



DOWNTOWN BROOKLYN PLAN

Summary



NYC Jobs at Risk as Result of Lack of Affordable Office Space

- NYC's regional position in decline
 - Over past three decades, NYC's share of regional employment dropped by 10%, or over 400,000 jobs
 - During the 1990's boom, expanding corporations were unable to find affordable, ready-to-go space in Manhattan
 - From 1995 to 2000, rent for Class A space in Manhattan increased by 100%, vacancy dropped 80%, but inventory increased only 2%
- NYC impacted by New Jersey's growth
 - In the 1990s, NJ created over 12 million square feet of inexpensive and adequately-sized Class A space, enough space for 50,000 workers
 - Opportunity cost to NYC of 50,000 jobs is equivalent to \$150 million in 2003 dollars
 - In 2000 alone, 32 NYC companies relocated to the state of NJ, taking approximately 9,000 jobs
 - Throughout the 1990s, NYC companies moved 21,000 jobs to NJ
- Despite current economic conditions...
 - Demand for NYC office space is expected to exceed supply
 - Demand for low-cost, ready-to-go options – particularly large floorplates necessary for back-office functions – is expected to stay strong



NYC Strategy For Economic Development

- Key Growth Areas
 - Hudson Yards
 - Long Island City
 - Lower Manhattan
 - DOWNTOWN BROOKLYN
 - Affordable option for financial businesses
 - Competitive alternative to New Jersey

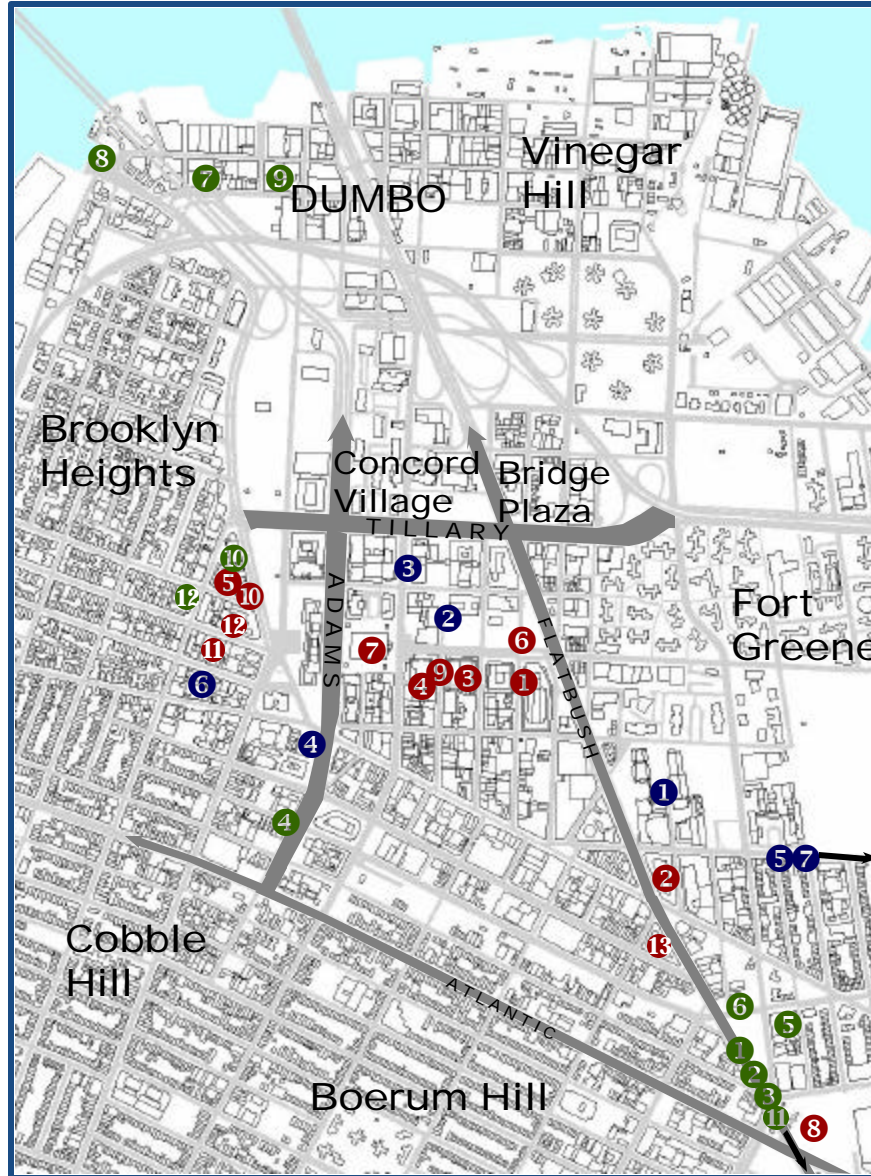
- Downtown Brooklyn Strategy
 - Focus on back-office functions and firms seeking to disperse operations
 - Preserve and grow jobs and tax revenues
 - Offer Class A space without Class A rents
 - Create vibrant urban environment
 - Tap into advantage of close proximity to Manhattan



