

# BBP Financial Model Update

Board of Directors

October 21, 2013



# BACKGROUND

BBP required to be financially self-sustaining

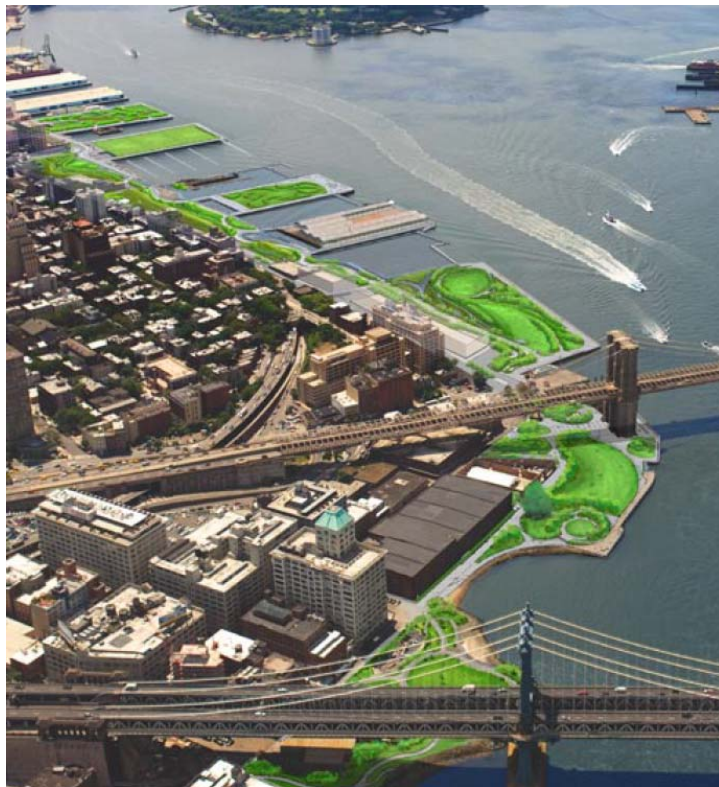


# EXPENSES: BACKGROUND

## 2005 Park plan estimated expenses