

STATEMENT OF COMMISSIONER SUE DONOGHUE
NEW YORK CITY DEPARTMENT OF PARKS AND RECREATION

BEFORE THE NEW YORK CITY COUNCIL
COMMITTEE ON PARKS AND RECREATION

SEPTEMBER 15, 2022

Good morning, Chair Krishnan and Members of the Council. I am Sue Donoghue, Commissioner of the New York City Department of Parks and Recreation. I am pleased to submit these written remarks to the Committee regarding the License agreement between the City of New York and Trump Ferry Point LLC concerning the Ferry Point Golf Course.

I understand that the Speaker of the City Council and the Chair of this Committee sent a September 7, 2022 letter requesting termination at will of the License under which Trump Ferry Point LLC manages and operates the golf course at Ferry Point Park. While the Mayor has expressed his strong objections to Trump Ferry Point LLC's exercise of its right under the License to hold the Saudi-sponsored tournament, termination of the License would lead to a multimillion-dollar payment to Trump Ferry Point LLC. Given the City's budget situation, termination at will - as you are suggesting - would be irresponsible at this time. It would embroil the City in litigation and require a termination payment to Trump Ferry that Trump Ferry has claimed could amount to \$30 million.

I am certain neither of us want this outcome, yet all of the paths forward you suggest would lead to it.

The License has a 20-year term that was negotiated and agreed to by a prior administration. Under the prior administration, the Department of Parks & Recreation attempted to terminate the License for cause last year, based upon Donald Trump's role in inciting an insurrection at the Capitol and the resulting decisions by the PGA and others not to do business with Trump entities. Despite this misconduct and fallout, based on the narrow grounds for termination for cause under the License, after full briefing and argument, the New York Supreme Court determined that Parks could not terminate for cause.

I would also like to clarify some of the points stated in the letter:

- Trump Ferry has attested in writing that Allen Weisselberg has no current role in the operation or management of Trump Ferry Point LLC either as a trustee or as an employee. The Trump Organization itself does not directly own or operate Trump Ferry Point LLC.
- It is not clear what "misuse" of the Ferry Point golf course by Mr. Weisselberg and the Trump Organization you are referring to. The License specifies the terms for Trump Ferry to manage and operate the course. If there is some violation of those terms, please provide that information to Parks for investigation.

- Donald Trump is a guarantor of certain obligations under the License. However, most of the monetary obligations of Trump Ferry related to the “grow in” or landscaping of the course and construction of the clubhouse, which occurred years ago.

While I share the Speaker’s and the Chair’s anger at the decision by Trump Ferry to host the Aramco tournament, it would be irresponsible for the City not to abide by this contract in this circumstance.

Respectfully submitted.



New York City Council Committee on Parks and Recreation
Thursday, September 15, 2022
Committee on Parks and Recreation – Review of Trump’s License to Operate a Public Golf Course at Ferry Point Park
Sherrise Palomino, Director of Advocacy and Programs

Good afternoon, my name is Sherrise Palomino, and I am the Director of Advocacy and Programs at New Yorkers for Parks (NY4P). New Yorkers for Parks is the only independent not for profit parks advocacy and research organization focusing on New York City. We are a founding member of the Play Fair Coalition, which includes over 400 organizations from across the five boroughs. I am testifying today about how our organization has supported the city in the aftermath of 9/11.

New Yorkers for Parks’ Daffodil Project is the largest annual volunteer effort in NYC history, conceived as a living memorial to the victims of September 11. Since the Daffodil Project’s inception in 2001, over nine million daffodil bulbs have been distributed for free, planted by tens of thousands of volunteers in the fall, and celebrated each spring as the millions of daffodils bloom across the city in spring.

This project is a meaningful and resonant living remembrance for many people who lived in NYC in 2001, the families of those who lost their lives, and to the many first responders. The project has also become a symbol of hope for a better city, and a greater recognition of what parks mean to New Yorkers.

It is important for our city to deeply consider the relationships it makes and the messages those relationships send to its residents. We stand with empathy and understanding for the families who have lost their loved ones and their deep concerns with the proposed event at Trump Links in the Bronx.

New Yorkers for Parks champions park equity and access to city’s parkland and hopes that vendors that the city contracts implement equitable business practices that support NYC’s diverse population. This expectation aligns with NY4P’s call for transformative investment in our parks system – 1% of the city budget for parks could ensure that all New Yorkers for equal and fair access to city parkland.

