



NEW YORK STATE SENATOR

Andrew J. Lanza

Senator Lanza Announces Port Authority Reaches Agreement in Principle WITH NY Container Terminal

ANDREW J LANZA September 20, 2012

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Agreement will keep New York Container Terminal in Howland Hook through 2029, retain 500 jobs and ensure significant investments to enhance the facility's competitiveness

Senator Andrew Lanza today announced that the Port Authority of New York and New Jersey has agreement reached in principle with the New York Container Terminal (NYCT) on a long-term lease extension.

The agreement will continue the Port Authority and NYCT's commitment to Staten Island through 2029; retain the 500 jobs at Howland Hook in Staten Island; and ensure significant investments to enhance the facility's competitiveness. The agreement is subject to board approval at the Port Authority's September 20 meeting of the Board of Commissioners. It will be subject to the ten-day gubernatorial veto period required of all Board activities.

As part of the agreement in principle between the Port Authority and NYCT, the Port Authority will make an estimated \$35 million investment in capital equipment to enhance the competitiveness of the facility. The Empire State Development Corporation also will provide funding. In addition, the Port Authority will agree to lower contractually owed payments, based on container volume, which the NYCT processes. NYCT will pass along these combined savings to the truckers who use the Howland Hook facilities.

"This agreement will ensure that Staten Island's largest private employer will continue to operate at Howland Hook for many years to come," Governor Cuomo said. "The Port Authority's significant investments into Howland Hook illustrate our commitment to Staten Island and the region. Providing a friendly, low-cost business environment is critical to keeping New York's ports open for business."

The New York Container Terminal, owned by Ontario Teachers' Pension Plan (OTPP), is confident it will see a significant increase in new commercial customers over the life of the lease if the agreement is approved. OTPP has net assets worth more than \$117 billion, making it one of the largest, most sophisticated investment groups in the world.

Senator Andrew J. Lanza said, "New York Container Terminal is critically important to Staten Island's present and future economic wellbeing. Governor Cuomo and Pat Foye at the Port Authority appreciate the urgent need to ensure the long-term vitality of the Staten Island business community and New York Container Terminal, and have remained committed over the last year to work with us toward a solution. I thank them for staying the course, remaining focused on results, not rhetoric. I thank the Governor, the Port Authority and Assemblyman Cusick to ensure that we create the proper environment for Staten Island and New York to create and retain jobs right here at home."

Assembly Member Michael Cusick said, "The agreement reached today by the Port Authority and New York Container Terminal is significant news and one more piece of the puzzle put into place to ensure relief for Staten Islanders. This agreement lowers the cost of doing business in Staten Island. Senator Lanza and I made it known that to ensure that good-paying jobs remain on Staten Island these discussions had to continue until there was a fair resolution. This resolution will ensure that these good paying jobs will remain in our community and without Governor Cuomo's leadership during these negotiations we would not have reached this compromise."

Staten Island Borough President James P. Molinaro said, "I was always confident, knowing Governor Cuomo and his position on creating and keeping jobs in New York State, that we would reach a resolution on this issue. I am pleased that an agreement has been reached which will guarantee the Terminal's existence for the next 20 years. Governor Cuomo has recognized that the success of the New York Container Terminal, our Island's third largest employer, was crucial to our Borough's economy, and he came through for us, just like he did with the resident toll discount. It is time to celebrate the good news, and proceed with construction of the new berth, which will allow the Terminal to become even more successful in the coming years."

Port Authority Vice Chairman Scott Rechler said, "Keeping our ports competitive in the global shipping environment is imperative to the success of our core mission. In keeping with Governor Cuomo's commitment to creating a more business-friendly environment in New York, this agreement will retain 500 jobs on Staten Island and provide New York Container Terminal with an atmosphere to grow and expand its business to the benefit of the entire region."

Port Authority of New York and New Jersey Executive Director Pat Foye said, "We are committed to the long-term success of New York Container Terminal. I want to thank Governor Cuomo for his steadfast determination to secure a deal with the New York Container Terminal that keeps hundreds of jobs and hundreds of millions of dollars in

economic activity in Staten Island. By combining rail, a highly productive terminal, and tens of millions of dollars in investment to the terminal and its surrounding infrastructure over the life of the lease, we are confident that Howland Hook will remain competitive and spur economic growth in the region."

The agreement also will ensure that no public funds are used to support no / low-show jobs at New York Container Terminal.

Today's announcement builds upon earlier measures by the Port Authority to provide the Staten Island business community with toll relief. The Port Authority Board approved a Truck Volume Discount Program earlier this year in March, which took effect June 1. All class 2,3,4,5 and 6 trucks who use E-ZPass and sign up for the program and make at least 100 New York-bound non-peak trips per month will receive a 10 percent discount on tolls.

In addition, the Port Authority recently announced an expanded toll discount plan for residential motorists who commute to and from the Island on any of the three bridges linking the Island to New Jersey. Under the plan, approved by the Port Authority Board in June, Staten Islanders, New Jersey residents and others who enroll in the plan and make as few as three trips a month pay just \$4.75 per trip, a savings of 60% off the cash toll rate of \$12. This applies to trips on the Goethals, Bayonne, and Outerbridge Crossing.

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