

Project #104010001 Addendum # 1 February 13, 2024

# **To All Respondents:**

- 1. All requirements of the original RFP shall remain in full force and effect, except as set forth in this Addendum and any other previously issued Addenda.
- 2. All capitalized terms set forth in this Addendum shall have the same meaning as set forth in the RFP being amended hereby.
- Exhibit B "MARAD Marine Highway Grant Application Project Narrative" to Appendix B – Scope of Services, which is found In Exhibit 6 to the RFP, is hereby deleted in its entirety and replaced with the attached.

# THIS ADDENDUM MUST BE SIGNED BY THE PROPOSER AND ATTACHED TO THE TECHNICAL PROPOSAL WHEN SUBMITTED.

NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION

By: Maryann Catalano

Title: Chief Contracting Officer, Contracts

## ACKNOWLEDGED AND AGREED:

Name of Propos	ser:		
By:			
Title:			
Date:			

# **EXHIBIT B**

#### d. Executive Summary

The project seeks to upgrade six landings in New York harbor to enable these sites to accommodate freight by water. Each of these sites contain appropriate upland conditions necessary for the conveyance of "last-mile" goods to local destinations but lack the necessary landing infrastructure to dock watercraft and move cargo to the necessary staging areas and roadways for delivery. Similar to ferry landings, the project would install floating platforms with appropriate tie up and vessel docking hardware to successfully secure vessels and allow for unloading via crane, hand truck, "eBike", or motorized vehicle. These sites include the following:

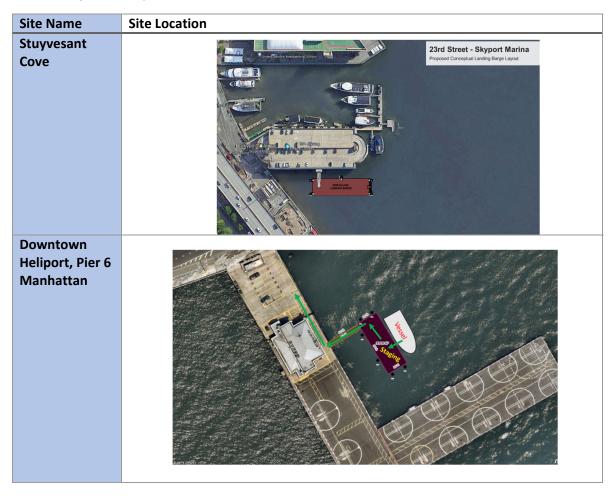
- Stuyvesant Cove, East River, Manhattan
- Downtown Manhattan Heliport, East River, Manhattan
- Pier 36, East River, Manhattan
- Oak Point, McGinnis Cement Terminal, Bronx
- 29<sup>th</sup> Street Pier, Gowanus Bay, Brooklyn
- 23<sup>rd</sup> Street Pier, Gowanus Bay, Brooklyn

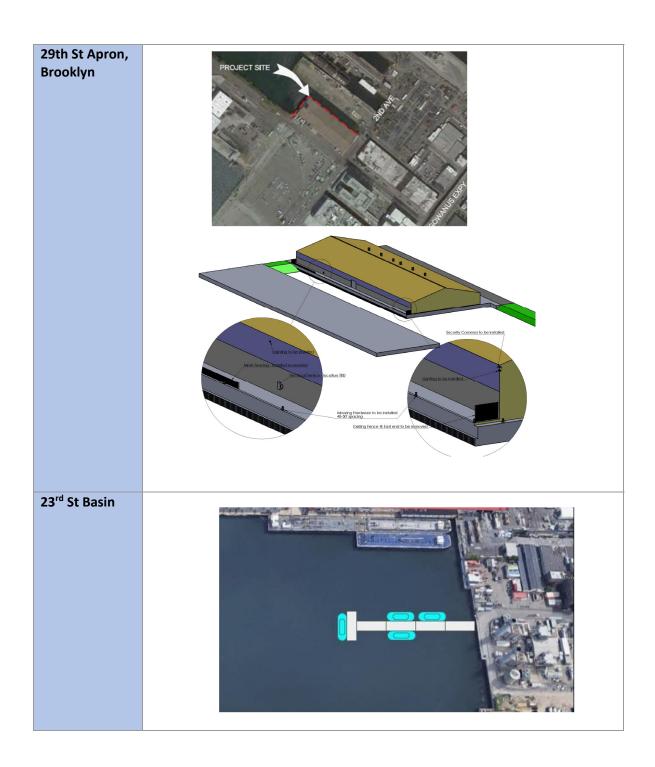
These sites were chosen because of known interest by private cargo companies and maritime operators to serve local customers by water. These sites represent the origin and destination nodes on an emerging marine highway network that connects distribution areas to consumption areas within the city. Once established, activity at these nodes can be expanded to link to other sites within the city and to locations in other NYC boroughs and neighboring states. The types of cargo that would be carried once the improvements are completed include eCommerce packages, food and beverages, construction materials and other consumer goods.

