

EXECUTION VERSION

PORT PROPERTY INITIATIVES MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING (this “MOU”) is made as of April 17, 2024 (the “Effective Date”) by and among The City of New York (the “City”), the New York City Economic Development Corporation (“NYCEDC”), The Port Authority of New York and New Jersey (the “Port Authority”), and The State of New York (the “State”) (the City, NYCEDC, Port Authority, and State, each a “Party,” and collectively, the “Parties”).

WITNESSETH

WHEREAS, the Parties concur that the transfer of certain property interests between the City and Port Authority, as described herein, is an important economic development initiative that would provide considerable long-term economic benefits to the surrounding communities, City, State, and region;

WHEREAS, the Port Authority and City agreed to cooperate in the planning, construction, and operation of a marine project pursuant to the Red Hook Marine Project (III) Terminal Operating Agreement and Lease, dated December 18, 1979, as amended, by and between the State acting by and through the Commissioner of Transportation, Port Authority and City (“Tri-Party Agreement”). The project is situated within the broader Red Hook waterfront encompassing Piers 7 to 12 and their associated uplands (the “RH Property”), inclusive of the Red Hook Container Terminal (“RHCT”). Certain portions of the RH Property are owned by the Port Authority (the “PA RH Property”) and certain portions of the RH Property are owned by the City (the “City RH Property”);

WHEREAS, the Port Authority currently leases Piers 11 and 12 of the PA RH Property to NYCEDC pursuant to that certain lease dated January 1, 2009 (as amended, the “Brooklyn Cruise Terminal Lease”);

WHEREAS, the Port Authority leases waterfront land in Port Newark, New Jersey from the City of Newark (such land, “Port Newark Property”), a portion of which is utilized for the operations of the RHCT;

WHEREAS, the Parties acknowledge that the mixed ownership of the RH Property inhibits long-term planning and investment in a critical waterfront district and consolidating the ownership of the RH Property through the acquisition of fee ownership of the PA RH Property by the City or its designee (the “RH Transfer”), could facilitate the redevelopment of the RH Property (the “RH Initiative”);

WHEREAS, the City owns the Howland Hook Marine Terminal (“Howland Hook”) in Staten Island and leases Howland Hook to the Port Authority pursuant to that certain master lease dated June 30, 1983 (as amended, the “Howland Hook Marine Terminal Lease”);

WHEREAS, the Port Authority seeks to acquire fee ownership to Howland Hook (the “HH Transfer” and, together with the RH Transfer, the “Transfer”), in order to improve Howland Hook (the “Howland Hook Initiative” and, together with the RH Initiative, the “Initiatives”);

WHEREAS, the Parties are desirous of entering into the Interim Agreements (as defined below) as a precursor to the Transfer;

WHEREAS, the State seeks to promote economic development through the revitalization of underutilized waterfront property, which could be effected through the RH Initiative; and

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WHEREAS, the Parties believe that the Transfer, and the plans and implementation for the Initiatives, can best be carried out among the Parties with the participation of the City, the State, and their respective public authorities and designees.

NOW, THEREFORE, the Parties seek to memorialize their understandings as follows:

A. Interim Agreements; Transfer

1. Prior to the Transfer, the City, NYCEDC, and the Port Authority intend to enter into certain agreements (the “Interim Agreements”), as more particularly described below:
 - a. Port Authority will enter into a net lease and net sublease, assignment and release (collectively the “Red Hook Lease”) pursuant to which it will (x) lease the PA RH Property to NYCEDC for a term that is, and remains, coterminous with the Howland Hook Marine Terminal Lease, (y) assign the Brooklyn Cruise Terminal Lease to NYCEDC, to be subject and subordinate to the Red Hook Lease, and (z) sublease the City RH Property to NYCEDC through the expiration of the Tri-Party Agreement. For the avoidance of doubt, if the Howland Hook Marine Terminal Lease is extended as provided in Paragraph (A)(1)(b) below, the term of the Red Hook Lease shall be similarly extended.
 - i. Except for those contracts and agreements set forth on Exhibit I attached hereto, the Port Authority will assign (to the extent assignable) or terminate (to the extent terminable) all agreements with existing tenants of the RH Property as requested by, and at the sole cost and expense of, NYCEDC. To the extent the Port Authority provides security services at the Port Newark Property under United States Coast Guard (“U.S. Coast Guard”) requirements, the Port Authority agrees to, at its option, either (x) continue to provide such services at its sole cost and expense, or (y) reimburse NYCEDC for its provision of such services, in either case through the stated expiration of the RHCT operating agreement in September 2028. For the avoidance of doubt, in accordance with Paragraph (B)(1) below, NYCEDC shall be solely responsible for all security costs and expenses at the RH Property.
 - ii. The Port Authority agrees to reasonably cooperate with NYCEDC to ensure the PA RH Property remains tax exempt. Except as provided in Paragraph (A)(1)(a)(iii) below, to the extent that any real estate taxes (or payments in lieu thereof) are payable with respect to the properties demised by the Red Hook Lease, NYCEDC shall be responsible for the same.
 - iii. Pursuant to that certain agreement dated July 17, 1956, as amended, between the City and the Port Authority (such agreement, as amended from time to time, the “PILOT Agreement”), the Port Authority currently remits an annual payment in lieu of taxes to the City of \$734,861.21. To the extent the PILOT Agreement covers property no longer owned by the Port Authority, the City and the Port Authority agree to work together in good faith to cause the PILOT Agreement to be amended such that the amount payable by the Port Authority thereunder reflects solely property owned by the Port Authority. During the period (such period being, the “PA PILOT Payment Period”) from the Interim Agreements Date to the earlier to occur of (x) the third anniversary of the Interim Agreements Date and (y) the Transfer, the Port Authority will pay NYCEDC an annual payment in an amount

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- equal to the actual annual amount then payable by the Port Authority under the PILOT Agreement (such amount, the “RH PILOT Amount”). On and after the expiration of the PA PILOT Payment Period, the Port Authority shall not bear any cost, expense, or liability for any payments in lieu of real estate taxes with respect to the RH Property, including, without limitation, the RH PILOT Amount.
- iv. Prior to the Transfer and the applicable transition date provided below, to the extent requested by NYCEDC and at NYCEDC’s sole cost and expense, the Port Authority will reasonably cooperate with NYCEDC to (A) facilitate ongoing regulation under the Port Authority building code, and (B) transfer regulatory jurisdiction to the relevant municipal governing body; provided that the transfer of such regulatory jurisdiction shall occur (1) for the NYC Ferry Homeport II building, by no later than the date that is the earlier of (x) twenty-four (24) months after the Interim Agreements Date and (y) the issuance by the Port Authority’s Quality Assurance Division (“QAD”) of a certificate of authorization to occupy and use (a “PTO”) the NYC Ferry Homeport II building (currently projected to occur on or about December 31, 2025), (2) for certain improvements to be scheduled in the Red Hook Lease, by no later than the date, which is the earliest to occur of (I) the Transfer, (II) the date QAD issues a PTO for such improvement, (III) the first date upon which such improvement becomes vacant, and (IV) the date set forth in the Red Hook Lease for such improvement; and (3) for all other improvements, the Interim Agreements Date. NYCEDC shall only be responsible for actual third-party expenses incurred by the Port Authority in connection with this provision.
 - v. NYCEDC shall be allowed to make any use of the RH Property that is permitted by law (taking into account the Port Authority’s ownership and/or control of the RH Property).
 - vi. NYCEDC agrees to assume all obligations of the Port Authority under the Tri-Party Agreement arising or to be performed by the Port Authority after the date of the Red Hook Lease. The Port Authority agrees to waive its rights to any revenue under the Tri-Party Agreement.
- b. Certain provisions of the Howland Hook Marine Terminal Lease will be amended to be in substantially the form of the corresponding provisions in the Red Hook Lease, including adjusting the total rental payments made in any calendar year to equal the total rental payments made in such year under the Red Hook Lease, unless changing such provisions (other than rent) requires any prior City Council approval. If the Transfer has not occurred by the stated expiration of the Tri-Party Agreement on April 30, 2031, the City and Port Authority shall seek to amend, restate and extend the respective leases for a term until 2123 and amend and restate the terms of the Howland Hook Marine Terminal Lease to be in substantially the form of the Red Hook Lease, subject to necessary approvals, which may include approval under Section 1301(2)(f) of the City Charter in the case of the Howland Hook Marine Terminal Lease.
 - c. The Red Hook Lease shall include an indemnification of the Port Authority by NYCEDC similar to the indemnification of the City/NYCEDC by the Port Authority in the Howland Hook Marine Terminal Lease. Further, and without limiting the foregoing, NYCEDC

