023, this letter was unanimously approved by the committee and will be ratified at the next Full Board meeting on June 7th, 2023.

For the last year, Manhattan Community Board 4 has been outspoken in its requests to ensure the community's municipal assets are appropriately monetized in the public's favor and meet the underlying needs of a part of MCD4 that has been ignored for decades.

The recently discovered lease terms for Piers 88 and 90 are far better for the City than those proposed for Pier 94. Indeed, in section 15.06 of the lease between City of New York (the landlord) and Ports America, section 15.06 explicitly outlines the responsibilities of the Landlord, which exclude the bulkhead piles, caps, and pier support structures.¹ While

¹ New York City Council, [Resolution LU 614 - Landmarks, PORTS AMERICA, INC. MARITIME LEASE, Manhattan \(20175389 PNM\); Section 15.06, page4 5](#) – adopted May 24, 2017

additional landlord improvement obligations are outlined in Exhibit J, the lease goes even further by tying base rent payments to the Consumer Price Index and annual percentage increases, far exceeding even the payment due in the 99th year of the Pier 94 Lease. Given the much shorter lease term provided for Piers 88 and 90, the Pier 94 terms are an astonishing departure from their sibling piers just two slips to the south.

MCB4 vehemently objects to the City being responsible for pier piles, the pier deck, and bulkhead given the already-existing and precedent-setting commercial leases within EDC's portfolio in which pier piles, the pier deck, and bulkhead are the responsibility of the commercial tenants and also leases outside of EDC's jurisdiction (see: Intrepid Museum, Chelsea Piers, and Pier 57). Responsibility for the pier piles, the pier deck, and bulkhead will cost taxpayers nearly \$80 million in subsidy. In addition, we note there are zero Minority or Women Owned Business Enterprise commitments included in the proposed construction contract which is part of a proposed investment of \$185 million by Vornado.

MCB4 requests that the lease be tabled and the following be addressed:

- Lease terms shall be updated to reflect those provided in the lease for Piers 88 and 90, assigning responsibility for pier piles, the pier deck, and bulkhead to the Tenant;
- EDC shall provide a relevant market analysis, including the data behind the determining cost per square foot in this lease, provide other example leases for public review, and reasoning for why there was no RFP for the Pier given the significant change in use and scope;
- Article 17.03 specifically carves out the long-promised greenway and pedestrian improvements east of the headhouse from the substantial completion and final completion checklists; this is unacceptable, and the improvements must be a required deliverable in accordance with the City's and developer's requirements;
- Strike Article 3 from the lease, which incentivizes EDC to develop Pier 92 for vehicle parking and requires EDC or any future tenant of Pier 92 to engage with Pier 94 to provide additional parking;
- We appreciate the LEED requirement in the lease, but it is insufficient to assure the installation of sufficient renewable energy to power the entire pier; stronger green standards must be a requirement;
- Future lease revisions should be easily reviewable online and with sufficient time to review by the public.

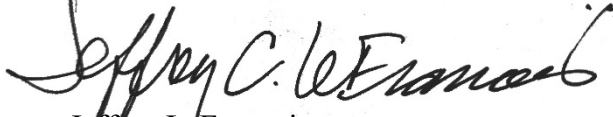
Given the lack of investment by the city and Vornado in the last 14 years, which came with a litany of unmet promises for public benefit, the lease must include enforceable requirements. The expectation that any developer delivers a public benefit in a "good workmanlike manner" should be removed from future lease drafts. This language degrades the public's trust in the City's ability to properly monetize its assets as it denotes "requirements" that need not be met.

And while the design is not within the scope of the lease, MCB4 continues to object to the promenade to nowhere. The walkway should encompass the full perimeter of the pier and connect the pier fully with Clinton Cove in Hudson River Park and areas to the south.

Manhattan Community Board 4 looks forward to a continued dialogue with EDC to develop stronger terms for the city, the piers, and our district.

Thank you.

Sincerely,



Jeffrey LeFrancois

cc: Hon. Eric Adams, New York City Mayor
Hon. Mark Levine, Manhattan Borough President
Hon. Eric Bottcher, City Council
Hon. Brad Hoylman-Sigal, New York State Senate
Hon. Linda B. Rosenthal, New York State Assembly
Hon. Tony Simone, New York State Assembly
Hon. Brad Lander, New York City Comptroller