Existing Assets to Build Upon

- **Office Space** 11 million sf total office space in core area, including 6 million sf Class A space with 0.2% vacancy
- **Corporate Tenants** Critical mass of Class A tenants
- **Employment** 70,000 workers in Downtown Brooklyn, many at operations centers for financial services companies
- **Academic Institutions** Seven institutions with over 32,000 students
- **Housing** Exceptional housing stock in surrounding brownstone neighborhoods and 500 units in the core area with 1,200 residents
- **Cultural Resources** 300,000 sf of cultural space drawing millions of visitors annually
- **Transit** Comprehensive transportation network

Existing Assets to Build Upon



Corporate Tenants

- ① J.P. Morgan Chase
- ② Verizon
- ③ Securities Industry Automation Corporation (SIAC)
- ④ KeySpan Corporation
- ⑤ Morgan Stanley Dean Witter
- ⑥ Empire Blue Cross Blue Shield (WellChoice Inc.)
- ⑦ NY Marriott Brooklyn
- ⑧ Bank Of New York
- ⑨ Bear Stearns
- ⑩ Goldman Sachs
- ⑪ HSBC
- ⑫ Independence Community Bank
- ⑬ Con Edison

Academic Institutions

- ① Long Island University
- ② Polytechnic University
- ③ New York City College of Technology
- ④ Brooklyn Law School
- ⑤ St. Joseph's College
- ⑥ St. Francis College
- ⑦ Pratt Institute

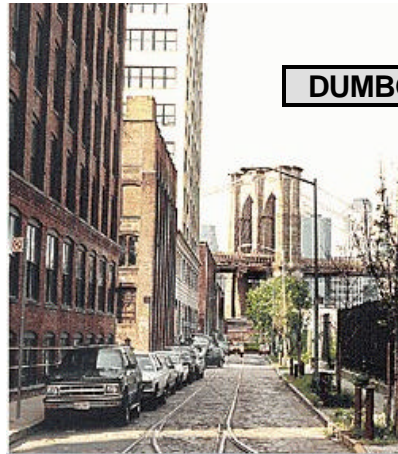
Cultural Institutions

- ① Brooklyn Museum of Art
- ② Brooklyn Botanic Garden
- ③ Prospect Park
- ④ New York City Transit Museum
- ⑤ Brooklyn Academy of Music
- ⑥ Mark Morris Dance Center
- ⑦ St. Ann's Warehouse
- ⑧ Bargemusic
- ⑨ Gale Gates Et Al.
- ⑩ The Rotunda Gallery
- ⑪ Brooklyn Public Library
- ⑫ Brooklyn Historical Society

Important Initiatives Already Underway...



