THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
MEETINGS OF THE BOARD OF COMMISSIONERS AND BOARD COMMITTEE MEETINGS – THURSDAY, MARCH 21, 2024

The following is the revised public agenda and related materials as of Thursday, March 21, for the March 21, 2024 Meetings of the Board of Commissioners and Board Committees of The Port Authority of New York and New Jersey and its subsidiaries to be held at 2 Montgomery Street, Jersey City, New Jersey and live-streamed at https://www.panynj.gov/corporate/en/board-meeting-info/videos.html.

In-person meeting attendees are required to go through a security screening upon entering the building. Attendees are encouraged to arrive early. Security screening will begin at 11:00 a.m. For members of the public interested in viewing the proceedings virtually, a video broadcast will be live streamed from the Port Authority's Website. The video broadcast may be accessed at https://www.panynj.gov/corporate/en/board-meeting-info/videos.html.

Executive Session Meeting – 9:30 a.m. (3rd Floor – Room D)

Executive Session - All Commissioners

The Board of Commissioners will meet in executive session prior to the public meetings to discuss matters related to security or public safety, matters related to the purchase, sale, or lease of real property, where disclosure would affect the value thereof or the public interest, matters related to personnel and personnel procedures, and to discuss and act upon matters involving ongoing negotiations or reviews of contracts or proposals.

Public Meetings – 12:15 p.m. (3rd Floor - Training Room)

Committee on Finance

♦ Year-End 2023 Financial Results	Libby McCarthy

Committee on Capital Planning, Execution and Asset Management

♦ Newark Liberty International Airport – Rail Station – Development of New At-Grade Airport Access and Ground Transportation Hub – Project Authorization	Jackie McCarthy
♦ Year-End 2023 Capital Results	Derek Utter

Board Meeting – 12:30 p.m. *(estimated)* (3rd Floor – Training Room)

♦ Staff Tribute	
♦ Report of Executive Director	Richard Cotton
♦ Midtown Bus Terminal Replacement Program – MOU with The City of New York – Payment in Lieu of Taxes for Future Commercial Office Tower Developments	Derek Utter
♦ Speakers Program*	
♦ Resolution Approvals	

For more information, contact the Office of the Secretary at (212) 435-6682 or (212) 435-7312.

Media Only: (212) 435-7777
SUBJECT TO CHANGE

* As part of the transition from virtual to in person meetings, members of the public wishing to address the Board on Port Authority-related matters may do so either in-person at the public Board Meeting, or by submitting a pre-recorded video statement or written statement if participating virtually.

Individuals planning to address the Board in-person at the public Board Meeting should register by completing and submitting a speakers registration form online by 9:00 a.m. on the day of the Board meeting.

Individuals may submit written statements or pre-recorded video statements by Noon on Tuesday, March 19 to Speakersprogram@panynj.gov. Pre-recorded videos submitted as part of the speakers' program will be broadcast as part of the public Board meeting.

All speakers are limited to three minutes each, and speaking time may not be transferred. The public comment period may be limited to 30 minutes. Appropriate photo identification is required.

Note: Prerecorded video statements must be smaller than 100 megabytes.

Form of Proposed Resolutions to be Considered by the Board and Committees at the March 21, 2024 Meeting*

1. Midtown Bus Terminal Replacement Program – Authorization of Memorandum of Understanding with the City of New York – Payment in Lieu of Taxes (PILOT) for Future Commercial Office Tower Developments

2. Newark Liberty International Airport – Rail Station – At-Grade Public Airport Access and Ground Transportation Hub – Project Authorization

3. Newark Liberty International Airport – Rehabilitation of Runway 4L-22R – Project Authorization and Authorization to Award Contract EWR-154.935

4. Publication of Annual Financial Statements

* The Board is also expected to take action on an item in executive session related to matters involving ongoing negotiations or reviews of contracts or proposals.

MIDTOWN BUS TERMINAL REPLACEMENT PROGRAM – AUTHORIZATION OF MEMORANDUM OF UNDERSTANDING WITH THE CITY OF NEW YORK – PAYMENT IN LIEU OF TAXES (PILOT) FOR FUTURE COMMERCIAL OFFICE TOWER DEVELOPMENTS

At its meetings in February 2017, June 2021, June 2023 and February 2024, the Board authorized funds for planning, engineering services and related supervisory costs to advance the Midtown Bus Terminal Replacement ("MBTR") Program.