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understands and agrees that such indemnification obligations under the Red Hook Lease shall apply during the term of the Red Hook Lease and following the Transfer, regardless of whether, when and how the RH Property is developed and/or redeveloped.

2. NYCEDC and the Port Authority intend to finalize, secure all relevant corporate approvals, and execute the Interim Agreements by May 15, 2024 (the date of execution shall be referred to herein as the “Interim Agreements Date”). Any public announcement shall only occur on or after the Document Substantial Completion Date. As used herein, the “Document Substantial Completion Date” means the first date after which each of the following conditions is satisfied, as mutually agreed by the Parties: (i) all due diligence required by the Parties on the Properties has been substantially completed; (ii) any internal briefings required to be made by the Parties have occurred; and (iii) the Interim Agreements are in substantially final form as mutually agreed by the Parties.
3. The closing of the RH Transfer and the HH Transfer shall occur simultaneously.

Upon the Transfer, the City shall have the right to take an assignment of the landlord’s interest in, or terminate, the Red Hook Lease, and the Port Authority shall have the right to take an assignment of the landlord’s interest in, or terminate, the Howland Hook Marine Terminal Lease.

B. Capital Expenditures and Operating Expenses Understandings

1. From and after the Interim Agreements Date, unless mutually agreed otherwise, (A) NYCEDC shall be responsible for any and all operating expenses and capital expenditures at the RH Property, and shall be entitled to any and all revenues derived therefrom, and (B) the Port Authority shall be responsible for any and all operating expenses and capital expenditures at Howland Hook, and shall be entitled to any and all revenues derived therefrom. As used herein, each of Howland Hook, the PA RH Property and the City RH Property shall be referred to as a “Property” and collectively as the “Properties”.
2. On the Interim Agreements Date, the Port Authority shall make a one-time, non-refundable payment to NYCEDC in the amount of \$2,500,000, *less* any payments made by the Port Authority between December 31, 2023 and the Interim Agreements Date of the items described on Exhibit II attached hereto; provided that in no case shall total deductions be more than \$2,500,000.
3. The Parties shall cooperate on any individual or joint applications for any applicable grant funding opportunities for the Properties, including but not limited to the Climate Pollution Reduction Grant; provided that, such cooperation shall not require the cooperating Party(ies) to incur any out-of-pocket expenses or other financial or material obligations or liabilities.

C. Due Diligence

1. Prior to the Document Substantial Completion Date, the Parties intend to provide to each other reasonable access to the Properties for each Party to perform any necessary planning and due diligence, including site surveys, conditions assessments, environmental review, and assessments, and any other investigations reasonably necessary for the effectuation of the RH Initiative and the Howland Hook Initiative; provided, however, that (i) NYCEDC acknowledges and agrees that, prior to the Effective Date, the Port Authority granted NYCEDC access to the RH Property to enable NYCEDC to conduct part of its necessary and required due diligence, (ii) no environmental diligence or other invasive physical testing or sampling may be conducted at the Properties, and no

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access to sensitive areas and facilities on the RH Property shall be permitted, until after the Document Substantial Completion Date, unless otherwise consented to in advance by the Port Authority, such consent not to be unreasonably withheld, and (iii) any such investigations shall be conducted during normal business hours upon reasonable advance notice and in such a manner as not to interfere with the normal operations of such Property.