For over 100 years, [New Yorkers for Parks](http://www.ny4p.org) (NY4P) has built, protected, and promoted parks and open spaces in New York City. Today, NY4P is the citywide independent organization championing quality parks and open spaces for all New Yorkers in all neighborhoods. www.ny4p.org

**Queens Bike Initiative
Public Comments
New York City Council
Committee on Parks and Recreation
September 15, 2022
Re: Ferry Point Park**



*Honorable Shekar Krishan
Chair, New York City Council
Committee on Parks and Recreation*

Thank you very much for your consideration of the Queens Bike Initiative's comments.

First, we write in solidarity with our underfunded parks brethren, all Bronx community members. We in Queens know all too well what underfunded parks are all about. As background, the Queens Bike Initiative was founded with a mission of connecting people living in under-parked neighborhoods to parks via bike lanes, and as advocates for a unified bike network in Western Queens. We are not legal experts, we are just people from Queens that like protected bike lanes.

While Ferry Point Park is a long way from Queens, the Queens Bike Initiative is a staunch believer in equitable "deals" for parks. For example, our first foray into this world was raising concerns to the New York City Comptroller's office concerning the renewal of the paltry \$200,000 annual payment from the United States Tennis Association ("USTA") to the Flushing Meadow Corona Park ("FMCP") Alliance. We still believe FMCP can do better in requesting private sector support to supplement its historic and ongoing underfunding and resulting lack of park maintenance (of course just beyond the eyesight of the USTA grounds). That deal, like the one discussed below, has been detrimental to the community, given that the USTA grounds and Citi Field, both built on park lands, are multi-billion dollar drivers of economic activity in New York City and \$200,000 barely compensates the neighborhood for one day of traffic congestion. We find it unconventionally unfortunate that one of the most special places on the planet, Queens, NY, has to accept the scraps off the table of those who occasionally frequent Queens' occasionally used entertainment venues built on our Central Park.

Enough on Queens, and back to the Bronx. Ferry Point Park, or as it has temporarily been rebranded, Trump Ferry Point Park, is another example of an unfortunate economic deal made by New York City, where paltry revenues hardly suffice for the loss of an amazing piece of park land. And of course, and as we will discuss, underperformance, and perhaps a material breach, must at a minimum be considered by the Department of Parks & Recreation for revocation, cancellation, or default on the existing contract.

In short, we believe New York City contract number, RCT1 84620128203931 ("the Contract"), or Trump Ferry Point LLC must be re-reviewed and audited. The Queens Bike Initiative believes that the Trump Organization, based on available information, has violated the terms of the existing Contract, as well as the City's Procurement Board of Rules. In addition, there is a possibility that information contained in the submission likely influenced the scoring of the proposal, and could have been submitted under false pretenses. This, at a minimum, should be considered as the City of New York, and the Commissioner of Parks weighs the validity of contract RCT1 84620128203931, and its options to terminate.

1. First, Section 20 of the Contract indicates the Licensee must be in Compliance with all laws. In fact, the listed point of contact for the RFP, Allen Weisselberg of the Trump Organization, has now



pleaded guilty on to 15 counts ranging from grand larceny to tax fraud to falsifying business records.¹ This conviction would likely negate the Licensee's requirement to comply with all laws, and allow the City to terminate.

2. The auditor's letter submitted with the RFP comes from the firm WeiserMazars (now d.b.a. MazarsUSA). This firm has subsequently admitted that they can no longer stand by their audited financials of the Trump Organization, and went so far as to withdraw over a decade of their audited finances of the organization.² It is clear from the public records, the New York City Parks Department was relying heavily on such records and references for its decision making around the financial strength of the organization (i.e. "\$3,000,000,000 of net assets"), and its origins and accuracy must be reconsidered.³ We believe, at a minimum, that for the initial Contract to remain valid, New York City should require a bring down letter from MazarsUSA, which states that the accounting firm is still comfortable with the City using the original letter in its decision making. If not, it should be considered that the entire response to the RFP was submitted under false pretenses. According to other sources, that number may have been falsified.⁴
3. Additionally, it appears as though Trump Organization is in default on their Contract for constructing New York City buildings at Ferry Point Park. These buildings are largely what the Trump Organization claims they are owed for any termination of the Contract. However, under Section 4-10 of the NYC Procurement Policy Board Rules, Section 4-10 Debarment and Suspension, the Trump Organization is in default on their vendor construction Contract, again, referring to the guilty plea of Allen Weisselberg, the named party and signatory on the Contract.