The MBTR Program, which is currently estimated at a total program cost of approximately $10 billion, is expected to consist of a replacement main bus terminal ("Main Terminal"), a staging and storage facility and associated ramp infrastructure and be constructed in several phases through anticipated completion as early as 2035. Following completion of the Main Terminal, the Port Authority expects to permit a developer(s) to construct two new office towers on top of the Main Terminal. The Port Authority is also seeking to permit a developer to construct an office tower incorporating real property it owns or would acquire south of the Midtown Bus Terminal ("LT-3 Site").

The Port Authority and The City of New York ("City") have now reached an agreement in principle set forth in a Memorandum of Understanding dated March 12, 2024 ("MOU") pursuant to which the City would allow the capture of certain payments equivalent to real property taxes, mortgage recording taxes, and sales taxes (collectively, "PILOT Benefits") by the Port Authority as a contribution to the costs of the MBTR Program. The MOU recognizes that the MBTR Program serves a public benefit and that the MBTR Program incorporates local community benefits previously recommended by the City, which increased the overall cost and complexity of the MBTR Program. It was recommended that the Board authorize the Executive Director to enter into the MOU and, when appropriate, the final agreement(s) with the City ("Final Agreement(s)"), so long as the terms and conditions in the Final Agreement(s) do not deviate materially from the MOU.

Under the MOU, the City is agreeing to (i) permit the Port Authority to collect and retain the PILOT Benefits from the three proposed commercial office towers (together with any alternative sites approved by the City, the "Development Properties"); and (ii) allow those PILOT Benefits to be used by the Port Authority to support the funding for the MBTR Program, including for debt service on consolidated bonds.

The PILOT Benefits, having an estimated net present value of $2 billion (20% of total project costs), would be paid to the Port Authority for a 40-year period for each Development Property, beginning at its completion of construction ("PILOT Period"). The maximum gross square footage ("GSF") of the Development Properties for which the PILOT Benefits would apply is 6 million GSF, in total, with individual sub-limits for each Development Property. Following the PILOT Period, the real estate taxes, or tax equivalent payments, would revert to the City. The PILOT Benefits would be realized by the Port Authority only to the extent there is future demand for commercial office space at the Development Properties' sites.

The MOU also would confirm that the real property taxes to be paid to the City for the Midtown Bus Terminal following completion of the MBTR Program would remain at the current rate of approximately $350,000 annually, and that no real property taxes would be due on a Development Property until its construction completion, other than real property taxes for the LT-3 Site, based on the taxes paid immediately preceding acquisition by the Port Authority, plus escalation thereafter based on the consumer price index at a minimum of 2% but no more than 5% per year. In the event that the LT-3 Site is developed and PILOT Benefits are generated before award of a construction contract for the Main Terminal ("Main Terminal Construction Award"), any of the LT-3 Site PILOT Benefits would be held by the Port Authority in escrow. If no Main Terminal Construction Award is made before December 31, 2035, escrowed amounts would be released to the City, with a right of the Port Authority to resume collecting these PILOT Benefits for a 40-year period beginning on the date the Main Terminal Construction Award is made.

Under the MOU, the Port Authority would agree to voluntarily submit certain of its MBTR Program plans for the City's Uniform Land Use Review Procedure. The City has agreed to provide administrative assistance through staff from the Mayor's office and the New York City Economic Development Corporation to effectuate City action in accordance with City regulations.

The parties have agreed that the financial arrangements in the MOU are in principle acceptable to them and that the MOU be embodied in a more detailed agreement in due course.