2. Except as otherwise provided herein, (A) the Port Authority (at its sole cost and expense) intends to undertake promptly all required due diligence with respect to Howland Hook and shall commission title reports with respect to all of the Properties and a survey of Howland Hook, prior to the Document Substantial Completion Date, and (B) the City and NYCEDC (at their sole cost and expense) intend to undertake promptly all required and customary public and community participation, environmental review, legal and regulatory compliance, and due diligence (but excluding the commissioning title reports and surveys with respect to the Properties) for the RH Initiative, prior to the Transfer. The total cost of title reports for the Properties shall be split 50/50 by the Port Authority and the City/NYCEDC. The cost of the Howland Hook survey will be solely borne by the Port Authority and the cost of any survey for Red Hook will be solely borne by the City and NYCEDC.
3. From and after the Effective Date and continuing through the term of the Red Hook Lease, the Port Authority agrees to use commercially reasonable efforts to remove (i) (x) any monetary liens or monetary encumbrances on the PA RH Property and (y) any monetary liens or monetary encumbrances on the City RH Property to the extent that such monetary liens or monetary encumbrances evidence or otherwise reflect indebtedness of the Port Authority, and (ii) any other liens or encumbrances on the RH Property that would materially adversely impact the uses permissible under the Red Hook Lease, in either case, created by, through, on behalf of, or with the consent of the Port Authority, unless such liens and encumbrances (A) have been disclosed to and accepted by NYCEDC pursuant to the Red Hook Lease or were otherwise disclosed in Title Report (06-7406-16582-K) issued by Fidelity National Title Insurance Company effective as of January 1, 2007 and accepted by NYCEDC prior to the execution of the Red Hook Lease, (B) are utility easements, including, without limitation, easements for water, sewer, and other utility lines, (C) were necessary for the operation of the RH Property, as operated as of the Effective Date, (D) were created at the request of Governors Island, the City (or any agency or instrumentality thereof) or NYCEDC, or (E) were required by applicable law.
4. Prior to the Interim Agreements Date, the City or Port Authority may terminate this MOU if (i) the title report for the respective Property discloses material title defects unless the City or Port Authority, as the case may be, agrees to cure the same, and/or (ii) due diligence reveals material labor, pension, environmental contamination, or other costs. The State shall agree to terminate this MOU if either the City or the Port Authority elects to terminate this MOU, or if the City or the Port Authority is not exercising commercially reasonable efforts to effect the Transfer.

D. General Understandings

1. The City and the Port Authority acknowledge that the Properties have been operated as industrial sites and intend that, in the effectuation of the RH Initiative and the Howland Hook Initiative, the Properties would be conveyed “as is.”

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2. As a condition precedent to the closing of the Transfer, each of the City, as transferor, and the Port Authority, as transferor, shall be responsible for removing any material monetary liens unless mutually agreed otherwise by the applicable transferee; provided, further, that the City shall only be liable for removing monetary liens caused by the City at Howland Hook, and the Port Authority shall only be liable for removing any monetary liens caused by the Port Authority at the RH Property.
3. Each of the City and the Port Authority shall provide the other with a full accounting of active leases, vendor contracts, and any other contractual agreements on the Properties.
4. Except for those contracts and agreements described on Exhibit III attached hereto, prior to the Interim Agreements Date, with respect to the RH Property, the Port Authority shall not enter into any lease, sublease, or contract without prior written approval by the City or NYCEDC.