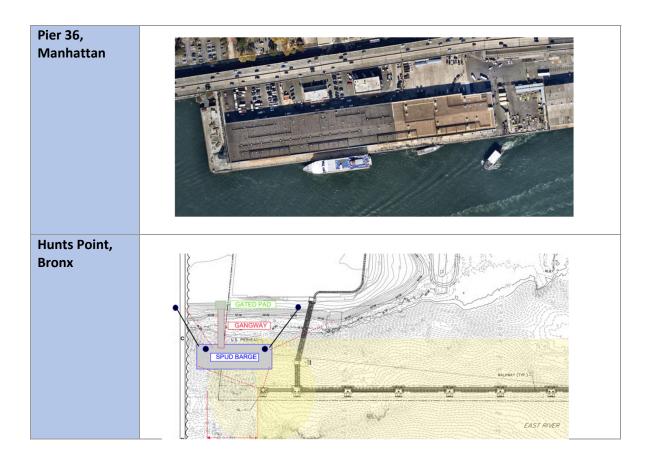
Improvement funded under the grant include upgrades to existing landing platforms or "spud" barges, addition of shore power to allow vessels to turn off engines during loading/unloading of cargo, potable water systems to resupply vessels, installation of gangways to connect landing barges to upland locations, electrical upgrades, cleats and mooring points, and the addition of fenders and piles to aid in docking. In sum, these improvements would result in New York City having modern, marine highway landing points in strategic locations that are intended to jump-start a larger regional network as envisioned under the America's Marine Highway Project Designation.

- e. The public and private partners engaged in the Marine Highway Project.
  - i. Dock NYC: Management program for docks, piers, and wharves under the control of NYCEDC.
  - ii. Billybey Marina Services LLC: Contractor responsible for managing DockNYC property locations.
  - iii. Lehigh Maritime Corp: Entity that owns the Hunts Point location.
  - iv. New York Waterway: Private ferry operator.

# II. Project Description







# a. High level view of the overall project and its major components

The Marine Highway Designated Project falls under the "New York Harbor Container & Trailer on Barge Service" which received its America's Marine Highway Project Designation in 2015. Subsequently, in response to a request from the Project sponsors, New York City Economic Development Corporation and the Port Authority of New York and New Jersey, the Maritime Administration extended the designation to extend the service to include various ferry terminals along the M-95, M-295, and M-87 routes. The request was made in response to several private maritime businesses and beneficial cargo owners' interest in utilizing waterways to better serve customers in the New York metropolitan region.

The extension also anticipated grant programs such as these that would support widespread waterborne freight movement. The proposed use of the funds would be to support development of key landing locations in areas known to have market demand. By building the necessary marine infrastructure through this grant and local funds, these sites can be activated in the near future for cargos of various types, including containerized, palletized and roll-on/roll off formats.

This proposal will advance local and regional maritime freight logistics around NYC Harbor. The six waterfront locations in this proposal are key points along the city's waterborne freight system. With each location strategically connecting almost every borough, the infrastructure upgrades at each site will catalyze significant city-wide sustainable freight industry development and job growth.