Section 4-10 Debarment and Suspension (a) Applicability. It is the policy of the City that vendors are not subject to debarment pursuant to these Rules and agencies may not debar vendors based on the grounds set forth in this section. The activities and conduct indicated to be grounds for debarment listed in this section, however, are specifically referenced in City construction contracts as grounds for default. So as not to disturb the effect of those contract provisions with respect to default, the listing of the grounds for debarment shall remain in these Rules, although agencies may not use such grounds to institute a debarment proceeding. (b) Grounds for Debarment. (1) Grounds for debarment include the following acts or omissions on the part of the vendor or any of its officers, directors, partners, five percent shareholders, principals, or other person substantially involved in its activities: (i) indictment or conviction under any state or federal law of any of the following except that indictment alone may be a cause for debarment only for such time as the indictment continues: (A) a criminal offense incident to obtaining or attempting to obtain or performing a public or private contract; (B) fraud, embezzlement, theft, bribery, forgery, falsification or destruction of records, or receiving stolen property;

¹ <https://www.npr.org/2022/08/18/1117948260/allen-weisselberg-trump-employee-pleads-guilty-felony>

² <https://www.nytimes.com/2022/02/14/nyregion/mazars-trump-organization-financial-statements.html>

³ <https://www.propublica.org/article/meet-the-shadowy-accountants-who-do-trumps-taxes-and-help-him-seem-richer-than-he-is>

⁴ <https://www.theatlantic.com/politics/archive/2011/04/weve-been-trying-figure-out-how-much-trump-worth-20-years/349875/>

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4. Lastly, for example, the submission indicated that Trump or the Trump organization had no bankruptcies⁵ per a LexisNexus search perhaps indicating that there may be other mistakes, errors, or omissions that could have influenced the selection process. A full audit of the initial application should be considered to re-vet it for accuracy.

In addition to illegal actions of Trump Organization officials, and serious discrepancies in the application, it remains unfortunate that New York City provided a Contract to the Trump Organization which has resulted in New York City being undercompensated for its land value. Needless to say, the Trump Organization's ineffective oversight and maintenance of its operations of Ferry Point have resulted in significantly less cash flow payments to New York City than was originally promised and projected. It appears the Trump Ferry Golf Club is operating at a loss, therefore providing no upside to New York as was described in the financing model.⁶ Underperformance is a function of financial mismanagement. It appears the City, perhaps, was given misleading information about the financial management acumen of the Trump organization, consistent with 2 and 4 above.

It is clear that under Section 3.2 of the original Contract, New York City can terminate the agreement with the Trump Organization on 25 day notice, assuming that the cause was neither arbitrary and capricious. It does not appear based on the facts that it is. Additionally, under Section 31 of the Contract, the Park Commissioner is allowed to annul this License Agreement without liability, and to the extent the City is seeking damages for underpayment or for misrepresentations, Section 31.2 allows the City to recover any monies paid under the Contract. In fact, we urge the Parks Commissioner to consider its full ability to claim damages for falsity or breach as allowed under Section 31.2, including reimbursement for the infrastructure and all other revenues and subsidies the City provided to the project.

But in conclusion, what we really want is a better deal. We believe that a beautiful piece of land, overlooking the skyline of Manhattan, is worth more to the residents of the Bronx than what they are being compensated for. It is not equitable to extract resources from the Bronx, to be distributed back in the coffers of the City, where it likely ends up at parks that are better maintained and better funded. This is a bad deal. It is a bad deal for the people of the Bronx. But the good news is, we believe that contract was breached. So let's please get Bronx parks the \$MONEY\$ (Queens too)

Thank you again for your consideration.

The Queens Bike Initiative

⁵ <https://www.theatlantic.com/politics/archive/2011/04/weve-been-trying-figure-out-how-much-trump-worth-20-years/349875/>

⁶ <https://www.cnbc.com/2019/07/26/trumps-bronx-golf-course-lost-122000-last-year-and-blamed-nyc.html>

Testimony for Sept 15th, 2022

I will be testifying in person, and will speak at the hearing. I will be supporting the experience created at Trump Golf Links at Ferry Point. The club is a fantastic Championship golf experience with great service and incredible dining. The staff is comprised of more than 150 NYC community members...most of whom represent the Bronx. We are all proud of the product Trump Golf has produced, and we enjoy the opportunity to serve the NYC and surrounding area. The team at Trump Golf works hard, and is a great representation of NYC. We are committed to providing the best golf and dining experience possible in NYC.

