

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

COMMITTEE ON OPERATIONS

MINUTES

Thursday, September 21, 2006

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Hudson-Raritan Estuary Resources Program – Acquisition of the Boulevard Tire Realty, Inc., Property in Secaucus, New Jersey	2

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY**MINUTES OF
COMMITTEE ON OPERATIONS
225 Park Avenue South
New York, NY
Thursday, September 21, 2006****PRESENT:**

Hon. Charles A. Gargano, Chair
Hon. Jack G. Sinagra, Vice-Chair
Hon. Christine A. Ferer
Hon. Angelo J. Genova
Hon. Anthony J. Sartor
Hon. Henry R. Silverman
Committee Members

Karen E. Eastman, Secretary

Arthur J. Cifelli, Deputy Chief of Staff
Francis A. DiMola, Director, Real Estate
Michael B. Francois, Chief of Real Estate/Regional and Economic Development
Lawrence S. Hofrichter, Deputy General Counsel
Louis J. LaCapra, Chief Administrative Officer
Richard M. Larrabee, Director, Port Commerce
Robert F. Lurie, Chief of Strategic Planning
Titus Massey, General Manager, Port Financial Services, Management & Budget
James E. McCoy, Manager, Board Management Support, Office of the Secretary

Guest:

Sonia Frontera, Authorities Unit, Office of the Governor of New Jersey

The Committee meeting was called to order in executive session by the Chair at 9:12 a.m. and ended at 9:25 a.m.

Action on Minutes

The Secretary reported that the Minutes of the meeting of June 29, 2006 had been signed and distributed to the Commissioners.

Whereupon, the Committee approved the Minutes of the meeting of June 29, 2006.

HUDSON-RARITAN ESTUARY RESOURCES PROGRAM – APPROVAL TO FUND THE ACQUISITION OF PROPERTY KNOWN AS THE “BOULEVARD TIRE REALTY, INC. PROPERTY” IN SECAUCUS, NEW JERSEY

It was recommended that the Committee approve the substantive terms of an agreement for Port Authority reimbursement to the New Jersey Meadowlands Commission (Meadowlands Commission) of an amount not to exceed \$650,000 for its acquisition of an interest in certain real property known as the “Boulevard Tire Realty, Inc. Property” located at 1159 Farm Road, Secaucus, New Jersey (the Property), to be encumbered by a perpetual encumbrance for the benefit of the Port Authority created in a manner satisfactory to the Port Authority, either through a conservation easement or through restrictive covenants in the acquisition deed. The Property consists of approximately 1.59 acres of land within the Meadowlands District, an approximately 31-square-mile area composed of 14 different municipalities in Hudson and Bergen Counties, and is within the Port District region of the Hudson-Raritan Estuary. The Meadowlands Commission is a public entity formed by the State of New Jersey in 1969 to provide for environmental protection, economic development and solid waste management in the Meadowlands District.

At its meeting of October 21, 2004, the Board authorized the Executive Director to enter into a Memorandum of Understanding (MOU) with the Meadowlands Commission to provide up to \$10 million in funding for land acquisitions within the Meadowlands District, provided that the properties to be acquired are identified by Port Authority staff as land necessary to support Port Redevelopment Programs in the Port District region of the Hudson Raritan Estuary, in conformance with the criteria set forth by the Board when it originally authorized the Hudson-Raritan Estuary Resources Program’s property acquisitions at its meeting of July 26, 2001. The specifics of each transaction are to be approved by the Committee on Operations, and upon acquisition, the properties are to be encumbered in perpetuity in a manner satisfactory to the Port Authority, either through a conservation easement or through restrictive covenants recited in the deed for the benefit of the Port Authority.

The Property has been identified by Port Authority staff as within the eligibility criteria for funding. The reimbursement amount is 100 percent of the Port Authority’s appraisal value for the Property; an appraisal performed for the Meadowlands Commission resulted in a value of \$800,000, and in the event that the final purchase price is greater than the authorized \$650,000 Port Authority reimbursement amount, the difference will be provided by the Meadowlands Commission. Consistent with the MOU, the Meadowlands Commission would acquire title to the Property and be the record owner of the Property, which would be subject to a perpetual encumbrance in a manner satisfactory to the Port Authority, either through a conservation easement or through restrictive covenants in the deed for the benefit of the Port Authority. The Property would be included in the Port Authority’s Hudson-Raritan Estuary Resources Program facility.

Authorization to reimburse, up to a limit, the Meadowlands Commission’s costs for the acquisition of the Property would facilitate the Port Authority’s commitment to timely acquire interests in real property in the Port District region of the Hudson-Raritan Estuary and would advance the goals of the Hudson-Raritan Estuary Resources Program.

Pursuant to the foregoing report, the following resolution was adopted in executive session with Commissioners Ferer, Gargano, Genova, Silverman and Sinagra voting in favor; none against; Commissioner Sartor recused:

RESOLVED, that the substantive terms of an agreement reached with the New Jersey Meadowlands Commission (Meadowlands Commission) for the Port Authority to fund by reimbursement to the Meadowlands Commission of an amount not to exceed \$650,000, representing all or a part of the cost for the Meadowlands Commission's acquisition of an interest in approximately 1.59 acres of land known as the "Boulevard Tire Realty, Inc. Property" located at 1159 Farm Road, Secaucus, New Jersey, for inclusion in the Port Authority's Hudson-Raritan Estuary Resource Program facility, be and they hereby are approved; the form of all documents in connection with the foregoing shall be subject to the approval of General Counsel or his authorized representative.

Whereupon, the meeting was adjourned.

Secretary