

January 31, 2020

One Liberty Plaza
New York, NY 10006
T: 212 619 5000
edc.nyc

Latonia McKinney
Director, Finance Division
New York City Council
250 Broadway, 15th Floor
New York, NY 10007

Latonia,

Pursuant to the condition of the funds in unit of appropriation 006 in the budget of the Department of Small Business Services, please see below the responses to the questions outlined in the Fiscal Year 2020 Expense Budget Resolution.

If you have any additional questions, please contact Jennifer Montalvo at jmontalvo@edc.nyc or 212-312-3893.

Regards,



Seth Myers
Director of Project Implementation
New York City Economic Development

1. **Copy of the contract between EDC and Hornblower New York**
Please see Appendix A for a copy of the NYC Ferry Operating Agreement.
2. **Copy of the Request for Proposals issued on March 27, 2015 for a Ferry Operator**
Please see Appendix B for a copy of the Request for Proposals (RFP).

3. **Design of the Request for Proposals**

NYCEDC released a public RFP on March 27, 2015 looking for private ferry operators interested in operating a Citywide Ferry Service. In order to ensure an adequate response given the market of potential respondents, NYCEDC offered flexibility in response types: respondents could include proposals for comprehensive responses (i.e., one operator to operate all routes), which were preferred and would be evaluated first as described in the RFP, or single/multiple-route responses to allow for multiple operators to work together to operate the system. Proposals were to include how the respondent would approach the operation of the vessels in such a system and how to address ticketing, marketing and customer service. The RFP required respondents to describe how they would provide an adequate fleet to operate the planned routes as well as their desired compensation.

4. **EDC Process to Review Submitted Proposals**

As part of the procurement process, NYCEDC received two (2) comprehensive proposals, and four (4) route-based proposals. Based on the preference identified in the RFP, NYCEDC first evaluated the comprehensive proposals for a feasible and preferable option using the following criteria that was documented in the RFP:

- o Quality of respondent's proposal and demonstration of its understanding of the project;
- o Project team qualifications and experience with providing passenger ferry service;
- o Respondent's demonstration of quality of service;
- o Minority and Women-owned Business Enterprise (MWBE) utilization plan; and
- o Respondent's proposed fee and cost schedules.

5. **Memorandum of Understandings that establish and permit ferry operations at City-owned landings**
Please see Appendix C for a copy of the Memorandum of Understanding (MOU) between

Small Business Services (SBS), Department of Transportation (DOT), Department of Parks and Recreation (DPR) and NYCEDC dated August 26, 2016.

6. Selection Process for Existing NYC Ferry Routes

In February 2015, Mayor de Blasio announced the establishment of a Citywide Ferry System that was intended to connect waterfront communities to job centers throughout New York City.

This announcement was informed by the [2013 Citywide Ferry Study](#). The goals of that study were to identify new ferry service opportunities. The 2013 study assessed more than 50 sites by identifying physical/navigational constraints, developing ferry ridership estimates, operational and travel time calculations, and evaluating development and neighborhood growth. The study also evaluated operating costs, potential revenue at different fare levels and the likely routes that were formed from the combination of individual landings.

Following the 2013 Citywide Ferry Study, NYCEDC evaluated the study findings and developed a concept route map in conjunction with other city and state agencies. Most routes are fully or partially informed by the findings of that study.

NYCEDC had an open-door briefing policy with public officials, community boards and local and civic organizations throughout the development of the final plan, the environmental review process and the construction/implementation of the system. In total, there were more than 300 meetings and briefings held before the launch of NYC Ferry.

7. Capital Spending on Barges, Gangway and Ferry Landings, Estimates, Capital allocations and Final Costs

The delivery of NYC Ferry required the delivery of more than fifteen capital projects around the city. Although similar in scope (often the construction and installation of a floating barge with a gangway, piles and upland improvements), individual site conditions and modifications to local designs led to changes in the program. These individual changes were comprised of: projects where increased scope was required on existing facilities, projects where costs came in lower than projected, and in one case, a landing that was not constructed due to operational and navigational consultations with the harbor community. Overall, the NYC Ferry landings were delivered with a budget variance of less than 5% over the original estimate.

For further detail, the following chart identifies the initial estimates created in late 2014 as an extension of the planning process, the CP estimates submitted to OMB, and the actual costs incurred as part of the delivery of the first phase of NYC Ferry.

