

THE TRUST FOR GOVERNORS ISLAND

MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
OF
GOVERNORS ISLAND CORPORATION d/b/a
THE TRUST FOR GOVERNORS ISLAND
March 29, 2018

A meeting of the Board of Directors of Governors Island Corporation d/b/a The Trust for Governors Island (“The Trust”) was held on Thursday, March 29, 2018, at City Hall in New York, New York.

The following members of the Board of Directors of The Trust were present:

Carl Weisbrod, Chairperson
Margaret Chin
Cheryl Effron
Karen Hopkins
Catherine Hughes
Patrick Kennell
Ben Lawsky
Daniel Neidich (via telephone)
Kevin Ryan
Tokumbo Shobowale (via telephone)

Also present were staff from The Trust, the Mayor’s Office, The Friends of Governors Island (“FGI”), as well as members of the public.

Carl Weisbrod, Chairperson of the Board, started the meeting by welcoming the Board and asking Marni Friedlander to confirm that a quorum was present, to which she responded affirmatively.

Mr. Weisbrod also shared that the new State Senator who represents Governors Island, Brian Kavanaugh, recently appointed former State Senator Daniel Squadron to The Trust’s Board of Directors. Mr. Squadron’s appointment was approved on March 28, 2018, and he will join for future Board meetings.

1. Approval of the minutes of the meeting of Directors held on December 15, 2017

There were no questions or comments. A motion to approve the minutes, as submitted, was made, seconded, and unanimously adopted.

2. Chairperson's Report

Mr. Weisbrod delivered a brief Chairperson's report to the Board, stating that the Executive Committee met on January 16th, the Finance Committee met on January 25th, the Audit Committee met on March 14th, and the Programming Committee met on March 20th. He shared his enthusiasm for the upcoming 2018 public season, which begins May 1st, and he reminded the Board that the next Board meeting will be held on Governors Island on June 19th.

3. Executive Committee Report

Mr. Weisbrod reported that the Executive Committee met on January 16th to discuss the proposal of a three year license agreement with Collective Hotels and Retreats, Inc. ("Collective Retreats"). At that meeting, the Executive Committee, which has the delegated power of the full Board in between Board meetings, authorized The Trust to enter into a three year license agreement with Collective Retreats to operate an outdoor camping concession. Before Mr. Weisbrod called for a vote to approve the minutes from the January 16th Executive Committee meeting, Daniel Neidich asked Michael Samuelian to discuss the process of checking references for Collective Retreats. Mr. Samuelian answered that The Trust contacted three references for Collective Retreats and received positive feedback from all three.

With no further questions or comments, a motion to approve the Executive Committee meeting minutes was made, seconded, and unanimously adopted.

Before moving on to the Finance Committee report, Mr. Weisbrod also shared that Audit Committee met under the leadership of Ben Lawsky. The committee reviewed The Trust's IRS Form 990, which The Trust will submit to the IRS.

4. Finance Committee Report

Tokumbo Shobowale shared that the Finance Committee met to discuss risk management, particularly pertaining to The Trust's maritime assets and maintenance of older facilities. The Finance Committee will meet once more to review The Trust's finances before the next Board meeting on June 19th, and Mr. Shobowale will give a broader update at that meeting.

Following Mr. Shobowale's report, Mr. Weisbrod stated that Susan Mercandetti, the Chair of the Programming Committee, was unable to attend the Board meeting, and he asked Karen Hopkins to update the Board in her place.

5. Programming Committee Report

Ms. Hopkins reported that the Programming Committee is working with Trust staff to finalize arrangements for public art programs for the 2018 public access season and beyond. Specific initiatives will include an installation by the artist Jacob Hashimoto, which was made possible by donations from the Charina Foundation, Bloomberg Philanthropies and Trinity Church, and a multi-year residency featuring Sam Van Aken, which will involve growing fruit trees on Governors Island.

The Trust is also starting a new initiative featuring a film series through a partnership with Lincoln Center.

Ms. Hopkins also noted that at the Programming Committee meeting, the committee reviewed a proposal made by NY Carousel Entertainment, LLC (“Carousel”), the operator of Adventures on Governors Island, to operate the concession for a three year period in response to a Request for Proposals (“RFP”) issued by The Trust for the Western Development Zone. She further noted that the committee supports The Trust’s recommendation to enter into a three year agreement and that this topic will be discussed in the next voting item.

Lastly, Ms. Hopkins announced that she and Mr. Samuelian are looking into the possibility of bringing a synthetic ice skating rink to Governors Island. The potential partners recently visited the Island and were enthusiastic about the proposed site for the rink. Pending reference checks and budget negotiations, Ms. Hopkins anticipates that the synthetic rink will be operational this public access season. Mr. Samuelian added that the rink will be placed on the western side of the Island, behind a building previously used a hospital.

Mr. Weisbrod then asked to proceed to the next voting item.

6. Authorization to Enter into a Three Year License with a Vendor to Provide Various Outdoor Attractions at the Western Development Zone on Governors Island

Ms. Friedlander presented the next item. Ms. Friedlander reminded the Board that Carousel operated three outdoor attractions—a zip line, a rock climbing wall, and a maze—on two acres of the Western Development Zone (“WDZ”) on Governors Island during the 2017 public access season.

