

PUBLIC HEARING

FRANCHISE AND CONCESSION REVIEW COMMITTEE

TUESDAY, SEPTEMBER 11, 2018 @ 2:30 P.M.

2 LAFAYETTE STREET, NEW YORK, NY

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*Franchise and Concession Review Committee Joint Public Hearing
Tuesday, September 11, 2018 @ 2:30 P.M.*

NEW YORK CITY DEPARTMENT OF PARKS AND RECREATION

No. 1: IN THE MATTER of the intent to award as a concession for the renovation, operation and maintenance of a golf driving range, miniature golf course, sports clubhouse and ancillary facilities at Randall's Island Park, Manhattan for an eighteen (18) year term, to Drive Shack Randall's Island LLC. Compensation will be as follows: for each Interim Operating Year (as defined in the concession agreement), Drive Shack Randall's Island LLC shall pay a fee consisting of the higher of (i) a minimum annual fee (Interim Operating Year (as defined in the concession agreement) 1: \$425,000; Interim Operating Year 2: \$450,000; Interim Operating Year 3: \$475,000) vs. (ii) the sum of 40% of Annual Range Ball Gross Receipts + 15% of Annual Miniature Golf and Batting Cage Gross Receipts + 10% of Annual Other Gross Receipts); and for each Post-Construction Operating Year (as defined in the concession agreement) shall pay a fee consisting of the higher of (i) a minimum annual fee for the Post-Construction Operating Years (Year 1: \$850,000; Year 2: \$850,000; Year 3: \$850,000; Year 4: \$850,000; Year 5: \$850,000; Year 6: \$1,062,500; Year 7: \$1,062,500; Year 8: \$1,062,500; Year 9: \$1,062,500; Year 10: \$1,062,500; Year 11: \$1,328,125; Year 12: \$1,328,125; Year 13: \$1,328,125; Year 14: \$1,328,125; Year 15: \$1,328,125; Year 16*: \$1,660,156.25; Year 17*: \$1,660,156.25; Year 18*: \$1,660,156.25) vs. (ii) 4.5% of Gross Receipts.

*The Term (as defined in the concession agreement) of the concession shall be no more than 18 years. Post-Construction Operating Year 16 applies only if the Interim Operating Period (as defined in the concession agreement) is less than three years. Post-Construction Operating Year 17 applies only if the Interim Operation Period is less than two years. Post-Construction Operating Year 18 applies only if the Interim Operating Period is less than one year.

NEW YORK CITY DEPARTMENT OF PARKS AND RECREATION

No. 2: **IN THE MATTER** of the intent to award as a concession for the installation, operation and management of an outdoor holiday market at Columbus Circle Plaza, Central Park, Manhattan, for a five (5) year term, to Urban Space Holdings, Inc. Compensation to the City will be as follows: for each year of the Permit, Urban Space Holdings, Inc. shall pay the City a fee consisting of: 2018: The greater of \$700,000 or the sum of 33% of Gross Receipts up to \$1,000,000 and 50% of Gross Receipts over \$1,000,000. 2019: The greater of \$710,500 or the sum of 33% of Gross Receipts up to \$1,000,000 and 50% of Gross Receipts over \$1,000,000. 2020: The greater of \$721,158 or the sum of 33% of Gross Receipts up to \$1,000,000 and 50% of Gross Receipts over \$1,000,000. 2021: The greater of \$731,975 or the sum of 33% of Gross Receipts up to \$1,000,000 and 50% of Gross Receipts over \$1,000,000. 2022: The greater of \$742,954 or the sum of 33% of Gross Receipts up to \$1,000,000 and 50% of Gross Receipts over \$1,000,000.