(Chart shown in \$ thousands)	INITIAL ESTIMATE	CP ESTIMATE			ACTUAL COSTS				
	Total	Gangway	Barge	Others	Gangway	Barge	All Others ⁶	Design	CM ⁷
Long Island City	\$4,090	\$122	\$555	\$4,185	\$427	\$768	\$2,638	\$255	\$686
Astoria	\$4,445	\$111	\$551	\$4,205	\$339	\$697	\$3,437	\$255	\$952
(Grand Street) Corlears Hook	\$4,068	\$189	\$555	\$4,301	\$450	\$862	\$3,527	\$255	\$466
(East 20th Street) Stuyvesant Cove	\$4,972	\$301	\$555	\$3,342	\$532	\$862	\$1,777	\$255	\$441
Rockaway	\$4,844	\$122	\$551	\$2,520	\$244	\$785	\$1,808	\$255	\$686
East 90th Street ¹	\$939	\$190	\$555	\$5,473	\$374	\$689	\$3,299	\$255	\$491
Red Hook/Atlantic Basin	\$4,204	\$140	\$555	\$3,099	\$298	\$767	\$2,120	\$255	\$525
Bay Ridge	\$4,232	\$176	\$555	\$2,893	\$266	\$855	\$1,907	\$255	\$686
Roosevelt	\$5,235	\$143	\$555	\$4,434	\$446	\$775	\$3,056	\$255	\$656
Soundview ²	\$12,589	\$189	\$555	\$4,769	\$188	\$771	\$3,710	\$255	\$491
Brooklyn Bridge Park/Pier 6 ³	n/a	\$123	\$555	\$3,012	\$216	\$828	\$2,033	\$255	\$686
Pier 11/Wall Street ⁴	n/a	n/a	n/a	n/a	\$516	\$946	\$1,562	\$350	\$791
East 62nd Street ⁵	\$5,370	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
East 34th Street ⁴		n/a	n/a	n/a	\$71	\$94	\$561	\$350	\$791
Subtotal	\$54,988	\$1,804	\$6,096	\$42,231	\$4,368	\$9,699	\$31,434	\$3,509	\$8,346
Total	\$54,988	\$50,131			\$57,355				

¹ The East 90th Street landing was originally contemplated as a rehabilitation of an existing facility, but was later determined to be best served as a full replacement.

² The Soundview landing was projected to have rock-socketed piles to support a longer pier structure, subsequent design allowed for a cost saving option.

³ This landing was originally contemplated as a rehabilitation of an existing facility, but was later determined to be best served as a full replacement.

⁴ Both Wall Street/Pier 11 and East 34th Street were not originally planned with changes, but minor modifications were required to improve pedestrian capacity.

⁵ Following a number of design review sessions and conversations with the Harbor Operations Committee (including the US Coast Guard and Army Corps of Engineers), EDC and the Committee jointly determined that an engineered solution would not provide an adequately safe facility at this site which is the narrowest part of the East River. This landing was not constructed.

⁶ Includes marine installation, upland improvements and canopies.

⁷ Includes staffing, general conditions, GLI, SDI, builders' risk, railroad insurance

8. Capital Spending on Landings by Landing and Fiscal Year

Please see previous response for capital cost by landing, below is the capital cost by year.

FY16	FY17	FY18	Committed
\$14,111	\$18,226	\$25,018	\$57,355
<p>*Please note that as the project was bid out as a single project, EDC did not bid or track the per landing amount by Fiscal Year. By bidding the project as a whole, this created financial and schedule efficiencies.</p>			

9. Cost of Ferry Manufacturing to the City

The following is the total cost paid in City Capital for each vessel delivered through the end of 2019.