Brian A. Crowell

General Manager, Trump Golf Links at Ferry Point

14 September 2022

To Whom It May Concern

Trump Golf Links at Ferry Point has become a staple to the city of New York and the community of Throgs Neck. The organization has genuinely employed people that are residents of New York City, part time and full time. I have lived in Throgs Neck my entire life and Trump Golf Links at Ferry Point has always been a main attraction around our community. People would always rave about the staff, the service, the condition of the golf course, the food, etc.

Before I was a full time employee of the organization, the city attempted to take the golf course away from the Trump Organization. All I heard around the community of Throgs Neck was negative feedback. People were raving about how much of a loss it would be for our community and how the golf course would change for the worse.

Attempting to compare Trump Golf Links conditions along with Food & Beverage operations to other New York City golf courses is not comparable. I can speak of this from personal experience due to me being a full time manager for American Golf Corporation. American Golf Corp is the management group who runs 5 of NYC golf properties. From the moment you enter Trump Golf Links at Ferry Point compared to other NYC golf operations you will see a difference in atmosphere, hospitality, and especially the course conditions. Trump Golf Links at Ferry Point has been great for the Bronx and has impacted Bronx residents in a positive way.

DENNIS MCGINLEY – 9/11 ESSAY

I saw the first potted mums on a neighbor's doorstep the other day. The first "trigger" that takes place every year - ushers in the week of anxiety and grief my entire family dreads. It's the week around the anniversary of 9/11, the day our oldest brother Danny was murdered on the 89th floor of the South Tower. Danny was 40 years old, the oldest brother of Marty, Tom, me and Mike. The first-born son of Dan Sr. and Connie, the husband of Peggy and father of their five young children. Like my family, I'm sure the thousands of other 9/11 Families have their "triggers" as well.

I spoke with Danny shortly before the second plane hit. Like the other 2977 souls that were murdered that day, he would've given ANYTHING to get out of those buildings and home to his family. I know this because it's one of the last things he said to me. I just wish our government would've given SOMETHING towards helping Danny, the other victims and their surviving families obtain justice and accountability over the last twenty years.

Every president from George W. Bush to Donald Trump has done everything in their power to prevent the 9/11 victims and families from obtaining that justice and accountability. Trump, invited members of a group I belong to, 9/11 JUSTICE to the White House on September 11th, 2019. He looked them in the eye, shook their hands and promised that he would declassify FBI documents related to the 9/11 attacks. Twenty fours later, US Attorney General, Bill Barr, invoked the State Secrets Privilege, preventing those same documents from ever seeing the light of day. This was the first time that the State Secrets Privilege had ever been invoked in a civil litigation.

Thanks to President Joe Biden's Executive Order signed in September 2021, which declassified a portion of the FBI documents, we now know that twelve Saudi government agency officials aided the hijackers in Los Angeles. Without these "facilitators" there was ZERO chance of 9/11 taking place." These are the FBI's words, not mine.

Why did we have to fight for so long?

And still our fight continues.

The 9/11 families have had to grow "thick skins" over the last twenty-one years. Those "thick skin" were tested once again this past summer with the launch of LIV Golf. This new golf league is sponsored by Saudi Arabia's public investment fund, paying some golfers \$100 million dollars to join the tour. In July, Trump hosted a tournament at his golf club in Bedminster, NJ, fifty miles from ground zero in a state that was home to 750 people who were murdered. When asked about the Saudi atrocities, involvement in 9/11, and helping the Saudi's "sports wash" this fact, some golfers stated that "they were just trying to provide for their families". Our brother Danny and 2976 others were just trying to "provide for their families" on that fateful day as well.

During this same golf tournament, when interviewed on ESPN, President Trump stated, "well no one has ever really gotten to the bottom of 9/11". He knows better than anyone about the Saudi government involvement in 9/11. He blamed them on Fox & Friends while running for president in 2016!

The cruelty and callousness of these golfers and a former president is shocking and beyond painful. The former President will be hosting other Saudi backed tournaments at his clubs in Miami and the Bronx- Even closer to Ground Zero than Bedminster! Last week's tournament was in Boston where the Planes took off from Logan airport. Where's the next tournament? Shanksville PA?