In October 2017 The Trust issued an RFP to identify potential vendors for the WDZ. The Trust received seven proposals in response to the RFP, including one from Carousel. A selection committee formed by The Trust and the Programming Committee reviewed the proposals based on the criteria listed in the RFP, including overall quality, fee offers, and qualifications. The selection committee and the Programming Committee now both recommend entering into a three year license with Carousel.

Carousel will operate the same three amusements in the same two acre portion of the WDZ as last year, in addition to an 18 hole miniature golf course and a small food concession. As a fee offer, Carousel will pay the greater of a revenue share of 15 percent or a flat fee of \$65,000 in the first year of the agreement, \$70,000 in the second year and \$75,000 in the third year. Carousel also offered a one-time payment of \$40,000 to The Trust for infrastructure upgrades in the WDZ.

Mr. Weisbrod asked if The Trust expects the 15 percent revenue share to exceed the flat fee amount for each year, to which Ms. Friedlander answered affirmatively. Mr. Samuelian added that vendors on the Island typically become more popular every year, and that The Trust anticipates hosting more overall visitors in the 2018 public access season.

Cheryl Effron asked if there is directional signage on the Island to help visitors locate Carousel and other attractions. Mr. Samuelian answered that The Trust is in the process of increasing its directional signage and that more permanent attractions are included on the maps available at the visitor center.

Ms. Hopkins asked about pricing for the Carousel attractions, to which Ms. Friedlander answered that last year Carousel offered individual tickets for single rides, in addition to a “combo” ticket for all three rides. Ms. Hopkins then asked if The Trust currently offers an all-inclusive pass to give visitors access to multiple vendors on the Island. Mr. Samuelian answered that The Trust does not have that option because the vendors are all independent and separate, but he stated that FGI’s membership program offers similar benefits.

Mr. Lawsky asked how Carousel's revenue share compared to that of other proposals. Mr. Samuelian answered that it is difficult to compare the proposals, as the seven prospective vendors proposed a wide array of concessions, but he added that Carousel's proposed revenue share is comparable to that of other vendors on the Island, such as the bicycle rental company Blazing Saddles.

With no other questions pending, the motion to authorize The Trust to enter into a three year license agreement with Carousel was unanimously approved.

7. Friends of Governors Island Report

Merritt Birnbaum then presented a report on behalf of FGI, which she started by thanking Mr. Weisbrod and Mr. Samuelian for their continued support of FGI. Ms. Birnbaum stated that FGI has completed the first year of its official partnership with The Trust and is now examining its role as both a fundraiser for The Trust and as a wholly independent nonprofit organization. During Ms. Birnbaum's two years with the organization, its budget has doubled from \$500,000 to \$1,000,000 per year, and she is focusing on utilizing the organization's resources to best serve Governors Island. Sixty five percent of the FGI operating budget currently goes directly into tangible programs on the Island. Ms. Birnbaum also highlighted various accomplishments from the previous year, including organizing 10,000 hours of volunteer service on the Island, hosting a gala which raised approximately \$1,000,000 and improving the arrival experience for visitors at Soissons Landing by building a visitor center.

Finally, Ms. Birnbaum discussed corporate partnerships. In the past year, donations from corporate partners increased significantly. Ms. Birnbaum attributes this success to FGI's volunteer program.

Ms. Hopkins asked if the FGI surveys capture visitors' email addresses. Ms. Birnbaum answered that the survey has been anonymous in the past, but in the future FGI surveyors will collect more information, including email addresses.

Hearing no other questions for Ms. Birnbaum, Mr. Weisbrod asked Mr. Samuelian to give the President's Report.

8. President's Report

Mr. Samuelian started by sharing his enthusiasm for the Island's opening day on May 1st and updating the Board on upcoming programs and festivals, including the Holi Hai festival, Family Fun Day, the Friday night film series, Jazz Age, and Pinknic. Mr. Samuelian elaborated on the art installations by Jacob Hashimoto and Sam Van Aken and added that he sees The Trust's role as bringing artwork to people and exposing artists to new and diverse audiences. Mr. Samuelian also discussed new amenities to the Island for the 2018 public access season, including Carousel's mini golf course, the Collective Retreats camping site, and a new pop-up restaurant featuring Mexican cuisine to operate near Soissons Landing.

Next in his report, Mr. Samuelian shared details from a fact-finding mission, funded by FGI, to visit various islands and outdoor spaces analogous to Governors Island. The trip included Granville Island in Vancouver, Treasure Island in San Francisco, The Presidio in San Francisco, and Cavallo Point in Marin County, California. The trip yielded many lessons learned for Governors Island.

Finally, Mr. Samuelian reported that construction is progressing on the new passenger ferry, which will hold up to 400 passengers and could provide service from the Battery Maritime Building every twenty minutes, beginning in 2019. The company building the ferry is a family-owned, woman-owned business in Warren, Rhode Island, called Blount Boats. Catherine Hughes asked whether Blount is the same company that the City of New York recently contracted with for its ferry service, to which Mr. Samuelian answered it is not.

9. Public Comment and Adjournment

At this time, Mr. Weisbrod asked if any member of the public had a statement to make. Hearing none, Mr. Weisbrod entertained a motion to adjourn the meeting. The motion was seconded, and the meeting was adjourned.