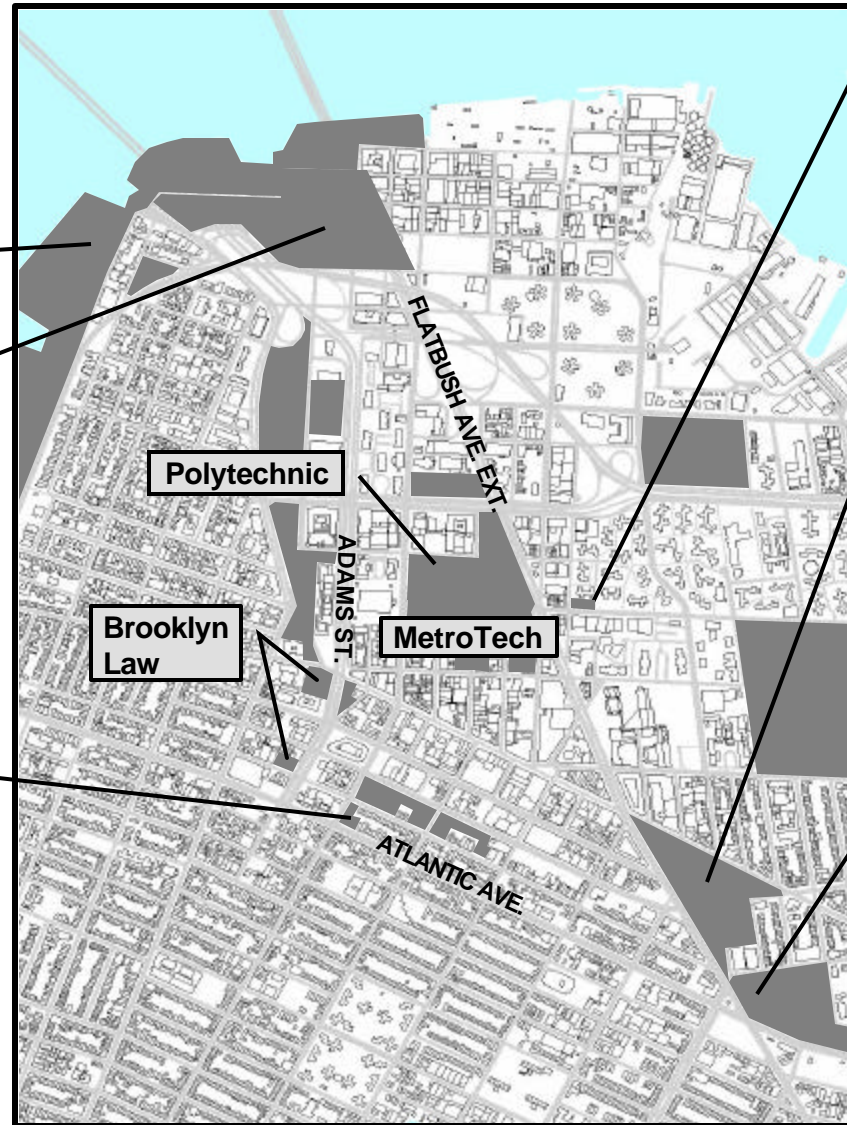
Brooklyn Bridge Park



DUMBO



Hoyt/Schermerhorn Development



Ingersoll Community Ctr.