Upgrading each site will enable marine operations in currently underutilized and underserviced spaces. Once these sites are activated, infrastructure will exist along NYC's marine highways to store and service

the equipment and technology needed for efficient and sustainable freight. NYC will have a greater capacity to increase energy conservation and reduce land congestion with a fortified network.

b. Project's history including a detailed description of any previously completed components.

The Project's origins reflect the national trend led by the Maritime Administration to augment the use of waterways to handle freight of all kinds. In 2015, NYCEDC and the Port Authority applied for designation under the American Marine Highway Program for both existing and future regional barge services in New York Harbor. Designation was approved by the U.S. Secretary of Transportation Anthony R. Foxx on April 16, 2015.

In June 2021, in response to an NYCEDC request, MARAD granted an extension of the designation to include the M-295 and M-87 routes as well as Ferry Terminals, as follows:

- o 8 ferry terminals were added on M-95 route
- o 9 on M-87 route
- o 31 on M-295 route

In 2021, under the New York Harbor Container & Trailer on Barge Service designation, Red Hook Container Terminal, LLC received approximately \$1.4M grant to modify a deck barge to begin Trailer-on-Barge Service. This grant is currently active.

c. Place the project into a broader context of other transportation infrastructure investments being pursued by NYC, NYCEDC and any other project partners.

FreightNYC is the City's blueprint for modernizing its freight transportation network. This grant would directly advance the goal of moving more goods by water.

New York City's population is expected to reach 9 million people by 2040, and this growth will bring increasing residential and commercial freight demand. Even before the COVID-19 pandemic changed our shopping habits, the rise of e-commerce was already leading to an unprecedented surge in freight activity.

Today close to 90% of the City's goods are moved into and around the city by truck—the result of the shift from rail and water networks to highways in the second half of the twentieth century. Now, our dependency on trucks to meet an increasing demand for goods exacerbates traffic congestion, pollutes our air, stresses our aging infrastructure, and harms the quality of life in our residential neighborhoods. Heavy-duty diesel vehicles are responsible for roughly half of on-road tailpipe emissions in New York City, while only representing a fraction of total vehicle activity. These truck emissions have disproportionate health effects on environmental justice communities. Climate impacts from truck emissions are also substantial, with older diesel trucks emitting high levels of black carbon, a potent short-lived climate pollutant. Earlier estimates projected regional freight movement growth of 67% between 2012 and 2045, yet since January of 2020, The NYC Department of Transportation (NYC DOT) estimates that freight traffic across the Hudson River has already increased by over 50%.

One of the city's primary goals is to strengthen the region's supply chain by shifting the movement of goods from trucks to rail and waterborne transportation. Traffic congestion, increasing truck transport

costs, and environmental justice concerns are making rail freight a more competitive and resilient option, but the number of locations in NYC where freight can easily be moved from train cars to the final customer is a limiting factor. There are many local businesses that would like to receive goods via rail but cannot find enough rail adjacent locations with sufficient capacity to meet their needs. Past experiences in Staten Island, the Bronx, and elsewhere have shown that investment in rail has led to increases in freight moving by train. Rail access is especially important for industrial businesses that must transport construction materials, bulk goods and heavy food products such as rice or tomato sauce.

NYC and NYCEDC with the Port Authority coordinated with New Jersey Department of Transportation on its efforts to introduce marine highway service at Port Raritan. Port Raritan, designated in June 2021, will serve sites on the M-95 route as well as those on the adjacent routes M-295, M-87. Port Raritan will eliminate 230,000 truck vehicle miles per year and facilitate marine transportation across the New York Metropolitan Region.

d. Timeline for implementing the project including identifying major project milestones. Demonstrate that the project can complete construction and expend all funds within five years of obligation (obligation is when a grant agreement is signed, this takes place after NEPA review is complete).