E. Understandings for the Transfer of PA RH Property to the City

1. The Port Authority and NYCEDC acknowledge that certain existing Port Authority-owned equipment located on the RH Property (including, but not limited to two (2) existing container barges and cranes) and on certain portions of the Port Newark Property (such existing equipment, collectively, the “Included Equipment”) are necessary to support the operations of the RHCT. On or before the Interim Agreements Date, NYCEDC shall provide Port Authority with the list of Included Equipment that shall be transferred to NYCEDC (or its designee) at no additional cost on the Interim Agreements Date. NYCEDC (or its designee) shall be solely responsible for the Included Equipment from and after the Interim Agreements Date. NYCEDC shall bear the cost of removing any derelict and/or obsolete equipment at the RH Property.
2. The Port Authority and the City acknowledge that continued operation of cross-harbor barging between RHCT and the Port Newark Property is beneficial to the ongoing freight operations at RHCT. Accordingly, the Port Authority intends to (i) continue to allow use and access of the Port Newark Property and ancillary equipment pursuant to the terms of the RHCT operating agreement through the stated expiration thereof in September 2028, and (ii) thereafter, provide (or cause its lessees, licensees, and operators to provide) the City, NYCEDC or their designees, commercially reasonable access to the Port Newark Property (or the necessary portion and configuration thereof as is reasonably and mutually agreed by the City/NYCEDC and Port Authority) necessary for the continuation of the existing marine terminal operations at RHCT using a fair market value methodology to be agreed upon by the City/NYCEDC and Port Authority, which shall be based on comparable rates charged by the Port Authority to other terminal operators utilizing waterfront property in Port Newark. The Port Authority represents and warrants that it leases the Port Newark Property from the City of Newark through December 31, 2075 and has the contractual right to provide City/NYCEDC with the foregoing.
3. The Port Authority, NYCEDC, and the City intend to cooperate in coordination with regulatory agencies, as applicable, including, but not limited to, the U.S. Coast Guard, the United States Customs and Border Protection (“U.S. Customs”), the United States Army Corps of Engineers, U.S. Department of Transportation, U.S. Maritime Administration, U.S. Federal Highway Administration, the New York State Department of State, the New York State Department of Environmental Conservation, and the MTA Bridges and Tunnels.

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4. In connection with the effectuation of the RH Initiative by the City, the City/NYCEDC intends to prepare (at its sole cost and expense) an illustrative master plan (the “Illustrative Plan”) for the redevelopment of RH Property, that is intended by the City to provide the basis for public review and discussion of such redevelopment.
5. The Tri-Party Agreement shall be terminated upon the Transfer. If the Transfer has not occurred by the expiration of the Tri-Party Agreement, the Parties agree to cooperate as necessary to effectuate the intent of this MOU.

F. Understandings for the Transfer of Howland Hook to the Port Authority

1. The Port Authority recognizes that the City of New York Department of Sanitation (“DSNY”) has an existing long-term contract to transport municipal solid waste through Howland Hook and the Port Authority will throughout (x) the term of such contract and (y) if applicable and subject to the terms and conditions hereof, the stated term of any extension or replacement thereof (a “DSNY Modification”) (i) allow the continuation of these operations, and (ii) take no action, and shall take all reasonable measures to prevent its lessees, licensees, and operators from taking any action, that interrupts the operations of DSNY at Howland Hook; provided, however, that in no event shall the Port Authority be required to (or be required to cause any lessee, licensee or operator of the Port Authority to) enter into any DSNY Modification; and, provided further that the Port Authority shall have no liability or responsibility in the event that the Port Authority or any applicable lessee, licensee or operator of the Port Authority elects not to enter into a proposed DSNY Modification.
2. In connection with the effectuation of the Howland Hook Initiative, the City intends to cooperate with the Port Authority on a proposed de-mapping and/or relocation of Western Avenue, a north-south arterial city road, including subsurface infrastructure, beginning at its northern end at the intersection with Richmond Terrace and terminating at its southern end intersecting with Goethals Road North, at the Port Authority’s sole cost and expense.
3. If the City and the Port Authority request the State’s cooperation for the HH Transfer, such cooperation could include participation of the State and its public authorities. Certain actions by the State (including its public authorities) in furtherance of the Transfer would require compliance with law and applicable regulations and orders, including among other things, review pursuant to the State Environmental Quality Review Act and its implementing regulations (collectively, “SEQRA”), review and approval by the Public Authorities Control Board (“PACB”), and compliance with the Eminent Domain Procedure Law. The Parties acknowledge that cooperation to effect the Transfer could take more than two years from the commencement of proceedings.
4. In connection with a HH Transfer involving the State, the Port Authority shall pay up to \$1,000,000 (the “PA Cap Amount”) of the costs of the Port Authority (limited to the Port Authority’s actual out-of-pocket costs), the State, and the State’s public authorities, which may include, among other costs, internal staffing costs of the State and the State’s public authorities, appraiser fees, environmental counsel and consultant fees, environmental Phase 1 and 2 studies costs, environmental contamination insurance, blight study consultant fees, eminent domain counsel fees, real estate counsel fees, etc. (such costs of the Port Authority, the State, and the State’s public authorities, collectively, the “HH Transfer Costs”). If the HH Transfer Costs are in excess of the PA Cap Amount, NYCEDC shall pay all such HH Transfer Costs. The Port Authority (subject to the PA Cap Amount) and NYCEDC shall defend and indemnify the State and the State’s public

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authorities from all liability arising from or related to such cooperation by the State and the State's public authorities with the HH Transfer.