for proposed park

Maintenance and operation of  
85 acres of waterfront park

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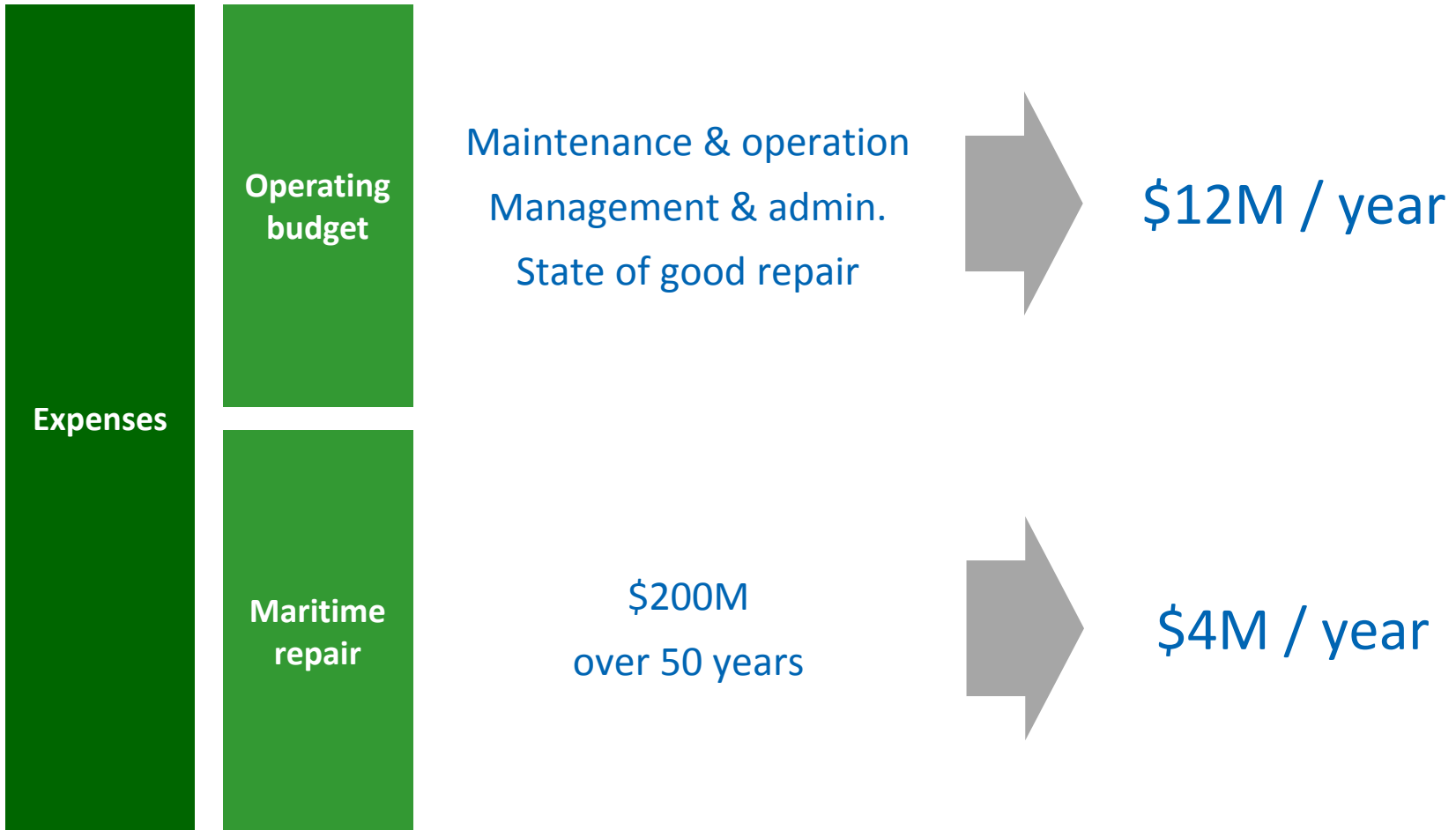
Marine infrastructure in various  
states of deterioration