If the American golfers and a former president don't want to stand up for the 9/11 families and their fight for justice and accountability, I wish they would at least stand up for their fellow citizens that had to decide whether they should jump from the 100th floor or burn alive. Or for their fellow citizens on those hijacked planes that had to call their loved ones to say their final "goodbyes". Stand up for them! We were all attacked on 9/11.

Saudi Arabia is an "ally" and "strategic partner" to the United States. We know they were responsible for the murder of 3000 innocent Americans, the murder of our Navy Servicemen in Pensacola, FL, the murder of 15-year-old Fallon Smart in Portland OR. and the murder and dismemberment of a Washington Post reporter. They have not been held accountable for any of these crimes. No U.S. "ally" or "strategic partner" should have carte blanche to murder innocent Americans and not be held accountable, just because they have oil and buy weapons.

I am a member of 9/11 Justice (9/11 Justice.org). We represent a grassroots movement made up of the 9/11 community. This same 9/11 community has successfully worked with Congress to override the presidential veto of Justice Against Sponsors of Terrorism Act (JASTA). Now law, JASTA stripped terrorist nations of immunity. We continue to educate the public, professional golfers, and politicians, both current and former, on the Saudi government role in 9/11.

We are grateful to President Biden for keeping his campaign promise to declassify the 9/11 documents. With president Biden's continued support, he has an opportunity to help us finally achieve justice and become the Hero the 9/11 community has been waiting for all these years. Mayor Adams you also have the same opportunity. We are also grateful to Senator Schumer, Gilebrand, Blumenthal and Menendez for their unwavering support for the 9/11 community.

Dennis McGinley,

brother of Daniel F. McGinley, murdered on the 89th Floor of the South Tower.

Paul Mutze

The Trump Organization has done an excellent job of bringing top tier golf to the people of New York City and beyond. As a Bronx resident, I am proud of what the organization has done to make golf accessible to everyone and bring revenue to the City of New York and all New York residents.

New York City Council – Parks and Recreation Committee

Testimony of Stephen P. Younger – September 15, 2022

Good morning Chair Krishnan and your fellow Councilmembers,

My name is Stephen P. Younger. I am a partner at Foley Hoag, a law firm with over 300 attorneys. I am a Past President of the New York State Bar Association. I have been practicing law for over 35 years. I regularly litigate real estate disputes, including matters involving contracts similar to the Trump Ferry Point License. I am also the author of a treatise on New York's Commercial Division where disputes about these types of contracts are frequently heard.

I am a native New Yorker and grew up playing stickball on City Parks. I thus want to thank this Committee for your stewardship of our parks.

My testimony today will address the License Agreement which grants Trump Ferry Point LLC the right to operate a tournament-quality golf course at a site in the Bronx. I will focus on the contract's termination clause and the termination fee that would be due to the Trump entity if that termination provision is invoked.

Before I get into the details, let me emphasize two key takeaways. First, the City's Commissioner of Parks and Recreation can unilaterally terminate this license in her sole discretion, so long as the termination is not arbitrary or capricious. Second, I believe the termination fee that would be owed could well be as low as \$5 million and is likely to be less than \$10 million. These are just estimates and would need to be refined through an accounting review.

Let me start with the termination clause. **[Exhibit 1]**. Section 3.2(a) of the contract allows the Parks Commissioner to terminate the contract at will. This section states that the "License Agreement is terminable at will by the Commissioner in his sole and absolute discretion, at any time[.]" This means that the Parks Commissioner can terminate this license whenever she wants. At any time.

There is just one limiting factor. Any termination at will cannot be "arbitrary or capricious." What does that mean? Basically, the Commissioner needs to have a sound reason for terminating the contract which is based on the facts. The contract gives two examples. On the one hand, it would *not* be arbitrary and capricious to terminate the contract in order to use the land for an alternative park use. On the other hand, it would be arbitrary to terminate *solely* for the purpose of giving the license to someone else.

In my view, it would not be arbitrary and capricious to terminate this agreement under Section 3.2(a). Donald Trump, his companies, and various of his associates face several serious criminal investigations. His CFO, Allen Weisselberg, has already pled guilty to a number of felonies, including grand larceny and tax fraud, relating to his role at the Trump Organization. Mr.

Weisselberg is listed in Section 36 of the contract as one of the contact persons for the Trump entity that manages the course. Moreover, The Trump Organization is soon heading toward a criminal tax fraud trial. Mr. Trump himself is the subject of several civil and criminal investigations by this State, the Federal government, and other states. None of this is news to anyone in this room. Nor will it be news to any court that might review a termination of the License.

