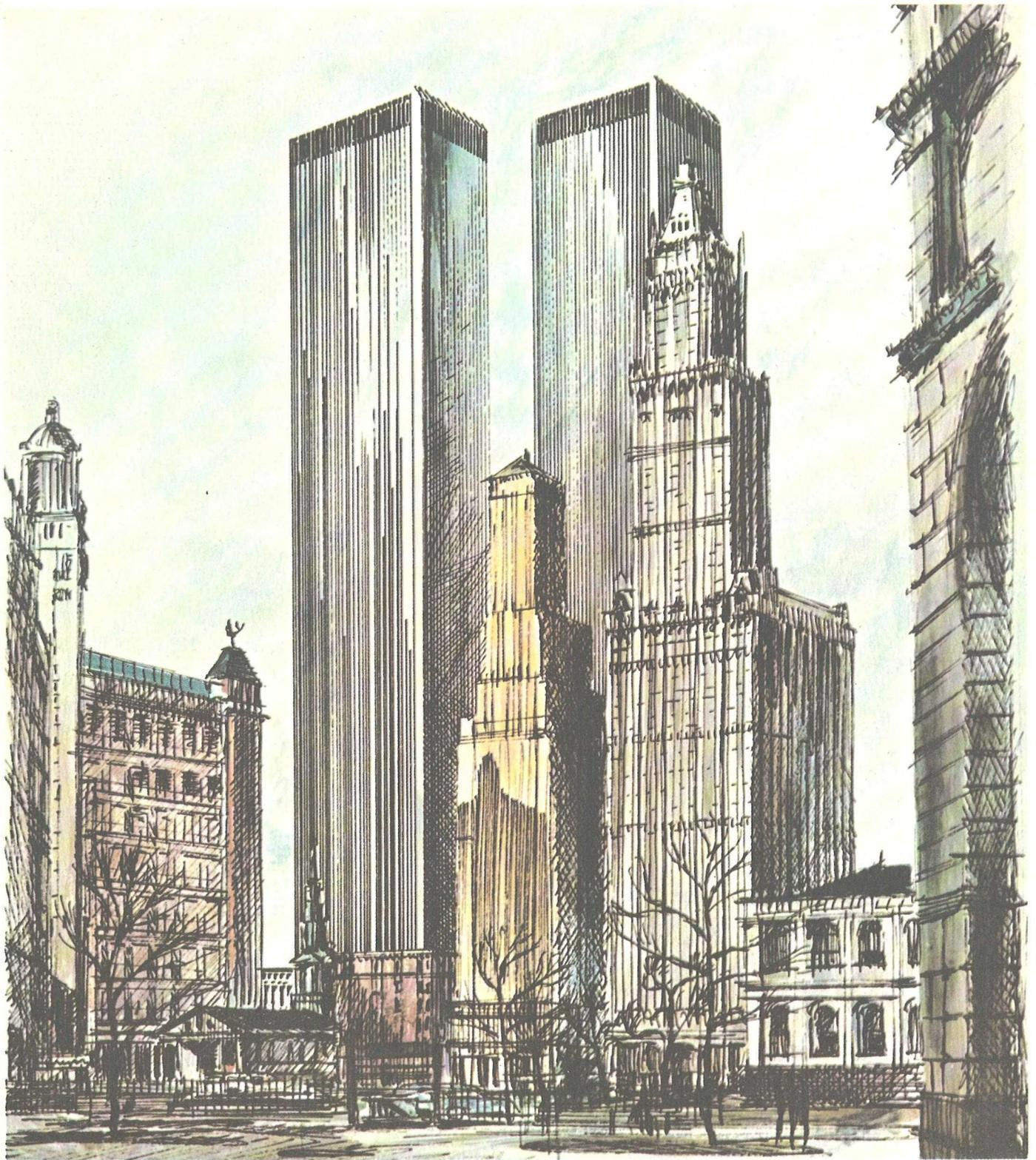


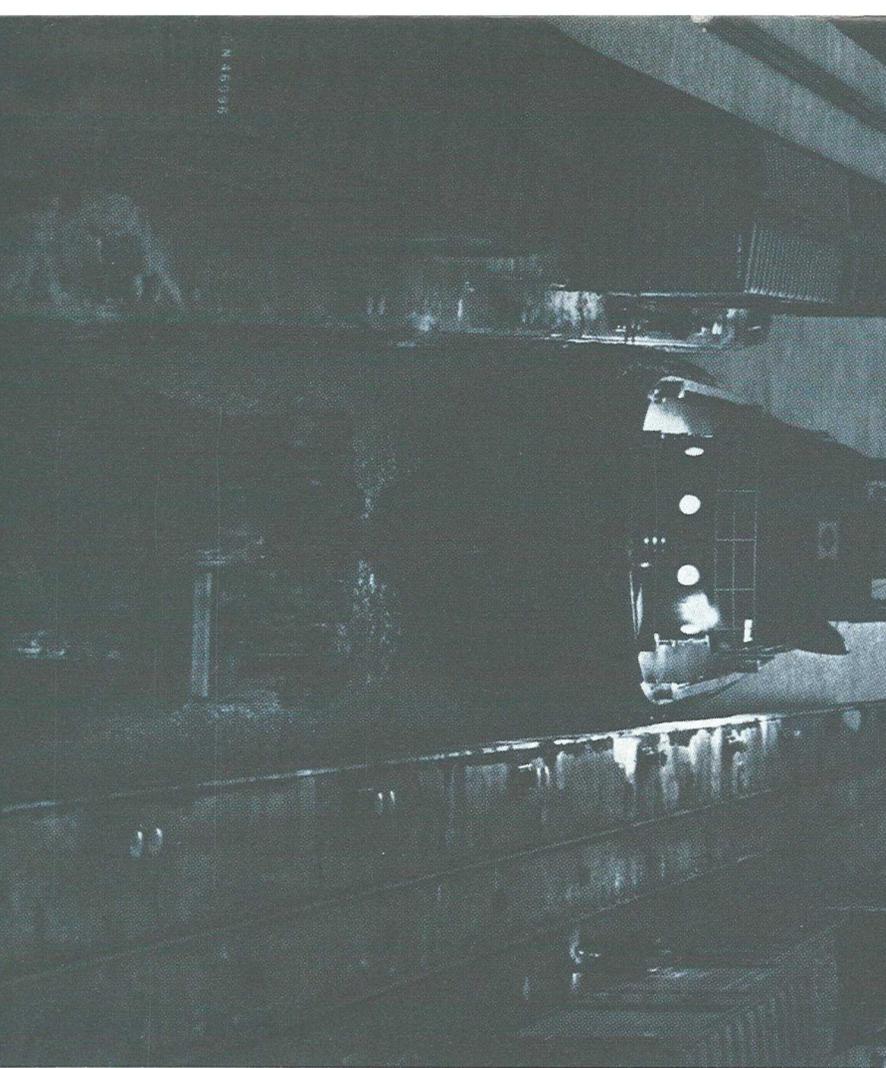