Milestone		Year 1 2023			Year 2 2024			Year 3 2025				
		Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Grant Award												
Design Approval		4m										
Permits and Other Approvals 6m												
Barge Procurement and Fabrication				9m								
Barge Piles and Feder Piles Installation						9m						
Pier Attachment							1m					
Barge Installation & Finishes								1m				
Pier Operational									1m			

- e. If the project addresses regional or national supply chain delays on the freight transportation network or strengthens supply chain resiliency, provide sufficient information to enable evaluation of:
  - i. An existing or anticipated regional or national supply chain delay
    - 1. It is estimated that between 2012 and 2045, the volume of goods is expected to grow by 67%, faster than the region and slightly above the national growth projection. City-wide, trucks currently move approximately 90% of freight volume from origin to destination. In 2012, approximately \$318 billion worth of freight moved in, out, and within NYC and that figure is expected to grow (134%) to \$745 billion by 2045. Among NYC's top commodity groups by value, food is ranked second valued at an estimated range of \$25-30 billion (2012 \$) and is expected to increase to \$60-70 billion in 2045.
    - 2. The City's reliance on trucking contributes to congestion, and burdens carriers and shippers with delay and reduced travel time reliability. In

NYC, the average driver spends 89.4 hours per year in congestion during peak drive times and 19% of driving time is spent stuck in traffic. Additionally, in 2007 over 8.5 million truck trips penetrate local streets and city truck routes. On a granular level, there are over 3,000 daily trucks on the Long Island Expressway, over 2,500 daily trucks on Atlantic Avenue, Brooklyn, and more than 2,000 daily trucks on Major Deegan Expressway, Whitestone Bridge/Van Wyck Expressway, Brooklyn-Queens Expressway, and on Linden Boulevard/Conduit Avenue.

ii. How the project will address the identified delay.

This system is going to focus on hyperlocal maritime moves, and tri-state regional moves. This will reduce truck traffic, and aid in moves to relieve supply chain issues.

This project will reduce trucking for local deliveries between distribution centers and consumers. Currently, the delivery of goods surrounding these sites is made via cars, vans, and trucks to the same nearby destinations. The proposed actions will either reduce or not increase the overall traffic to the same nearby destinations.

The addition of these various "hub and spoke" trans-harbor services will increase freight handling capacity. Habilitating these sites will improve supply chain reliability and resiliency by circumventing daytime traffic conditions, instead allowing cargo to get its destination more efficiently by water.

iii. How quickly the project can mitigate the supply chain delay or strengthen supply chain resiliency.

Fabricating, placing, and installing marine infrastructure can be done quicker than land-based infrastructure in congested areas. For example, the NYC Ferry program construction of 24 ferry landings was completed within one year. This project would install similar infrastructure of waterborne freight and can be implemented in a similar timeframe. Doing this quickly will provide immediate benefits to supply chains as described above.

- f. Describe whether the project addresses equity and barriers to opportunity. Applicants are encouraged to describe credible planning activities and actions to resolve potential inequities and barriers to equal opportunity in the project. Examples:
  - i. How the project incorporates an equity impact analysis

FreightNYC was prepared in consultation with environmental justice and community organizations involved in increasing equity.

ii. How the project adopts an equity and inclusion program/plan or implementation of equity-focused policies related to project procurement, material sourcing, construction, inspection, or other activities designed to ensure racial equity in the overall project delivery and implementation

The City of New York's Office of Workforce Development recommends community hiring practices and equity-focused policies related to project procurement, material sourcing, construction, and inspection to ensure equity in the overall project delivery and implementation. Community hiring is implemented through the HireNYC program which, through project labor agreements, encourages the hiring of

residents from neighborhoods with high poverty levels. Participating unions will prioritize the referral of workers from zip codes where at least 15% of the population lives below the federal poverty and/or workers living in NYC public housing. In construction projects valued at \$1 million or above, the HireNYC program applies to non-trade positions such as office personnel. NYCEDC also implements Minority, Women-Owned, and Disadvantaged Business Enterprises hiring goals which will apply to all phases of the project.

iii. Documentation of equity-focused community outreach and public engagement in the project's planning and project elements in underserved communities, including Historically Disadvantaged Communities

As part of the City's efforts to embrace renewable energy and reconnect New Yorkers back to the waterfront, the New York City Economic Development Corporation organized, in recent years, career awareness events. These events focused on exposing New York City's high school students to maritime, freight, logistics, and, most recently, offshore wind careers and jobs. In early 2022, the event brought together high school students from across the City's five boroughs to learn about opportunities from dozens of companies, agencies, and institutions on hand—across the offshore wind, ports, maritime support, education, and the City. Many of these awareness events seek to develop a talented workforce for the industries of the future while ensuring that New Yorkers are connected to quality, well-paid jobs.

