

## Courageous Sailing Talking Points (TPs) in response to misinformation” 2025.09.26

### Rebuttal by James Lee, September 28, 2025

For a copy of Courageous Pier 4+5 Submission including the omitted financial section, visit: <https://bpda.app.box.com/s/um9t2lhwtx3tcy98erbi5kej14evkbqz/file/1819711206934>

#### **Executive Summary:**

*Boston is facing a decision that will shape the future of its harbor for generations. Pier 5, the last open pier in the Charlestown Navy Yard, could become a public park and pool that connects families to the waterfront—or it could be locked away forever under a privatization scheme disguised as community benefit.*

*Courageous Sailing, a well-regarded nonprofit, is proposing a bundled deal for both Pier 5 and Pier 4 that would give them and their corporate partner, ASM Global, control of **six acres of waterfront land and watersheet in perpetuity**. They present it as philanthropy and public good. In reality, it is a **carefully engineered transfer of public resources into private hands**.*

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#### **TP-01: “Privatization disguised as public good”**

Fact: Courageous is a nonprofit organization, not a private entity. Our proposal plans for about 75,000 sq. ft. of public open space, including an expanded Harborwalk, roof terrace with spectacular views of Boston, a floating pool, and outdoor classrooms. Revenue-generating uses sustain these public benefits, not replace them.

#### **Rebuttal-01:**

Courageous insists their nonprofit status protects the public. But **privatization is about control, not tax status**. Calling 75,000 sq. ft. “public” means nothing if access, scheduling, and pricing are under private control.

##### **1. Nonprofit label, for-profit game**

Courageous itself is not the developer. The project would be run through a **Special Purpose Entity (SPE)**, parked off its books and out of public view. While philanthropy may provide some equity, nothing prevents profit-driven partners from joining in. The numbers tell the story: Courageous’ budget has hovered around \$2 million for years, yet suddenly they project **\$15 million in revenue and \$2.7 million in profit**, much of it from non-water-dependent rentals. **Nonprofit status is the fig leaf; profit is the business.**

##### **2. Public space by name, pay-to-play in practice**

Even their claim of 75,000 square feet of “public” space falls apart. The operator controls schedules, pricing, and rules. More than half of revenue comes from private rentals, ticketed events, and concessions. Even the pool, rooftop, and pier-end park are monetized.

**Labeling space “public” means little when access comes with a price tag.**

**Bottom Line:** This is not a nonprofit sailing program expanding community benefit. It is an opaque venture designed to **convert public land into pay-to-play space under private control**.

## TP-02: “Loss of public access / Harborwalk blocked”

Fact: The plan enhances and expands public access; it does not reduce it. The Harborwalk will be expanded with new amenities. Views of the harbor will be preserved and enjoyed by more residents.

### Rebuttal-02:

Courageous says their plan expands access and preserves views. In reality, it **reduces accessibility and adds new costs** on a pier rebuilt with public funds.

The proposed building consumes half the pier’s length and two-thirds its width. What remains is a steep roof-garden—effectively out of reach for many seniors, parents with strollers, and people with disabilities. Meanwhile, outdoor areas such as the pool, rooftop terrace, and pier-end park are all subject to **fees or rentals**.

As for views, their design **blocks the most dramatic harbor vistas** from the Harborwalk and from homes at Flagship Wharf up through the fifth floor.

**Bottom Line:** This project doesn’t expand access—it **narrows it, walls off views, and charges the public for what used to be free.**

## TP-03: “Public money for private profit”

Fact: The City has capped its contribution to demolition costs. The \$80M+ redevelopment will be financed by Courageous through philanthropy, partnerships, and self-generated revenue. Public money is not subsidizing private profit.

### Rebuttal-03:

Courageous claims their \$80 million redevelopment will be self-financed. Their own submission shows the opposite.