Pursuant to the foregoing report, the following resolution was adopted:

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into a Memorandum of Understanding (MOU) with the City of New York (City) providing for: (i) the Port Authority to collect and retain the real estate tax equivalent payments (PILOT Benefits") from the three proposed commercial office towers (together with any alternative sites approved by the City, the "Development Properties") for a period of 40 years from the completion of each Development Property; and (ii) the PILOT Benefits to be used by the Port Authority to support the funding for its Midtown Bus Terminal Redevelopment Program, which may include debt service on consolidated bonds, all substantially in accordance with the terms outlined to the Board; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into a binding agreement(s) with the City reflecting the MOU and any other terms and conditions he believes are necessary or desirable to effectuate the MOU and the collection of the PILOT Benefits, so long as the terms do not deviate materially from the MOU and any other contracts and agreements necessary or appropriate in connection with the foregoing; and it is further

RESOLVED, that the Executive be and he hereby is authorized, for and on behalf of the Port Authority, to enter into other contracts and agreements necessary to effectuate the foregoing; and it is further

RESOLVED, that the form of all contracts, agreements and other documents in connection with the foregoing shall be subject to the approval of General Counsel or her authorized representative, and the terms of such contracts, agreements and documents shall be subject to review by General Counsel or her authorized representative.

NEWARK LIBERTY INTERNATIONAL AIRPORT – RAIL STATION – AT-GRADE PUBLIC AIRPORT ACCESS AND GROUND TRANSPORTATION HUB – PROJECT AUTHORIZATION

It was recommended that the Board authorize a project (EWR Station Access Project) to develop direct, street level and elevated access for neighboring communities in Newark, New Jersey to the Newark Rail Link Station (AirTrain Station) and Newark Liberty International Airport (EWR) and to the rail services available at the co-located Northeast Corridor Station (NEC Station) provided by National Passenger Rail Corporation (Amtrak) and New Jersey Transit Corporation (NJT), as well as providing related amenities for customers accessing the Stations, at an estimated total project cost of $160 million, inclusive of previously authorized planning and other costs. It was also recommended that the Board authorize the Executive Director to enter into agreements to fund third-party design and construction coordination and reviews (including, but not limited to, Amtrak force account work), agreements for design, construction, property acquisition, project management and such other agreements as he deems appropriate to effectuate the EWR Station Access Project.

Since its opening in 2001, the AirTrain Station and EWR have been inaccessible at grade from the local area streets and residential neighborhoods west of the AirTrain Station. The inaccessibility also prevents access to the NEC Station link, which serves EWR and abuts the AirTrain Station.

At its meeting of March 16, 2023, the Board authorized planning and preliminary design work, inclusive of services to support acquisition of preliminary property rights, for the development of the EWR Station Access Project.

Project authorization at this time would provide for costs for final design, construction, and property acquisition to build the project.

Once implemented, the EWR Station Access Project would improve transit access to EWR for air travelers and EWR employees, including local residents, and provide improved access to the NEC Station. Specific project benefits include: (i) improved commutation to on-airport jobs for local residents, broadening the local labor pool; (ii) improved transit access, thereby increasing opportunities for local development near the airport; (iii) efficient and cost-effective interconnection of the AirTrain Station and the NEC Station for interconnection with Amtrak and NJT rail service, as originally contemplated by New York and New Jersey in the Port Authority’s AirTrain and PATH legislations; (iv) providing services to the neighboring Newark communities, which have been impacted by the AirTrain Station (and the NEC Station) without the benefit of access to transit service; (v) enhancing sustainability by encouraging airport users to choose transit means other than private vehicles; and (vi) leveraging existing transportation assets in a cost-effective way to improve local and regional access, mobility and connectivity.

Final design and construction work would necessitate engagement and coordination with a range of stakeholders with property interests or operations on or near the existing stations, including Amtrak, NJT, Conrail, Public Service Enterprise Group Inc., the City of Newark, private property owners, and the New Jersey Department of Transportation, which manages New Jersey State Route 27 (Frelinghuysen Avenue) that will be used to enter and exit the project site.