There is another reason why termination would be appropriate here. The Agreement was personally guaranteed by Donald Trump. To support that guarantee, Mr. Trump submitted a signed certification by his then accounting firm, WeiserMazars. **[Exhibit 2]**. Trump's accountants certified that his net worth was over \$3 billion and thus that his personal guaranty was adequate to support the agreement. However, early this year, those accountants withdraw their statements of Trump's financial position for the period 2011 to 2020. As a result, the Parks Commissioner can reasonably take the position that there is no support for Trump's guarantee of the deal, which was a critical inducement for the City to enter into the License.

As a result, given all these circumstances, for the City to sever its ties to Mr. Trump and his company does not seem arbitrary or capricious.

Once the Commissioner gives notice of an at will termination, such a termination takes effect twenty-five days later. In other words, if such termination were invoked today, Trump's license for the golf course would terminate on October 10, 2022.

When the License is terminated, Section 3.2(b) of the contract grants Trump Ferry Point LLC a termination fee, which is intended to reimburse them for funds that they invested in the project. **[Exhibit 3]**. Section 3.2(b) spells out how this termination fee is calculated. There are four basic components to this calculation. The fee amounts to: (1) Capital Improvement Costs, *plus* (2) Grow-in Costs, *minus* (3) amortization, *plus* (4) the amount of a Capital Reserve Fund. That equation is summarized on this Chart. Let me walk through the components of this calculation.

Capital Improvement Costs are essentially the costs that Trump incurred to build out a clubhouse at the course. And, Grow-In Costs consist of the funds Trump spent to complete growing grass at the course.

Amortization is meant to capture how the costs of building the project are recaptured over time. In this contract, amortization is calculated on a straight-line basis over the 20-year term of the Agreement. That means that to calculate the fee, you take the total Capital Improvement and Grow-in Costs, divide them by 20 for the number of years covered by the License, and then multiply that number by the number of years in which the contract has been in operation.

The Capital Reserve Fund kicked in on the fifth year of the contract and amounts to 3% of the annual gross revenue beginning that year. This fund was intended to pay for repairs and equipment replacement at the course.

Now we do not have all of the raw data that would be needed to compute the amount of the termination fee. Accountants will need to determine, based on that data, the exact amount of the fee. Nonetheless, the contract does contain cost projections and there have been publicly disclosed revenue figures. And, it should be remembered that developers try to keep their costs as low as possible so the cost projections in the budget should be fairly reliable. Based on this information, I believe the fee could be as low as \$5 million and it is highly likely that the fee will be less than \$10 million.

Let's look at the numbers that are available. Attached to the contract were budget figures for the project's expected costs. **[Exhibit 4]**. Those estimates peg the Capital Improvement Costs at between \$9 and \$12 million. And, the Grow-In Costs were estimated at \$750,000 to \$2.9 million. A news article has indicated that the Grow-In costs were \$850,000, which is close to the bottom range of those estimates. Based on these estimates, the combined costs should total somewhere between \$9.75 million and \$14.9 million.

These costs would then be reduced by the amortization amounts for the years since the course was completed. Using the budget figures in the contract, and assuming those figures are evenly spaced out, the annual amortization amounts would be in the range of \$487,500 to \$745,000. Assuming that you deduct nine years of amortization, amortization amounts in the range of \$4.3 million to \$6.7 million would need to be subtracted from these costs. That puts you at a fee in the range of \$5.5 to \$8 million.

You also need to add in the Capital Reserve amount of 3% gross revenues since year five of the contract. Based on publicly available figures that number is likely to be less than \$500,000.

Of course, these are just estimates and the actual numbers could be higher or lower. As I indicated, accountants would need to look at the actual amounts spent by Trump to develop the project. However, it should be borne in mind that when Trump came on the scene, the course was nearing completion and the City had already invested over \$120 million to build the course. As a result, Trump's investment is very modest when compared to the total amount that the City spent to build this project.

Before I conclude, it is worth noting that the City can later seek to recover the cost of the termination fee by licensing this valuable property to another golf course management firm. Or, it could explore other options for this 222 acre property. There are thus benefits to the City if it chooses to exercise its termination rights and get this property back from someone whose reputation is at best highly questionable.

With that, I am happy to take questions.