BAM Cultural District



Atlantic Terminal

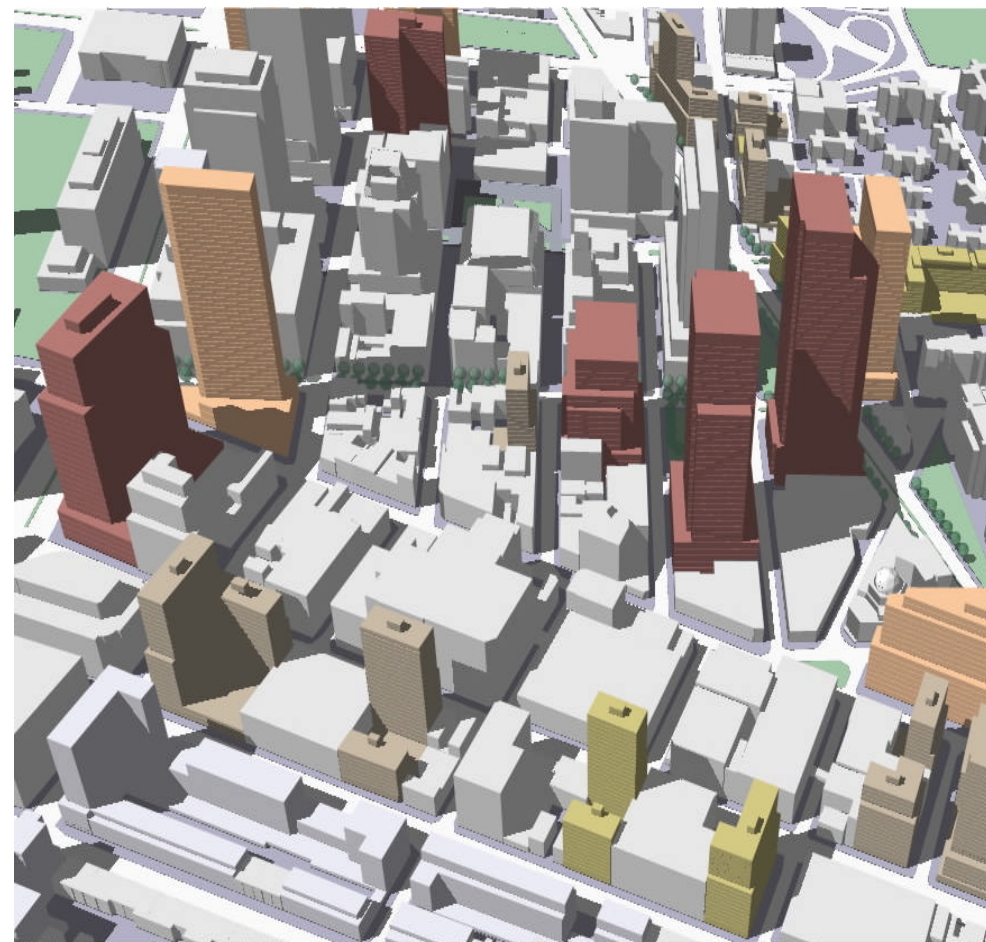
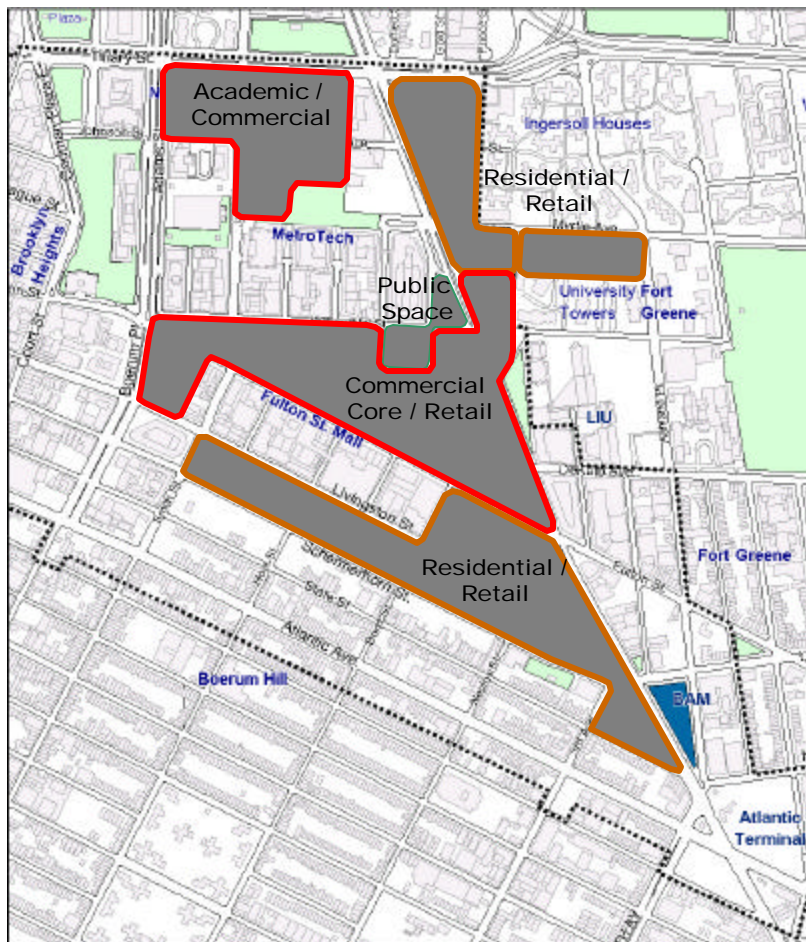
The Vision