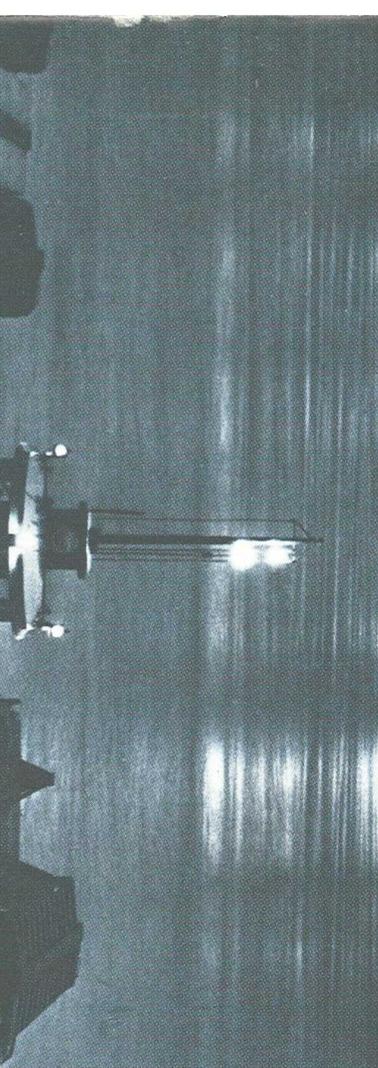
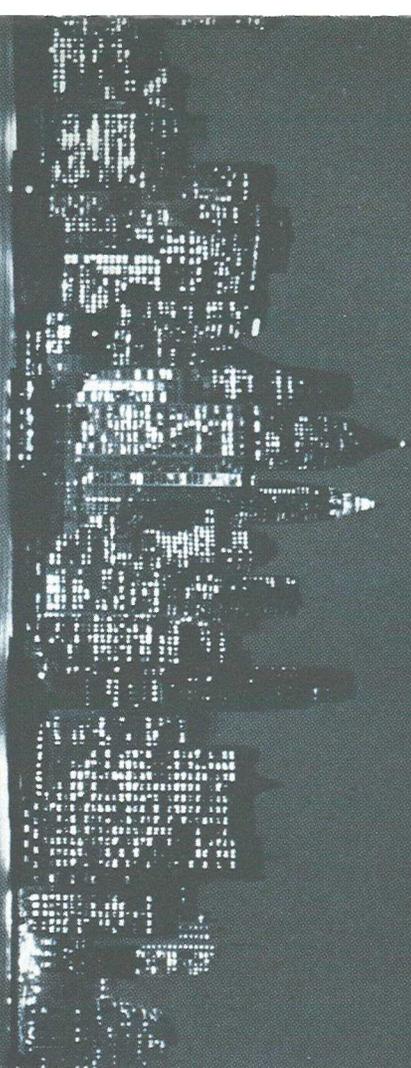
*H. Rippen*

