

From: cmccann@wilentz.com
Sent: Tuesday, July 31, 2012 4:08 PM
To: Duffy, Daniel
Cc: Torres Rojas, Genara; Van Duyne, Sheree
Subject: Freedom of Information Online Request Form

Information:

First Name: Corinne
Last Name: McCann
Company: Wilentz, Goldman & Spitzer, P.A.
Mailing Address 1: 90 Woodbridge Center Dr.
Mailing Address 2: Suite 900 Box 10
City: Woodbridge
State: NJ
Zip Code: 07095
Email Address: cmccann@wilentz.com
Phone: 732855-6115
Required copies of the records: Yes

List of specific record(s):

Copy of all permits and approvals obtained by the Port Authority for the MOTBY Peninsula in Bayonne, New Jersey

THE PORT AUTHORITY OF NY & NJ

Daniel D. Duffy
FOI Administrator

August 21, 2012

Ms. Corinne McCann
Wilenz, Goldman & Spitzer, P.A.
90 Woodbridge Center Dr., Suite 900, Box 10
Woodbridge, NJ 07095

Re: Freedom of Information Reference No. 13374

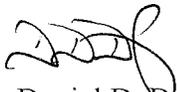
Dear Ms. McCann:

This is a response to your July 31, 2012 request, which has been processed under the Port Authority's Freedom of Information Code (the "Code") for copies of the permits and approvals obtained by the Port Authority for the MOTBY Peninsula in Bayonne, NJ.

Material responsive to your request and available under the Code can be found on the Port Authority's website at <http://www.panynj.gov/corporate-information/foi/13374-O.pdf>. Paper copies of the available records are available upon request.

Please refer to the above FOI reference number in any future correspondence relating to your request.

Very truly yours,



Daniel D. Duffy
FOI Administrator

PORT JERSEY-PORT AUTHORITY MARINE TERMINAL – PURCHASE OF A PORTION OF THE FORMER MILITARY OCEAN TERMINAL AT BAYONNE FROM THE BAYONNE LOCAL REDEVELOPMENT AUTHORITY

It was recommended that the Board authorize: (1) the Executive Director to enter into an agreement with the Bayonne Local Redevelopment Authority (BLRA) for the purchase, for marine terminal purposes, of an approximately 131-acre portion of the former Military Ocean Terminal at Bayonne (MOTBY), designated as The Landing, The Loft and Bayonne Point, and the associated riparian lands (Property) together with easements over a series of roadways on MOTBY (the Easements), from the BLRA, at a total consideration of \$235 million, to be paid over 24 years; (2) renaming of the Port Authority Auto Marine Terminal to the Port Jersey-Port Authority Marine Terminal and to add the Property and Easements to that facility; (3) acceptance of an assignment from the BLRA of the Royal Caribbean Cruise Lines agreements for the Cape Liberty Cruise Terminal; (4) the Executive Director to incur costs and execute, on behalf of the Port Authority, other agreements involving, among other things, appraisals, surveys, environmental studies, and other matters necessary to acquire the Property; and (5) General Counsel, in connection therewith, to retain a title company to secure title searches and title insurance and perform related services.

The former MOTBY site, which is now known as The Peninsula at Bayonne Harbor (Peninsula), encompasses 652 acres of upland and riparian lands, which includes a 437-acre man-made peninsula that is approximately one-third of a mile wide, two miles long, and extends into the Upper New York Harbor. In 1995, MOTBY, which at that time was owned by the United States Army (Army) and operated as an Army facility, was designated for closure in support of the federal Base Realignment and Closure initiative. The BLRA determined that the former MOTBY property was an area in need of redevelopment and expressed an interest to the Army in taking ownership of the property. The property subsequently was transferred from the Army to the BLRA.