LICENSE AGREEMENT SECTION 3.2(A): TERMINATION “AT WILL”

- COMMISSIONER HAS THE “SOLE AND ABSOLUTE DISCRETION” TO TERMINATE THE CONTRACT “AT ANY TIME”
- THE ONLY LIMITING FACTOR IS THAT THE TERMINATION CANNOT BE “ARBITRARY” OR CAPRICIOUS”
- TERMINATION IS EFFECTIVE 25 DAYS AFTER THE TERMINATION NOTICE

“this License Agreement (including both the License and the Concession) is terminable at will by the Commissioner in his sole and absolute discretion, at any time; however, such termination shall not be arbitrary or capricious.”

“Such termination shall be effective twenty-five (25) days after the date such written notice is received by Licensee.”

3.2 (a) Notwithstanding any language to the contrary, this License Agreement (including both the License and the Concession) is terminable at will by the Commissioner in his sole and absolute discretion, at any time; however, such termination shall not be arbitrary or capricious where a determination is made by the Commissioner for an alternative park-related use other than the current use solely for the purpose of issuing a new license to another party at a higher license fee) for the operation of the park. The above is not an exhaustive list of the arbitrary or capricious reasons for termination by the Commissioner. Such termination shall be effective twenty-five (25) days after the date such written notice is received by Licensee. Except as set forth in Section 3.2(b) below, the Commissioner, the City, its employees and agents shall not be liable for damages to Licensee in the event of termination by Commissioner in accordance with the terms of this License Agreement.

WeiserMazers LLP Certification



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CONFIDENTIAL

March 22, 2010

CONFIDENTIAL

The City of New York
Parks & Recreation Department
The Arsenal
Central Park, New York 10065
Attn: Ms. Elizabeth W. Smith
Assistant Commissioner of Revenue

Re: Requests for Offers-Ferry Point Golf Course-Financial Capability

Dear Ms. Smith:

We are the accountants for Mr. Donald J. Trump and have previously compiled his statement of financial condition as of June 30, 2009 as indicated in our accountants' compilation report dated October 7, 2009. This compiled financial statement showed a net worth in excess of \$3,000,000,000.

While we have not reviewed computations of value since the aforementioned June 30, 2009 financial statement, based on discussions with Mr. Trump and his advisors, we are not aware of any matters that would indicate a significant change in Mr. Trump's net worth as of this date.

This letter should be read in conjunction with Mr. Trump's above referenced statement of financial condition as of June 30, 2009.

In addition, please be informed that according to information submitted to us by Mr. Trump, his current cash position is in excess of \$200,000,000 as of this date.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Weiser LLP".

WEISER LLP



LICENSE AGREEMENT SECTION 3.2(B): TERMINATION FEE

- (CAPITAL IMPROVEMENT COSTS + GROW-IN COSTS – AMORTIZATION) + CAPITAL RESERVE FUND = TERMINATION FEE
- AMORTIZATION IS CALCULATED USING A STRAIGHT-LINE AMORTIZATION SCHEDULE (TOTAL COSTS DIVIDED BY 20-YEAR TERM)

“a Termination Payment, then, in each such case, Parks shall pay to Licensee a termination payment (the “Termination Payment”) equal to the sum of (A) the Capital Improvement Costs expended by Licensee for Capital Improvements and the Grow-In Costs (as defined in the Development Agreement) expended by Licensee in connection with the Grow-In pursuant to the Development Agreement (less amortization as described below)”

“plus (D) the amount on deposit in the Capital Reserve Fund.”

“The unamortized portion of such costs shall be derived from a twenty (20) year, straight line amortization schedule, which amortization shall begin on the Concession Commencement Date.”

(b) In the event the Licensee terminates the License Agreement at will (i.e., not for a cause), the Licensee shall provide applicable notice and cure period to Parks. In the event of termination, the Licensee shall pay to Parks the sum of (A) the Capital Improvement Costs expended by Licensee for Capital Improvements and the Grow-In Costs (as defined in the Development Agreement) expended by Licensee in connection with the Grow-In pursuant to the Development Agreement (less amortization as described below), provided that documentation of the Grow-In Costs is submitted to Parks, plus (B) (x) with respect to any contracts or orders for goods or services made prior to the receipt of written notice of termination by Licensee but not yet received by Parks, any amounts due under such contracts or orders, and (y) any amounts due under any other contracts or orders that can be canceled, the Licensee makes prompt payment to Parks, and (C) any penalty as mitigated by Parks, which shall be paid by Licensee, which shall be paid to Parks. The unamortized portion of such costs shall be derived from a twenty (20) year, straight line amortization schedule, which amortization shall begin on the Concession Commencement Date. Parks shall use reasonable good faith efforts to pay the termination within sixty (60) days after the Termination Date. Interest on the unpaid portion of the Termination Payment shall be paid by Licensee at the rate of five percent (5%) per annum.