Pursuant to the foregoing report, the Board adopted the following resolution:

RESOLVED, that a project (EWR Station Access Project) to develop direct, street level and elevated access for neighboring communities in Newark, New Jersey to the Newark Rail Link Station and Newark Liberty International Airport and to the rail services available at the co-located Northeast Corridor Station provided by National Passenger Rail Corporation and New Jersey Transit Corporation, as well as providing related amenities for customers accessing the Station, at an estimated total project cost of $160 million, inclusive of previously authorized planning and other costs, be and it hereby is authorized; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into agreements to fund third-party design work, and construction coordination and reviews and agreements for design, construction, property acquisition, project management, and such other agreements, as he deems appropriate to effectuate the EWR Station Access Project; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to take action with respect to construction contracts, contracts for professional and advisory services and such other contracts and agreements as may be necessary to effectuate the foregoing project, pursuant to authority granted in the By-Laws or other resolution adopted by the Board; and it is further

RESOLVED, that the form of all contracts, agreements and documents in connection with the foregoing project shall be subject to the approval of General Counsel or her authorized representative, and the terms of such contracts, agreements and other documents shall be subject to review by General Counsel or her authorized representative.

NEWARK LIBERTY INTERNATIONAL AIRPORT – REHABILITATION OF RUNWAY 4L-22R – PROJECT AUTHORIZATION AND AUTHORIZATION TO AWARD CONTRACT EWR-154.935

It was recommended that the Board authorize: (1) a project to rehabilitate Runway 4L-22R at Newark Liberty International Airport (EWR), in a total estimated project cost of $134 million; and (2) the Executive Director to award Contract EWR-154.935, to the qualified bidder that submits the lowest bid pursuant to a publicly advertised request for bids, to perform the runway rehabilitation work, at an estimated amount of $81 million, which is included in the estimated total project cost of $134 million.

Runway 4L-22R is one of three runways at EWR and serves as the primary departure runway. The runway handled 213,149 total flight operations at EWR in 2023 (approximately 50.8 percent of all operations at the airport). The most recent inspections of Runway 4L-22R identified normal wear and tear in the runway pavement, and recommended rehabilitation of the pavement to extend the useful life of the runway. On October 27, 2022, the Board approved planning work and preliminary engineering services to develop a project to rehabilitate Runway 4L-22R, at an estimated planning cost of $5 million.

The project would include: pavement mill and overlay, replacement of existing fluorescent lighting and fluorescent airfield guidance signs with light-emitting-diode (LED) lighting and guidance signs, replacement of regulators, and signage, electrical infrastructure, and drainage improvements, to ensure a state of good repair and comply with the latest Federal Aviation Administration (FAA) specifications.

It is anticipated that approximately 43 percent of the project costs would be recovered via future Federal Aviation Administration (FAA) Airport Infrastructure Grant funding. The total grant amount is subject to FAA approval.

Pursuant to the foregoing report, the following resolution was adopted:

RESOLVED, that a project to rehabilitate Runway 4L-22R at Newark Liberty International Airport (EWR), at an estimated total project cost of $134 million, be and it hereby is, authorized; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to award Contract EWR-154.935, to the qualified bidder that submits the lowest bid pursuant to a publicly advertised request for bids, to perform the runway rehabilitation work, at an estimated amount of $81 million, which is included in the estimated total project cost of $134 million; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to take action with respect to other construction contracts, contracts for professional, technical and advisory services, and such other contracts and agreements as may be necessary or appropriate to effectuate the foregoing project, pursuant to authority granted in the By-Laws or other resolution adopted by the Board; and it is further

RESOLVED, that the form of all contracts, agreements and other documents in connection with the foregoing shall be subject to the approval of General Counsel or her authorized representative, and the terms of such contracts, agreements and other documents shall be subject to review by General Counsel or her authorized representative.

PUBLICATION OF ANNUAL AUDITED FINANCIAL STATEMENTS

Pursuant to the By-Laws and its Charter, the Audit Committee's members have reviewed and approved the Port Authority's audited Financial Statements and Appended Note Disclosures for the year ended December 31, 2023 (2023 Financial Statements) and recommended to the Board that such Financial Statements be included in the Port Authority's 2023 Annual Report and other publications, as appropriate. It was therefore recommended that the Board authorize the publication of the 2023 Annual Report which shall include the 2023 audited Financial Statements.

Pursuant to the foregoing report, the following resolution was adopted:

> **RESOLVED**, that the publication of the Port Authority's 2023 Annual Report, which shall include the Port Authority's audited Financial Statements and Appended Note Disclosures for the year ended December 31, 2023, be and the same hereby is authorized.