Name	Vessel Class	Purchase Date	Total Cost
Waves of Wonder	150 River	4/30/2019	\$ 4,051,422.17
Sunset Crossing	150 River	4/30/2019	\$ 4,050,028.49
Happy Hauler	150 River	4/30/2019	\$ 4,053,922.71
Great Eagle	150 River	4/30/2019	\$ 4,047,977.04
Owls Head	150 River	4/30/2019	\$ 3,724,582.05
Munsee	150 River	4/30/2019	\$ 3,743,805.47
Lunchbox	150 River	4/30/2019	\$ 3,632,404.63
Urban Journey	150 River	4/30/2019	\$ 3,593,667.10
Friendship Express	150 River	4/30/2019	\$ 3,600,468.38
Connector	150 Rockaway	4/30/2019	\$ 3,923,956.09
Opportunity	150 Rockaway	4/30/2019	\$ 4,025,011.84
Flyer	150 Rockaway	4/30/2019	\$ 3,911,393.32
McShiney	150 River	4/30/2019	\$ 3,759,943.19
Starlight	150 River	4/30/2019	\$ 3,662,458.86
Spring Mallard	150 River	4/30/2019	\$ 3,594,860.88
Atlantic Compass	150 River	4/30/2019	\$ 3,636,325.11
Ocean Queen Rockstar	350 Rockaway	4/30/2019	\$ 7,092,997.26
H107	150 River	7/31/2019	\$5,599,000.00
Seas the Day	350 Rockaway	4/30/2019	\$ 7,100,000.00
Golden Narrows	350 Rockaway	4/30/2019	\$ 7,100,000.00
Rainbow Cruise	350 Rockaway	12/15/2018	\$8,800,632.00
Unity	350 Rockaway	2/15/2019	\$8,800,632.00
Traversity	350 Rockaway	3/15/2019	\$8,800,632.00
Jewel of the Harbor	350 Rockaway	4/15/2019	\$8,800,632.00
H115	350 Rockaway	5/15/2019	\$8,800,632.00
H90	350 Rockaway	7/15/2019	\$8,900,632.00
H214	350 Rockaway	6/15/2019	\$8,800,632.00
H215	350 Rockaway	12/1/2019	\$9,500,632.00

10. Breakdown of Routes and Landings

NYC Ferry operates at both City-owned ferry landings and a number of facilities within private or other public control. The following table identifies all landings and which NYC Ferry routes serve them. Please note that other ferry operators provide services at some landings (including Pier 11, DUMBO and East 34th Street).

Landing	Number of Routes	Routes Served
Pier 11/Wall Street	6 (NYC Ferry)	RW, AST, SB, ER, SV, LES
DUMBO/BBP-Pier 1	2 (NYC Ferry)	ER, SB
South Williamsburg	1	ER
North Williamsburg	1	ER
Greenpoint	1	ER
Hunters Point South	1	ER
East 34 th Street	4 (NYC Ferry)	ER, AST, SV, LES
Rockaway	1	RW
Sunset Park/BAT	2	RW, SB
Bay Ridge	1	SB
Red Hook	1	SB
Atlantic Ave/BBP-Pier 6	1	SB
Long Island City	2	AST, LES
Roosevelt Island	1	AST
Brooklyn Navy Yard	1	AST
Astoria	1	AST
East 90 th Street	1	SV
Soundview	1	SV
Governors Island (Seasonal)	1	NYCF Shuttle Service
Corlears Hook	1	LES
Stuyvesant Cove	1	LES

11. Original Ridership Forecasts and Current Ridership by Route

As part of the 2015 announcement of the project, known then as Citywide Ferry, NYCEDC projected that the system would serve 4.6 million trips annually. 2019 was the first full year in which all the originally planned routes were operational, providing an initial an opportunity to see how actual ridership compared with original forecasts. In 2019, NYC Ferry served 6.3 million trips, exceeding initial estimates by approximately 40%.

Annual Ridership

	First Year Ridership Projection (2015)	2019 Ridership (Actual)
East River	1,817,660	2,610,243
Rockaway	172,000	833,353
South Brooklyn	357,500	687,675
Astoria	844,740	1,043,010
Soundview	413,400	721,210
Lower East Side	986,960	381,163
Governors Island	*	85,693
Total	4,592,260	6,362,347

*Governors Island was originally served by the East River but was turned into a distinct seasonal weekend service in 2018.

12. Rider Demographics, including New York Residents

Based on the 2019 summer survey, 86% of riders reported a home zip-code within New York City, 63% of peak period riders are frequent riders and 71% of riders walk to landings. For additional demographic information, please see slides from the survey summary which are included in Appendix D. The summer survey is based upon a two-week weighted sampling methodology and is our most comprehensive analysis of ridership.

13. Number of Trips Operated per Route (CY2019)

Route	Total Trips Operated
East River	23,999
Rockaway	12,186
South Brooklyn	16,008
Astoria	17,134
Soundview	14,221
Lower East Side	17,184
Governors Island	1,802
Total	102,534

14. Number of Vessels and Passenger Capacity Currently Operating in the Fleet

Capacity / Class	Count (as of 12/31/2019)
150 passenger - River	14
150 passenger - Rockaway	3
350 passenger - Rockaway	11