- Economic center of America's 4th largest city
- Strong and diverse commercial & retail environment
- Residential communities integrated in Downtown
- Premier cultural and educational destination
- Vibrant public environment served by enhanced transit network

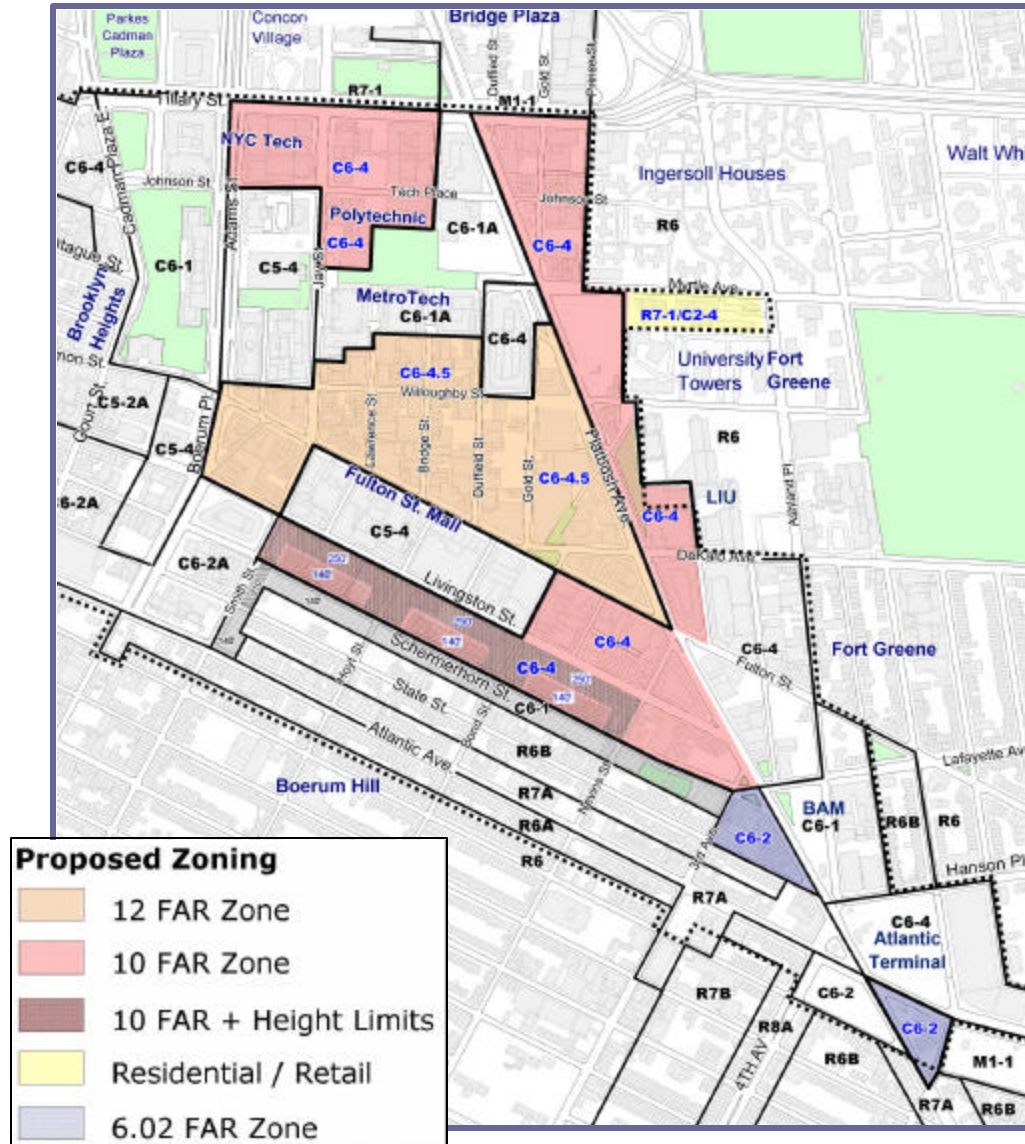


Public Investment

- Zoning & Development
- Public space
- Parking
- Transit
- Retail
- Streetscape
- Cultural Resources