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# EXPENSES: BACKGROUND

## Expenses projected to be \$16M per year at build-out

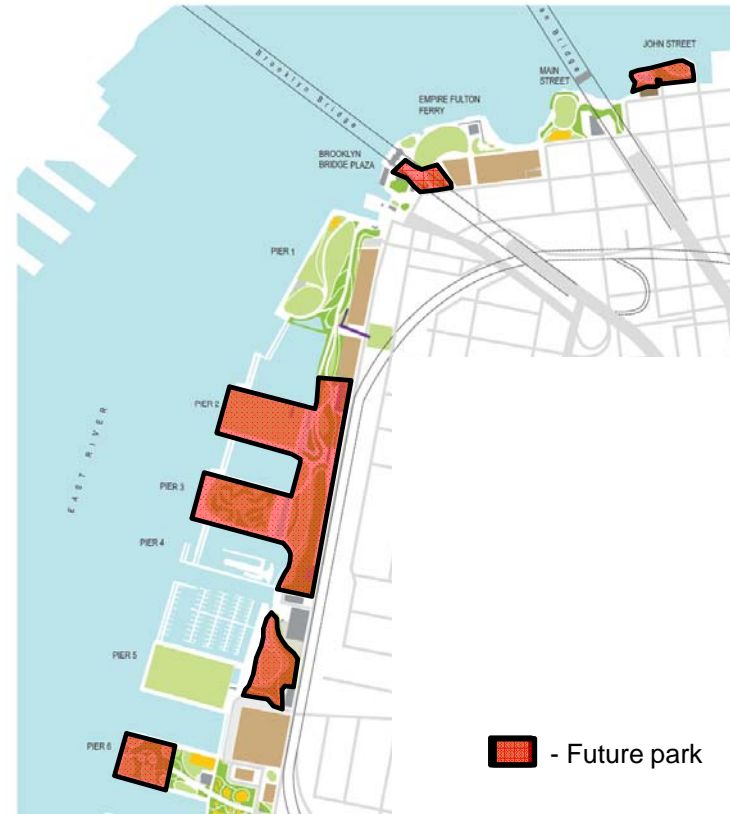




# EXPENSES: UPDATE

## Operating budget largely in line with projection thus far

	Open park space	Operating budget
Today	41 acres <sup>1</sup>	\$6.4M
Park build-out	85 acres <sup>2</sup>	\$12M

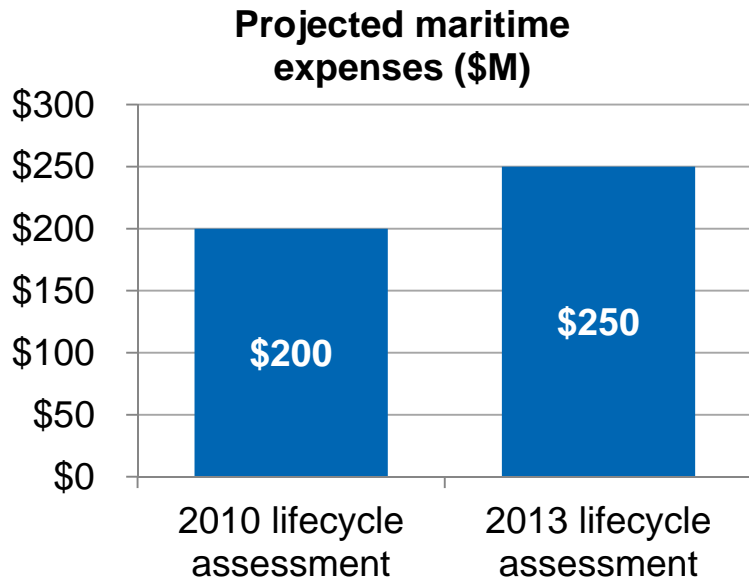


1. Includes development sites (8 acres)

2. Includes calm water zone (10 acres) and development sites (8 acres)

# EXPENSES: UPDATE

## Maritime repair estimates have increased by 25%



- Growth driven by increase in unit cost of pile repair
- Same scope of work
- More competitive economic environment