See also, "NYCEDC\_Equity\_Focused\_Approach.pdf"

iv. Any policies, plans, and outreach documentation related to advancing equity or removing barriers to opportunity should be briefly discussed and provided as an appendix to the Project Narrative.

NYC's <u>Delivering Green vision plan</u> seeks to utilize city-owned smaller marine terminals and ferry landings to partner with local maritime companies and shippers; these piers can be activated for last-mile freight services. This vision includes retrofitting to allow for RoRo operations so that vessels carrying delivery trucks, freight bikes, electric hand trucks, and palletized cargoes can get to their final destinations more efficiently by water, circumventing daytime traffic conditions. Waterways can be used to create marine highways between distribution areas in New York and New Jersey with residents that reduce air pollution and restore equity to residents living near traditional industrial and distribution districts.

#### III. Project Location

a. Describe the project location including a detailed geographical description of the proposed project, a map of the project's location and connection to existing transportation infrastructure and geospatial data describing the project location.

See attached "NYCEDC\_Marine\_Highways\_Sites\_Citywide.pdf"

	2430 FDR Dr, New York, NY
Stuyvesant Cove, Manhattan	10010
Downtown Heliport, Pier 6	6 East River Piers, New York,
Manhattan	NY 10004

29th St Apron, Brooklyn	9 29th St, Brooklyn, NY 11232
	730 3rd Ave, Brooklyn, NY
23rd St Basin, Brooklyn	11232
	299 South St, New York, NY
Pier 36, Manhattan	10002
	50 Oak Point Ave, Bronx, NY
Hunts Point, Bronx	10474

- b. Identify the following if applicable
  - i. Project is located in a Federally designated community development zone such as a qualified opportunity zone, empowerment zone, or choice neighborhood

See attached "NYCEDC\_Marine\_Highway\_Table\_1.pdf"

ii. Project is located in a Historically Disadvantaged Community, including the relevant census tracts.

See attached "NYCEDC\_Marine\_Highway\_Table\_1.pdf"

iii. Project is located in a 2010 Census-designated urban area or rural area.

Project is located in 5601 New York, NY - Northeastern NJ

# d. Public Benefits Anticipated by The Proposed Project

The proposed site improvements accomplish the goals of FreightNYC and USDOT's American Marine Highway Program, which seek to shift freight from truck deliveries to the City's waterways and bike facilities to improve street user safety, reduce truck traffic congestion, improve air quality, and fight climate change.

# i. Emissions benefits

New York City has long been classified as "Non-Attainment" under the US EPA guidelines. It is estimated that trucks in the New York Metropolitan Area emit approximately 7.9 million tons of CO2 each year. By reducing truck traffic, we can significantly reduce the production of both greenhouse gas emissions and fine particulate matter (PM). These infrastructure upgrades are consistent with the FreightNYC initiatives, which project to reduce truck modal share from 90% to 85%. This would eliminate up to 40 million truck miles, 71,500 metric tons of GHG emissions, and 30,000 pounds of PM.

#### iii. Economic competitiveness

With an expanded marine highway network, communities throughout the region will benefit both directly and indirectly. The significant reduction in the use of trucks to transport cargo will lower the cost of doing business, boost economic activity, and improve the lives of many residents.

New York City depends on aging highway infrastructure, yet we rely on trucks to move nearly 90 percent of freight around the city. Traffic congestion costs the local economy \$862 million in 2017, hurting local businesses and impeding commerce. At the same time, we have under-invested in maritime infrastructure while freight volumes are projected to grow 68 percent by 2045.