G. RH Initiative Protocol

1. The Parties acknowledge that the City shall lead development of the Illustrative Plan. The Illustrative Plan will be subject to input by the public, the State, and other stakeholders in a process conducted and funded by the City. Subject to approval of the Illustrative Plan by the State, the State would cooperate with the City to effectuate the RH Initiative with reference to the Illustrative Plan. Such cooperation would include a structure and project plan to implement the RH Initiative (the "RH Plan"). The City and the State would seek extensive public and stakeholder input for the RH Plan. Among the considerations of the RH Plan will be the financial impacts on the City and the State.
2. If requested by the City to effectuate the RH Plan, the State and New York State Urban Development Corporation d/b/a Empire State Development ("ESD") may utilize powers granted pursuant to the Urban Development Corporation Act, subject to compliance with law, applicable regulations and orders, and required approvals.
3. Certain actions by the State (including its public authorities and a subsidiary of a public authority) in furtherance of the RH Plan would require compliance with law and applicable regulations and orders, including among other things, SEQRA review and approval by PACB.
4. The City will fund all costs associated with planning, review, public hearings and comments, authorizations, and approvals that the State or any of its public authorities (or their subsidiaries) deem necessary with respect to their participation in furtherance of the RH Plan, including, but not limited to, staffing, planning studies, due diligence and environmental review, environmental counsel and consultant fees, environmental Phase 1 and 2 studies, environmental contamination insurance, neighborhood conditions studies, real estate counsel fees, all costs of compliance with law and applicable regulations and orders, and all litigation related to the RH Plan. For the avoidance of doubt, the Port Authority shall not bear any cost, expense, or liability for the RH Plan.
5. If a State public authority or subsidiary acquires fee title to an RH Property, it is anticipated that it will lease the property for a 99-year term to NYCEDC, or another designee of the City, and provide that at the end of the term of such lease, fee title to such property shall be vested in the City. It is contemplated that the State public authority or its subsidiary shall also permit NYCEDC to develop, operate, and maintain the property in accordance with and pursuant to the ESD environmental impact statement and SEQRA findings then in effect for the property and the general project plan as modified and affirmed by ESD for the property. It is anticipated that the State public authority or subsidiary will assign to the City or its designee the right to receive revenues under leases or subleases of, and agreements to use, the property in accordance with agreements between ESD and the City or its designee regarding such revenues.
6. The City will fund, or seek funding for, all costs associated with design, construction, operation, and maintenance of the improvements resulting from the RH Plan.
7. NYCEDC and the City will defend and indemnify the State and any of its public authorities and their subsidiaries as it relates to their participation in the RH Plan.

