

**COMMITTEE ON OPERATIONS
MINUTES
Thursday, September 28, 2000**

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**MINUTES OF
COMMITTEE ON OPERATIONS
One World Trade Center
Thursday, September 28, 2000**

PRESENT:

Hon. Charles A. Gargano, Chair
Hon. Kathleen A. Donovan, Vice-Chair
Hon. Bradford J. Race, Jr.
Hon. Anastasia M. Song
Committee Members

Robert E. Boyle, Executive Director
Jeffrey S. Green, General Counsel
Daniel D. Bergstein, Secretary

Barry A. Abramowitz, Assistant Director, Aviation Capital Program
A. Paul Blanco, Director, Economic Development
Lillian C. Borrone, Assistant Executive Director
Ernesto L. Butcher, Chief Operating Officer
William DeCota, Director, Aviation
Marylee Hannell, Executive Assistant to the Chief of Staff
Louis J. LaCapra, Chief of Staff
Richard M. Larrabee, Director, Port Commerce
Charles F. McClafferty, Chief Financial Officer
James E. McCoy, Senior Administrator, Office of the Secretary
Cherrie L. Nanninga, Acting Deputy Chief Financial Officer/Director, Real Estate
Ralph T. Verrill, Chief, Leases Division, Law
Christopher O. Ward, Chief of Corporate Planning and External Affairs

Guest:

Robert Zerrillo, New York Governor's Office

The Committee meeting was called to order in executive session by the Chair at 12:02 p.m. and the meeting ended at 1:14 p.m.

Action on Minutes

The Secretary reported that the Minutes of the meeting of February 24, 2000 had been signed and distributed to the Commissioners and staff, whereupon, the Committee approved the Minutes of the meeting of February 24, 2000.

JOHN F. KENNEDY INTERNATIONAL AIRPORT – NEWARK INTERNATIONAL AIRPORT – THE HUDSON TUBES FACILITY – LEASE AGREEMENT FOR CERTAIN AREAS OF THE REDEVELOPED JAMES A. FARLEY BUILDING TRANSPORTATION AND COMMERCE CENTER

It was recommended that the Committee approve the final terms of a lease agreement with the New York State Urban Development Corporation and/or its subsidiaries (collectively, the Empire State Development Corporation) covering the leasing of space in the redeveloped James A. Farley Building, substantially in accordance with the following terms and conditions.

The Board of Commissioners at its June 2, 2000 meeting authorized the Executive Director to enter into a lease agreement covering, among other things, the leasing by the Port Authority of space for ticket counters and a kiosk in the James A. Farley Building, to be redeveloped by the Empire State Development Corporation into an intermodal transportation and commerce center serving the New York and New Jersey region. The final terms and conditions of the lease agreement were subject to the approval of the Committee on Operations in the event that they were not substantially in accordance with those approved by the Board.

Subsequent negotiations with the Empire State Development Corporation have resulted in some changes to the terms originally approved by the Board. Although the lease agreement would provide for approximately 40,000 square feet of space for the non-exclusive use of the users of the Port Authority's airport access and other transportation services, the actual leased space would be approximately 250 square feet, for two ticket counters and a kiosk. In addition, the annual rental would be increased from the originally approved approximately \$8.3 million to approximately \$10.5 million, in consequence of interest rate changes, a later payment start date and other financing shifts.

Approved, Committee Chair Gargano abstaining from consideration of this matter.

Whereupon, the meeting was adjourned.

Secretary