The expanded barge services will reduce congestion at marine terminals and lead to improved operating efficiencies. This will ensure more on-time, reliable service for shippers. Increased freight activity will result in new blue collar, quality job opportunities for residents.

# iv. Safety improvements

In 2019 1,490 people were killed in traffic accidents in the New York Metropolitan Area. Of these crashes, 74.6 percent involved large trucks. Taking large trucks off the road will significantly reduce the chance of fatal traffic accidents.

Without reconstruction, more piers will be condemned and taken out of operation. By implementing multimodal freight operations at underutilized landings, sites will be retrofitted to allow cargo to get to its final destinations more efficiently and safely.

v. System resiliency and redundancy.

The project will expand the New York Harbor Container and Trailer-on-Barge Service and provide equipment to potentially be used for a wide variety of customers.

These site improvements will fortify, strengthen, and expand modes of transportation that are flexible during storms and relieve impacts on bridges and tunnels. With a significant population living near and being serviced by goods transported by land-side cargo trucks, it is critical to have alternative freight movement options. Maritime freight services strengthen the supply chains of many goods consumed in the region. These additional supply chain options will facilitate a quicker return to normalcy in the event of a disaster.

The expanded barge services will reduce congestion at marine terminals and lead to improved operating efficiencies. This will ensure more on-time, reliable service for shippers. Similarly, a shift to barge service would create new roadway capacity for the city.

- VI. Other Application Requirements
  - a. National Environmental Policy Act (NEPA) Requirements
    - i. NEPA Status of the Project

NYCEDC will work with US DOT for concurrence of environmental considerations to fulfill the requirements of NEPA and will prepare the appropriate environmental review documentation.

#### ii. Environmental Permits and Reviews

CEQR, a disclosure process mandated by the State Environmental Quality Review Act, introduces a procedure to evaluate a proposed project's potential impact on traffic, transit, pedestrian, and parking conditions. The results of a Level 1 screening assessment based upon trip generated determine the levels of screening warranted for each site. The screening assessment for the Downtown Manhattan Heliport concludes that the Proposed Actions under the hybrid, all-bike, and all-van, scenarios are all anticipated to generate incremental trips that would not exceed the CEQR Technical Manual analysis thresholds for traffic, transit, and pedestrian operations. Therefore, the Proposed Actions would not have the potential to result in any significant adverse impacts on transportation.

## b. Other Federal, State, and Local Actions

Federal or state discretionary actions for project sites will require a US Army Corps of Engineers and a New York State Department of Conservation ministerial permit for necessary construction.

#### c. Domestic Preference

All materials purchased with America's Marine Highway project funds will comply with the Requirements for Domestic Content as per Chapter 83 of Title 41 U.S.C. This project will comply with Buy America and other domestic preference requirements.

#### d. Addressing Climate Change and Decarbonization

The significant reduction in the use of trucks to transport cargo will lower the cost of doing business, boost economic activity, and improve the lives of many residents. As trucks become increasingly displaced by barge service, carbon emissions and noise pollution will decrease. Assuming that over

95,000 truck trips will be replaced in 2015, approximately 2,500 tons of CO2 will be saved. Over 25 years, this savings equates to approximately \$2M. Comparing emissions with fuel costs between trucks and barges, it is evident that transporting cargo via barge from terminals results in lower fuel consumption and lower CO2 emissions, a smaller "carbon footprint". Fuel cost comparisons suggest that transporting cargo by barge is a more fuel-efficient and cost-effective mode of transport. The fuel cost to transport the same number of containers by truck is 160% higher than the fuel costs for a barge operation. With an expanded marine highway network and more frequent use of short sea shipping, communities throughout the region will benefit both directly and indirectly.

# e. Certification Requirements

- i. That, except as noted in this grant application, nothing has changed from the original application for formal designation as a Marine Highway Project; and
- ii. The City of New York, Department of Small Business Services will administer the project and any funds received will be spent efficiently and effectively; and
- iii. The City of New York, Department of Small Business Services will provide information, data, and reports as required.