H. Other Approvals and Planning

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1. The Parties will promptly act to take reasonable efforts to secure all necessary approvals for the Parties to execute (x) this MOU and (y) the Interim Agreements, which approvals are by (i) the Port Authority Board of Commissioners, and (ii) the NYCEDC Board of Directors.
2. After the Interim Agreements Date, the Parties shall reasonably cooperate to secure all necessary regulatory and other approvals to effectuate the RH Initiative and the Howland Hook Initiative through New York State Department of Environmental Conservation, New York State Department of State, U.S. Customs, U.S. Department of Transportation, U.S. Maritime Administration, U.S. Federal Highway Administration, USACE and any other applicable agency.
3. Promptly following the receipt of all requisite approvals, the Parties shall proceed to effectuate the Transfer.
4. Subject to Section (A)(1)(a)(iv), the Port Authority, NYCEDC and the City shall reasonably cooperate on the handover of regulatory, security, and any other (e.g., utility services) jurisdiction between the Port Authority and the City, including New York City Department of Buildings, Department of Small Business Services, Police Department and Fire Department. The Parties shall endeavor to maintain labor peace. Additionally, except for those contracts and agreements set forth on Exhibit I attached hereto, to the extent assignable, the Port Authority, NYCEDC shall work cooperatively to assign leases and service contracts to one another as mutually agreed.
5. Except with respect to Port Authority contracts relating to the RH Property (“PA RH Contracts”) that are, at NYCEDC’s request, assigned to NYCEDC or terminated (at NYCEDC’s sole cost and expense), in each case pursuant to Paragraph (A)(1)(a)(i) hereof, in connection with the RH Initiative, neither NYCEDC nor the City shall bear any responsibility in respect of (x) Port Authority staff or (y) vendors, contractors or other counterparties of the Port Authority for obligations under or in respect of any other PA RH Contracts.
6. The Port Authority, NYCEDC and the City will endeavor to minimize any fees assessed to each other in connection with the RH Initiative and the Howland Hook Initiative.
7. The Parties shall coordinate all public outreach and press affairs and the public release of any written materials inclusive of this MOU in accordance with the New York State Freedom of Information Law and any other legal requirements.

Each Party intends to cooperate in good faith with the other Parties hereto to effectuate the purpose and intent hereof in an orderly manner, and as may be reasonable, necessary or appropriate to effectuate the initiatives contemplated by this MOU. It is understood and agreed that the actions and approvals contemplated herein are subject to all legal requirements applicable to each Party.

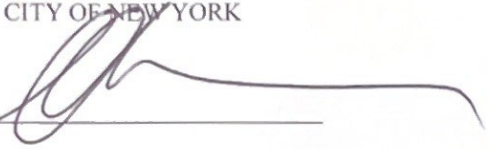
The Parties agree to reasonably cooperate with respect to any public announcement or public disclosure of any information of any type or nature given by one party to the other (or otherwise obtained) relating to the transactions described in this MOU. All such documents and information that are or may be privileged from public disclosure under the New York Freedom of Information Law or other applicable laws shall be securely maintained and managed by each Party and shall not be shared with unauthorized third parties.

This MOU is non-binding, and none of the terms herein create or give rise to any legally enforceable rights of any party or legally enforceable obligations or liabilities of any kind on the part of any party hereto. Only subsequently formalized agreements, when executed and delivered, will constitute legally binding agreements. The terms of this paragraph will survive the expiration or earlier termination of this MOU.

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IN WITNESS WHEREOF, the Parties have respectively executed this MOU as of the date first set forth above.

THE CITY OF NEW YORK

By: 

Maria Torres-Springer

Deputy Mayor for Housing, Economic Development and Workforce

THE STATE OF NEW YORK

By: _____

James Katz

Deputy Secretary for Economic Development & Workforce

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By: _____

Rick Cotton

Executive Director

NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION

By: _____

Andrew Kimball

President & CEO

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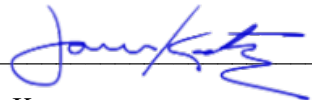
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By: _____

Rick Cotton

Executive Director

NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION

By: _____

Andrew Kimball

President & CEO

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EXHIBIT I

Excluded Agreements

1. Any and all Port Authority service contracts for the RH Property, including any agency-wide agreements

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EXHIBIT II

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| Crane Work Reimbursement: |
| Removal Work |
| Crane Relocation |
| Tenant Relocations: |
| CBP (Customs and Border Protection) + Lumber Relocation |
| Monthly Incremental Operating Cost Subsidies: |
| Barge Expenses |
| CBP Expenses |

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EXHIBIT III

Pre-Approved Agreements

1. Agreement of Lease (Port Authority Lease No. BP-333) to be entered into by the Port Authority and Vane Line Bunkering, LLC
2. Memorandum of Understanding to be entered into by the Port Authority, Red Hook Container Terminal, LLC and U.S. Customs and Border Protection and any definitive agreement among such parties to enact the terms of such Memorandum of Understanding