

PANYNJ Looks To Private Sector for New Goethals Bridge

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By Jack Buehrer

The Port Authority of New York and New Jersey is looking to the private sector to finance the construction of a replacement for the Goethals Bridge, which connects Staten Island to New Jersey.

The estimated \$1 billion project would be paid for, according to PANYNJ Executive Director Chris Ward, by a private investor or group which would then lease the bridge to the Port Authority.

"If the market can't provide us with a low cost option, then the market will have shown that it can't respond, right now, to this kind of arrangement," Ward said. "But we think there is interest out there and this can get done."

Ward says he likens the project to "more of a design-build with an external financing program." The investor would hire its own team to design and build the bridge while sticking to the Port Authority's requirements. The Port would continue to patrol it, collect tolls and clear snow and ice.

"We're not selling the bridge, we're not turning over the bridge, we wanted to maintain this as an asset of the

Port Authority," said PANYNJ CFO Paul Blanco. "We just want to bring in a developer to help build it and finance it."

Structural maintenance, Ward said, will fall to the investor. "It's much like leasing a car," he added.

Such a deal would be the first of its kind for the Port Authority, which has already issued a request for information for the project, responses for which are due June 11. Ward has already had conversations with many investors, he said, and characterized the interest level as "keen."

"We've had some preliminary discussions with a variety of consortiums and we believe we're going into the market at a very robust time," he said.

Both Blanco and Ward said the Goethals Bridge experiment could change how other Port Authority projects are financed in the future as the agency continues to grapple with budget woes and a growing list of capital projects that have been put on hold or postponed due to lack of funding.

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