In 2004, the BLRA approved a redevelopment plan for the entire Peninsula. The plan divided the Peninsula into six districts, namely, Maritime Industrial District, Harbor Station, Bayonne Bay, The Landing, The Loft and Bayonne Point. The Landing, The Loft and Bayonne Point are located in the southern portion of the Peninsula and at the tip of the Peninsula. The Landing, The Loft and Bayonne Point are not currently subject to any redeveloper or developer agreements and are owned in fee by the BLRA. All developer designations (if any) on those three parcels have either expired or been cancelled. The Maritime Industrial District is owned/controlled indirectly by Ports America, which also owns/controls the Port Newark Container Terminal in Port Newark. Harbor Station and a portion of Bayonne Bay are still owned by the BLRA, but have mortgage liens and redeveloper designations outstanding in favor of The Fidelco Group and Atlantic Realty Development Corporation, respectively. The balance of Bayonne Bay is owned by Trammel Crow Residential and is the location of a residential rental apartment complex on the site. Royal Caribbean Cruise Lines operates the Cape Liberty Cruise Terminal on property that is part of Bayonne Point.

Since 1989, the Port Authority has been interested in acquiring all or portions of the former MOTBY site, in recognition of its strategic value to the long-term vitality of our port business, including the property to be acquired pursuant to the proposed authorization. Recently, BLRA has expressed an interest in transferring this portion of the former MOTBY site to the Port Authority, and staff believes this is a unique opportunity to add this parcel to the Port Authority's portfolio of Port properties to better position the agency to meet its long-term development needs and to ensure the continued use of this property for maritime purposes.

The MOTBY site is one of the few remaining waterfront parcels available in the Port District with the capacity to accommodate significant marine terminal use. Acquisition of the Property would enhance our long-term Port strategy and would fill a strategic need. Waterfront property in the Port is scarce, and acquisition of the Property would preserve it for future maritime uses. Obtaining existing waterfront and riparian lands with deep-water access would complement and enhance the value of planned and existing Port Authority investments in the area. Upon acquisition of the portion of the MOTBY site, the property would be incorporated into the Port Jersey-Port Authority Marine Terminal, located in Bayonne and Jersey City. Together with other Port Authority initiatives in the Port Newark, the Elizabeth-Port Authority Marine Terminal, the Port Jersey-Port Authority Marine Terminal, Bayonne, and the Jersey City waterfront area, the proposed MOTBY acquisition presents a unique opportunity for future expansion of the Port Authority's existing marine terminal facilities, enhances the feasibility of implementing a port-wide land use master plan, enhances the competitiveness of the Port, and provides an opportunity for significant regional economic and commercial growth and job creation.

In consideration of the Property and Easements to be acquired, the Port Authority would pay the BLRA a total consideration of \$235 million to be paid over 24 years. The Port Authority would not be required to make any payments in lieu of taxes to the City of Bayonne in connection with the property to be acquired.

This item shall not be made available for public inspection until such time as the property acquisition becomes a matter of public record.

Pursuant to the foregoing report, the Committee on Operations, acting for and on behalf of the Board pursuant to delegated authority, adopted the following resolution in executive session with Commissioners Bauer, Holmes, Pocino and Steiner voting in favor; none against; Commissioners Coscia and Sartor recused:

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to: (1) enter into an agreement with the Bayonne Local Redevelopment Authority (BLRA) for the purchase, for marine terminal purposes, of an approximately 131-acre portion of the former Military Ocean Terminal at Bayonne (MOTBY), designated as The Landing, The Loft and Bayonne Point, and the associated riparian lands (the Property), together with easements over a series of roadways on MOTBY (the Easements), from the BLRA, at a total consideration of \$235 million, to be paid over 24 years; (2) renaming of the Port Authority Auto Marine Terminal to the Port Jersey-Port Authority Marine Terminal and to add the Property and Easements to that facility; (3) accept an assignment from the BLRA of the Royal Caribbean Cruise Lines agreements for the Cape Liberty

Cruise Terminal; and (4) incur costs and execute on behalf of the Port Authority other agreements, involving, among other things, appraisals, surveys, environmental studies, and other matters necessary to acquire the Property; and it is further

RESOLVED, that General Counsel be and hereby is authorized, for and on behalf of the Port Authority, to retain a title company to secure title searches and title insurance and perform related services in connection with the foregoing property acquisition; and it is further

RESOLVED, that the form of all documents in connection with the foregoing shall be subject to the approval of General Counsel or his authorized representative.