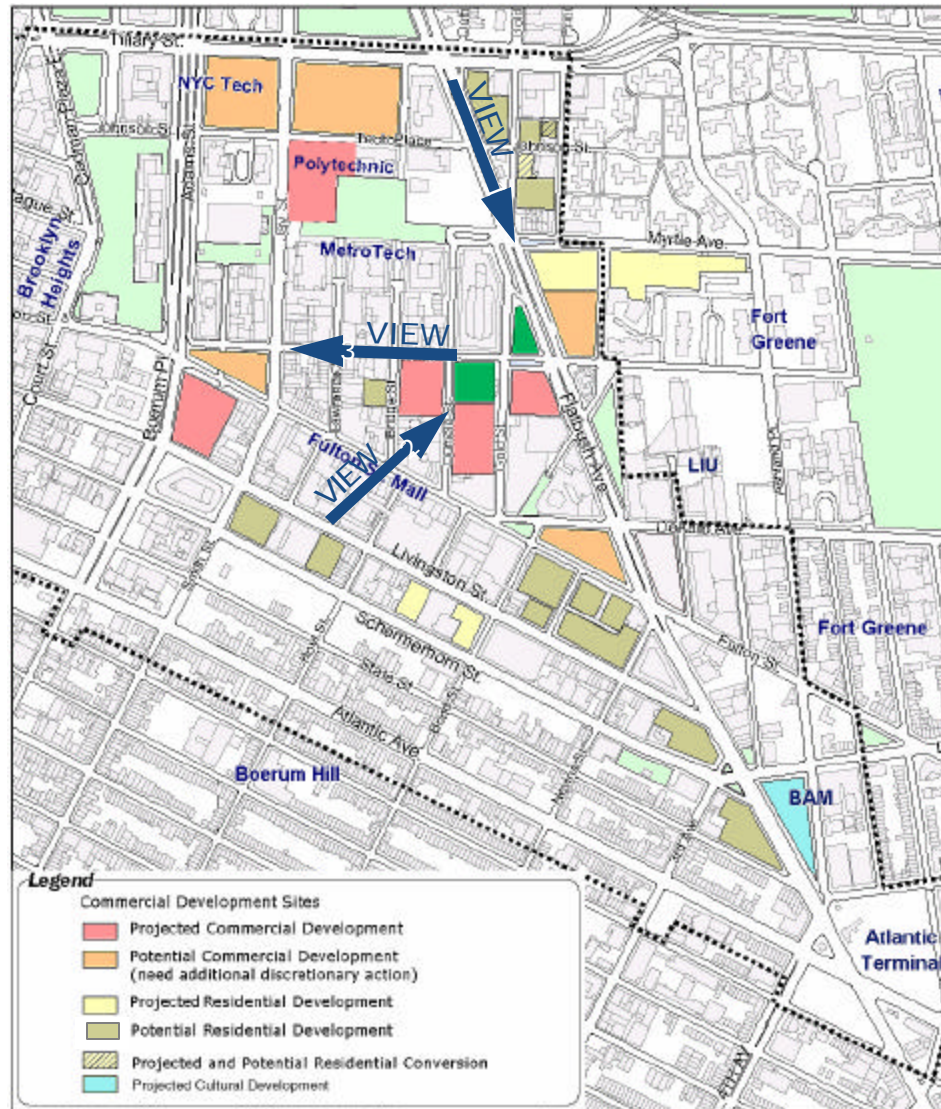


Zoning Changes



- Increase density for commercial, residential & academic expansion
- Promote a vibrant mix of uses
- Strengthen connections with surrounding neighborhoods
- Encourage attractive building forms of appropriate scale

Plan Highlights





Benefits

For NYC

- Implement key part of economic development strategy
- Retain and grow at-risk office jobs
- Preserve and generate tax revenues
- Address need for affordable office products
- Assist firms seeking to disperse functions

For Brooklyn

- 4.5 million sf of new Class A office space with 700,000 sf of associated retail
- 18,500 office jobs located in Brooklyn and 8,000 construction jobs generated by new development
- 1,000 new housing units with 200,000 sf of associated retail
- New cultural resources including library & performance space
- Growth of academic institutions
- New public spaces totaling 60,000 sf