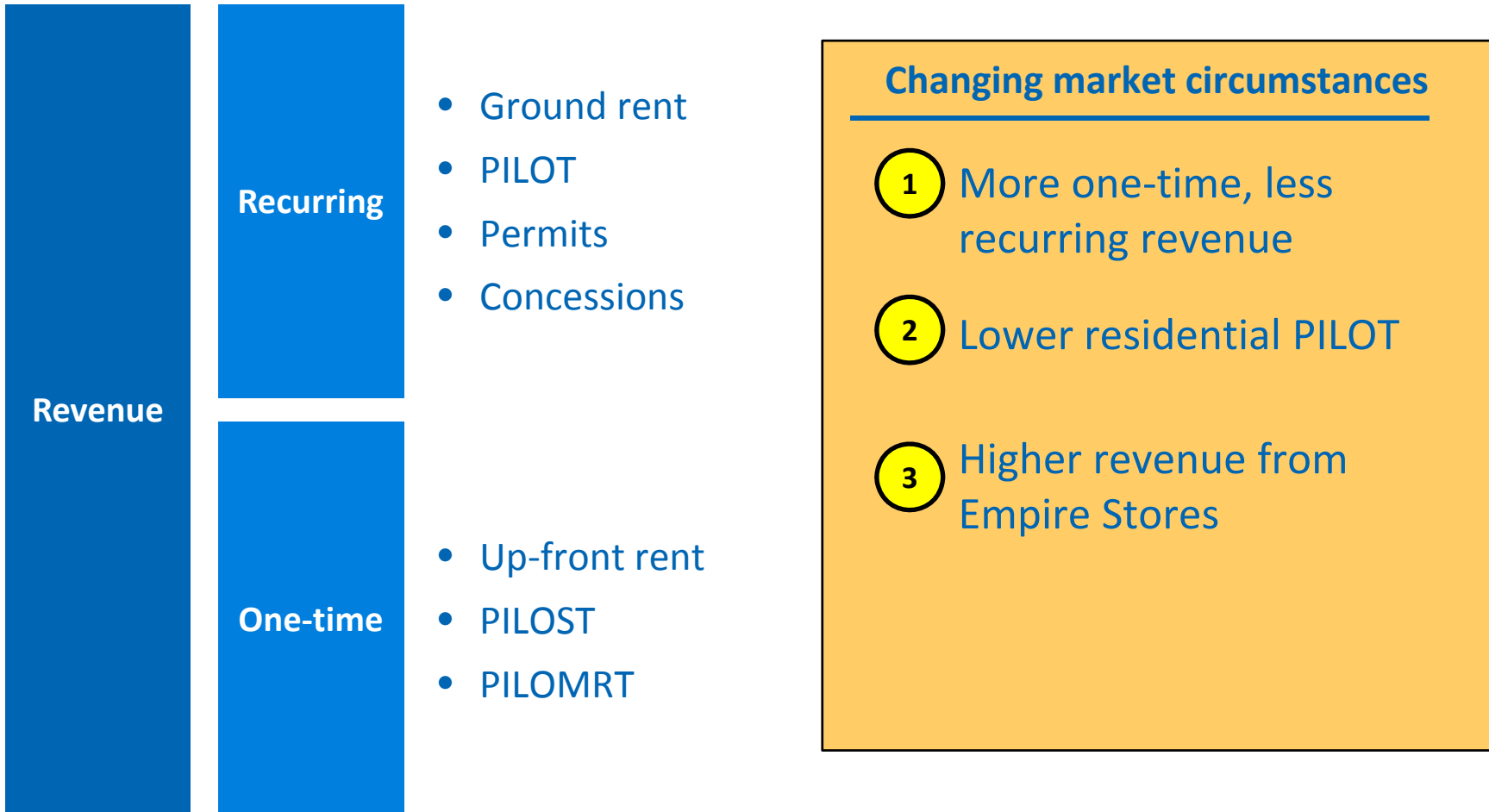
# REVENUE: BACKGROUND

Revenue model created to match projected expenses



# REVENUE: BACKGROUND

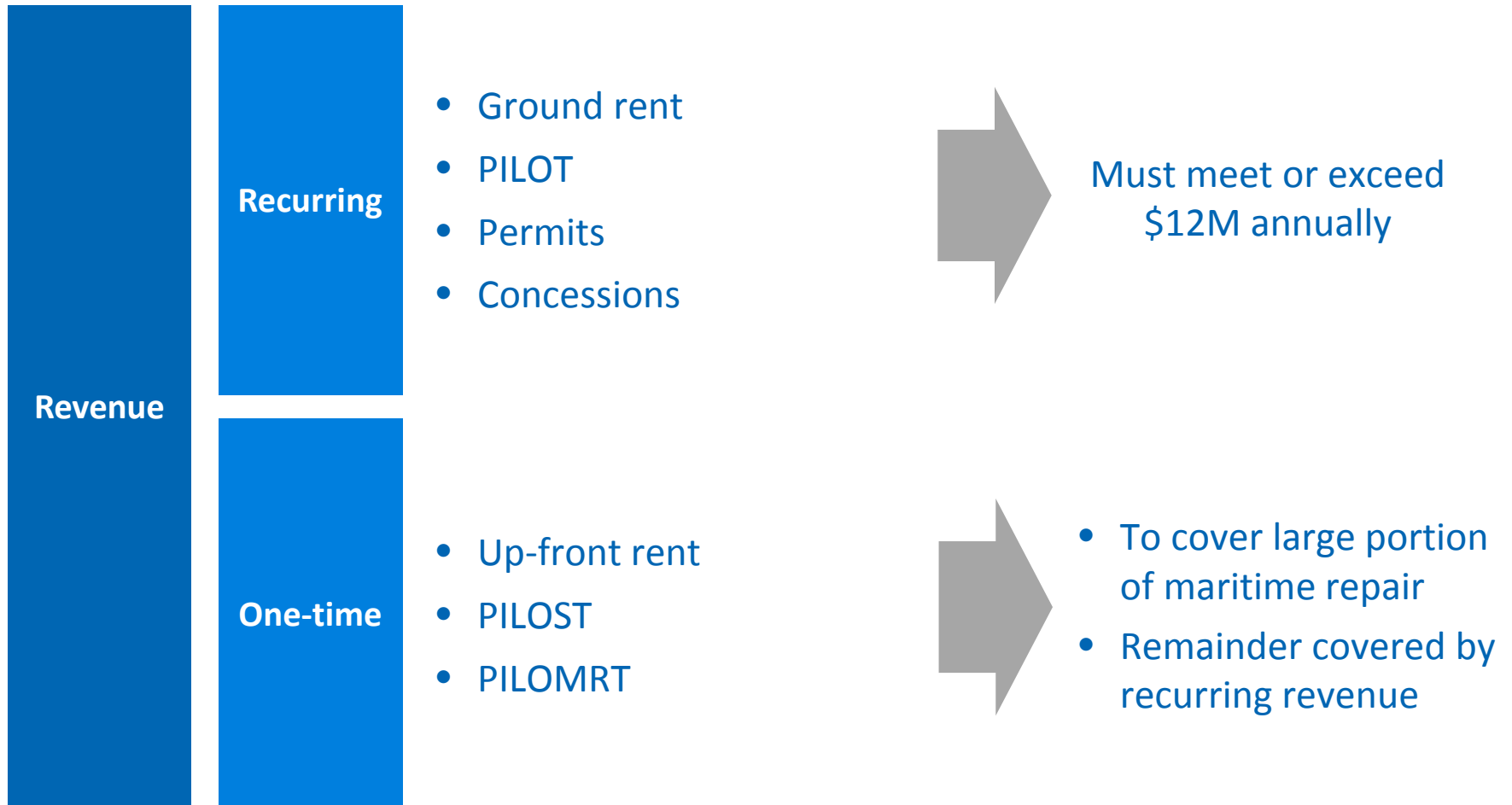
## Revenue model created to match projected expenses





# REVENUE: BACKGROUND

## Revenue model created to match projected expenses



# REVENUE UPDATE:

## Four development sites awarded to date

Recurring revenue

	Status	Rev. per year (\$M)
OBBP	Awarded	\$2.4
Pier 1	Awarded	\$3.3
John St.	Awarded	\$0.9
Empire Stores	Awarded	\$2.6
Permits/ concessions	Awarded	\$0.9
<b>SUBTOTAL</b>		<b>\$10.0</b>
Pier 6	Pending	\$3 - \$4
<b>TOTAL</b>		<b>\$13.5</b>

One-time revenue

	Status	One-time rev. (\$M)
OBBP	Awarded	\$4
Pier 1	Awarded	\$27
John St.	Awarded	\$25
Empire Stores	Awarded	\$36
Permits/ concessions	Awarded	-
<b>SUBTOTAL</b>		<b>\$92</b>
Pier 6	Pending	\$70 - \$100
<b>TOTAL</b>		<b>\$160 - \$190</b>

vs.  
\$12M  
in opex

\$1.5M / year

vs.  
\$250M  
in maritime repair

Maritime repair complete in 40 to 60 years

## Summary

- BBP is constantly refining financial model to reflect latest on-the-ground realities and market trends
- Current financial projections are in line with originally conceived financial plan; however, uncertainty exists associated with:
  - Future M&O expenses associated with unopened park sections
  - PILOT revenues from development sites
  - Maritime repair expenses over life of the Park
  - Strength of residential real estate market