#### 1. \$72.7M financed mostly by taxpayers

On page 98, they list **\$72.7 million in development costs** (excluding pier reconstruction), funded largely by **\$52.7 million in federal and state money**, with only \$20 million in equity.

| TOTAL ESTIMATED PROJECT COSTS SUMMARY                |                      | SOURCES OF DEBT AND EQUITY                              |                      |
|--|----------------------|---|----------------------|
| <b>Hard Costs – Construction &amp; FF&amp;E</b>      |                      | <b>Projected Preliminary Sources Statement</b>          |                      |
| Building   | \$ 37,545,000        | Debt: Tax-exempt bonds (MassDevelopment or similar)     | \$ 30,000,000        |
| Site Development/Infrastructure                      | \$ 4,585,000         | Equity: Philanthropy                                    | \$ 20,000,000        |
| Floating Docks/Pool                                  | \$ 4,580,000         | Federal/State and Other Public Program                  | \$ 22,700,000        |
| Furniture, Fixture & Equipment                       | \$ 3,800,000         | <b>Total Capital Funding</b>                            | <b>\$ 72,700,000</b> |
| <b>Subtotal – Hard Costs</b>                         | <b>\$ 50,510,000</b> |   |                      |
| <b>Soft Costs – Fees &amp; Contingency</b>           |                      | <b>Source of Debt Repayment:</b>                        |                      |
| Project Related Fees (A/E, Legal, Accounting, Etc.)  | \$ 8,740,000         | Required Per Annum (40-year amortization)               | \$ 1,857,000         |
| Project Contingency                                  | \$ 7,550,000         | With Debt Service Coverage Ratio of 1.20x               | \$ 2,229,000         |
| <b>Subtotal – Soft Costs</b>                         | <b>\$ 16,290,000</b> | Year 1 Projected Net Operating Income                   | \$ 2,186,169         |
| <b>Finance Related Costs</b>                         |                      | Year 1 Projected Net Operating Income – 10% Haircut     | \$ 1,967,552         |
| Tax-Exempt Debt Finance Costs @ 2%                   | \$ 600,000           | <b>TDMD Revenues Needed (DSCR – Year 1 NOI Haircut)</b> | <b>\$ 261,448</b>    |
| Debt Service Reserve Funding @ 1 Year                | \$ 2,000,000         |   |                      |
| Capitalized Interest (Construction Period – 2 Years) | \$ 3,300,000         |   |                      |
| <b>Subtotal – Finance Related Costs</b>              | <b>\$ 5,900,000</b>  |   |                      |
| <b>TOTAL DEVELOPMENT COST</b>                        | <b>\$ 72,700,000</b> |   |                      |

The venue operation’s stabilized Net Operating Income is \$2,670,974, which will occur in Year 3 of operation. At stabilization, the Debt Service Coverage Ratio improves to 1.43x.

## 2. Another ~\$80M shifted to the City

Contingencies 01–03 then shift another **\$80 million in pier reconstruction and utilities to the City**—bringing the true total close to **\$150 million**.

### CONTINGENCIES

The City will provide:

- |   |   |   |
|---|---|---|
| <b>01</b> Demolition of derelict Pier 5 and reconstruction of new Pier 5, per Courageous layout and able to support construction of Courageous proposed structures and proposed construction program; | <b>02</b> Any needed infrastructure to the new Pier 5 site;   | <b>04</b> Support in obtaining approval of MassDevelopment (or equivalent) issuing of tax-exempt bonds to the extent they can be supported by revenue governing projected debt service; and |
|   | <b>03</b> Construction of Harborwalk extension in coordination with Courageous facilities and access roads; | <b>05</b> Pay for civil infrastructure operations and maintenance (Pier 5 and Roads)  |

## 3. Courageous reverses its own numbers

They now insist the project costs only **\$80 million** and can be self-financed. **So where did \$70 million disappear?** Without real numbers, their financing claim is simply not credible. So much for “talking points in response to misinformation”!

## 4. Violation of the RFP

More importantly, the RFP is explicit: **no post-submission changes**. By rewriting their financials after the fact, Courageous violates the process. **The BPDA is required to reject the proposal.**

**Bottom Line:** To maintain integrity, the City must **reject the Courageous plan outright**. Anything less rewards disinformation and undermines trust.

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### TP-04: “Environmental risks from construction”

Fact: All waterfront work is subject to state and federal environmental review. Our design includes climate-resilient infrastructure and an educational ‘learning lagoon’ for marine science, turning the site into a model of environmental stewardship.

### Rebuttal-04:

Courageous points to environmental review and their so-called “**Learning Lagoon.**” Yet the lagoon is a contrived basin built on dredging and fill, raising serious risks of sediment disturbance and contamination. It cannot replicate a natural tidal pool, either ecologically or educationally.