EXHIBIT K

Preliminary Capital Budget

As of the date hereof, Licensee does not intend to spend in excess of ten million dollars (\$10,000,000) in the aggregate on the Required Capital Improvements. As it pertains to the Required Capital Improvements, this preliminary capital budget is presented in the context of determining (i) the allowable Termination Payment in accordance with the terms of the License Agreement and (ii) the portion of the value of time of Licensee's in-house construction, operations and management staff expended in connection with the Capital Improvements that may be included in Capital Improvement Costs.

REQUIRED CAPITAL IMPROVEMENTS:

Description	Original Capital Improvement Range		
Soft Costs ⁵	\$1,750,000	to	\$2,125,000
Hard Costs	\$6,500,000	to	\$8,750,000
Contingency	\$650,000	to	\$875,000
Temp Facilities	\$100,000	to	\$250,000
	\$9,000,000	to	\$12,000,000

GROW-IN:

Description	Original Grow-In Range		
General & Administration	\$125,000	to	\$450,000
Labor ⁶	\$350,000	to	\$1,350,000
Equipment	\$100,000	to	\$400,000
Materials & Supplies	\$150,000	to	\$600,000
Temp Facilities	\$25,000	to	\$100,000
	\$750,000	to	\$2,900,000

⁵ The value of the time of Licensee's in-house construction, operations and management staff expended in connection with the Capital Improvements shall not exceed twenty percent (20%) of Soft Costs.

⁶ The value of the time of Licensee's in-house construction, operations and management staff expended in connection with the Grow-In shall not exceed twenty percent (20%) of Labor costs.

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☒ in opposition

Date: 9/15/22

(PLEASE PRINT)

Name: Liz Sanchez

Address: _____

I represent: Trump Ferry Point

Address: 500 Hutchinson River Pkwy

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: Stephen P. Younger

Address: Avenue of Americas, NY, NY 10019

I represent: _____

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☒ in favor ☐ in opposition

Date: 8/15/22

(PLEASE PRINT)

Name: EDWARD PERRY

Address: Lowr Ave Ridgfield NJ 07057

I represent: INTERSTATE ELECTRIC

Address: 37 W 37th St NYC 10018

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☒ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: JOHN GRUBS

Address: 34 CHESTNUT DR. WYCKHUT, NY 10087

I represent: TRUMP ORG

Address: 500 HUTCHINSON RIVER PARKWAY BRONX

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☒ in opposition

Date: 9/15/22

(PLEASE PRINT)

Name: Adam Lockwood

Address: Mamaroneck Ave. White Plains, NY 10601

I represent: Trump Golf Links at Ferry Point

Address: 500 Hutchinson River Pkwy Bronx, NY 10465

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☒ in opposition

Date: 9/15/22

(PLEASE PRINT)

Name: Paul Mutze

Address: Indian Trl. Bronx, NY

I represent: Trump Golf Links at Ferry Point

Address: 500 Hutchinson River Pkwy

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____
☐ in favor ☒ in opposition

Date: 9.15.22

(PLEASE PRINT)

Name: BRIAN CROWELL
Address: E. 85th St. APT NYNY

I represent: TRUMP GOLF LINKS @ FERRY PT.

Address: 500 H. TH. PKWY, BRONX 10468

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**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____
☒ in favor ☒ in opposition

Date: 09-15-22

(PLEASE PRINT)

Name: Lamena Perez
Address: Pennypack Ave

I represent: Trump Ferry Point

Address: 500 HUTCHINSON RIVER PKWY
BRONX

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**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☒ in opposition

Date: 9/15/22

(PLEASE PRINT)

Name: Ronald Lieberman

Address: 725 Fifth Ave, N.Y., N.Y. 10022

I represent: The Trump organization

Address: same as above

◆ Please complete this card and return to the Sergeant-at-Arms ◆

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☒ in opposition

Date: _____

(PLEASE PRINT)

Name: Daniel Teng

Address: Wilcox Ave Bronx NY

I represent: Trump organization

Address: 500 Hutchinson River Pkwy

◆ Please complete this card and return to the Sergeant-at-Arms ◆