**Bottom Line:** This lagoon is not stewardship but marketing spin—PR dressed as ecology.

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### **TP-05: “Pattern of neglect / BPDA excuse to privatize”**

Fact: Leaving Pier 5 as-is only continues the neglect. Courageous is offering to invest heavily to fix and repurpose the pier into a safe, sustainable community asset. Doing nothing is the real “blight.”

#### **Rebuttal-05:**

Courageous casts the choice as neglect versus privatization. That is a **false choice**.

Neglect was the City’s failure to act. Privatization doubles down on that failure by **extracting commercial value from public land** while ignoring neighborhood impacts such as **congestion, privatized space, and loss of free access**.

**Bottom Line:** Pier 5 does not have to be neglected or privatized. It can be reborn as a **Green & Blue Harbor Park—open, resilient, and truly public**.

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### **TP-06: “More noise, traffic, trash from events”**

Fact: The proposal includes careful event management, no on-site parking to limit traffic, and professional operations to ensure responsible programming. Large events are limited; the focus remains on kids, families, and community use.

#### **Rebuttal-06:**

Courageous promises careful management, but their revenue model depends on **constant churn of private, high-volume events**.

They offer no details on frequency, crowd sizes, noise, or traffic control. **Silence speaks louder than numbers they refuse to share**. And the Navy Yard’s narrow streets cannot handle the added pressure without gridlock, blocked emergency access, and declining quality of life.

**Bottom Line:** After 37 years of public support, hiring an operator whose motto is to “maximize venue utilization to minimize dark event nights” shows a **callous disregard for the neighborhood**. Trust has been broken.

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### **TP-07: “Trojan Horse / profit for corporate partners”**

Fact: Only Courageous has an equity stake in the Courageous proposal. The company in question, ASM, is a potential vendor whose responsibility would be only to ensure events are professionally managed and generate funds for public programming. This is not a for-profit takeover; it’s a nonprofit-led initiative with broad community benefit.

#### **Rebuttal-07:**

Courageous insists ASM Global is merely a vendor. But their financials tell another story.

- **41% of expenses (\$3.6M)** flow directly to ASM in management fees, without competitive bidding.
- Another **23% (\$3.5M)** is labeled vaguely as “Cost of Goods Sold,” also under ASM’s control.
- **68%** of all revenue comes from ASM-run events.

A partner that controls the majority of revenue and expenses is not peripheral. **It is in charge**.

**Bottom Line:**

This proposal is a **Trojan Horse—an alliance of nonprofit cover and for-profit control, channeling public assets into private gain.**

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**TP-08: “We need a pure public park instead”**

Fact: Although a park sounds attractive, the city has been clear that’s not on the table. The only way to have open space on Pier 5 is through a project that will fund and maintain it through a larger project and investment. Our proposal balances open space with a sustainable financing model, ensuring the pier won’t fall back into neglect, and gives the community the open space they are looking for.

**Rebuttal-08:**

**1. False inevitability**

Courageous repeats that the City won’t allow a stand-alone park. This is a **false inevitability**. Public demand has shifted City positions before and can again.

**2. False dichotomy**

Their argument also sets up a **false dichotomy**: either their project or nothing. In truth, there are other models—a **Harbor Park with floating pools, green space, and low-impact amenities**—that align with Boston’s own climate resilience and open-space goals.

**3. Unproven financial sustainability**

Their so-called “sustainable financing model” rests on speculative revenue projections and opaque expenses solely reliant on ASM’s dictates, unsubstantiated by market studies.

**Bottom Line**

The choice is not “no money, no park.” Boston can and must deliver a **Harbor Park and Pool** that connects families to the water and creates a lasting legacy for the entire city.

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**Conclusion**

Pier 5 is a **once-in-a-generation opportunity**. Both current proposals fail by transferring public value into private hands.

The BPDA must:

- **Reject both proposals for Pier 5.**
- **Launch a new RFP** for a non-commercial, public-first vision.
- **Ensure a transparent, competitive process** before any long-term lease of Pier 4.

With vision, Pier 5 can become Boston’s first **Harbor Park and Pool**—a bold, public symbol of resilience and community, and a legacy worthy of the harbor cleanup itself.

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