# The Port of New York Authority

# Annual Report 1964



# The Port of New York Authority



ENR 10/19/95



# Annual Report 1964

Respectfully submitted  
in accordance with  
the Port Compact of 1921 to:  
The Honorable Richard J. Hughes,  
Governor, and The Legislature of  
the State of New Jersey and  
The Honorable Nelson A. Rockefeller,  
Governor, and The Legislature of  
the State of New York

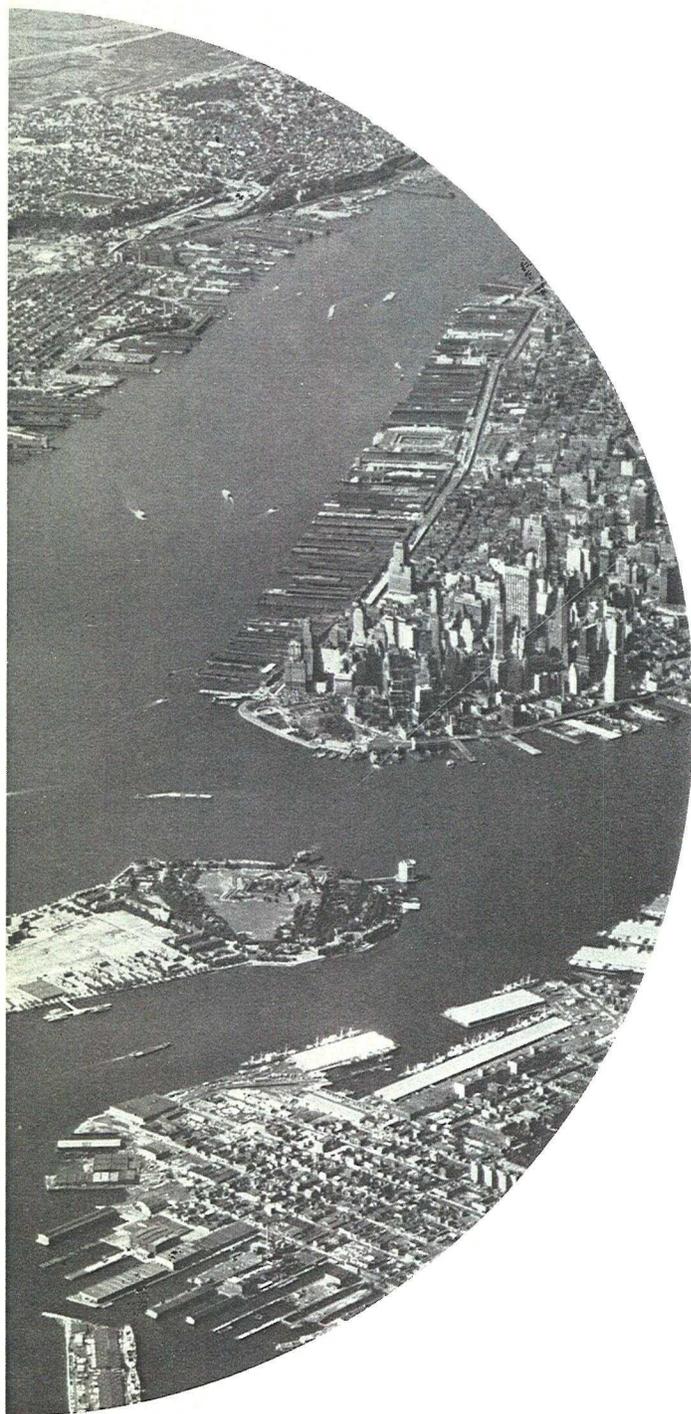
## Commissioners:

S. Sloan Colt, *Chairman*  
Howard S. Cullman, *Hon. Chairman*  
James C. Kellogg, III, *Vice-Chairman*  
John J. Clancy  
Charles W. Engelhard  
Alexander Halpern  
Donald V. Lowe  
Joseph A. Martino  
Bayard F. Pope  
Ben Regan  
W. Paul Stillman

## Contents:

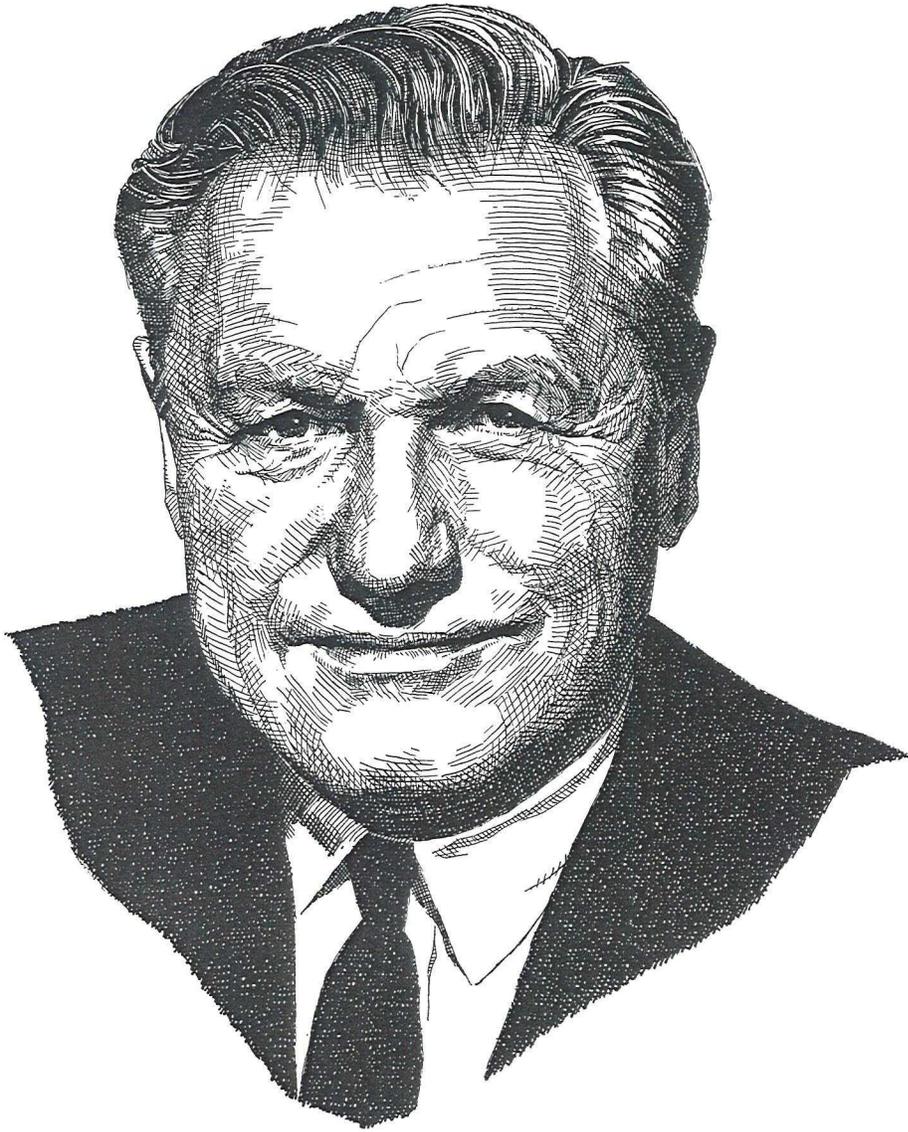
World Trade **10**  
Path and Rail Transportation **20**  
Air Terminals **28**  
Marine Terminals **36**  
Tunnels and Bridges **42**  
Inland Terminals **46**  
Port Development **52**  
Administration **56**  
The Commissioners **60**  
The Staff **64**  
Financial 1964 **70**

On the cover: *An artist's rendering of  
The World Trade Center as viewed  
from City Hall Park. The Trade Center  
will provide a unified community in  
the Port of New York for America's  
export-import activities and act as a  
clearing house for the handling,  
development and expansion of  
such activities.*

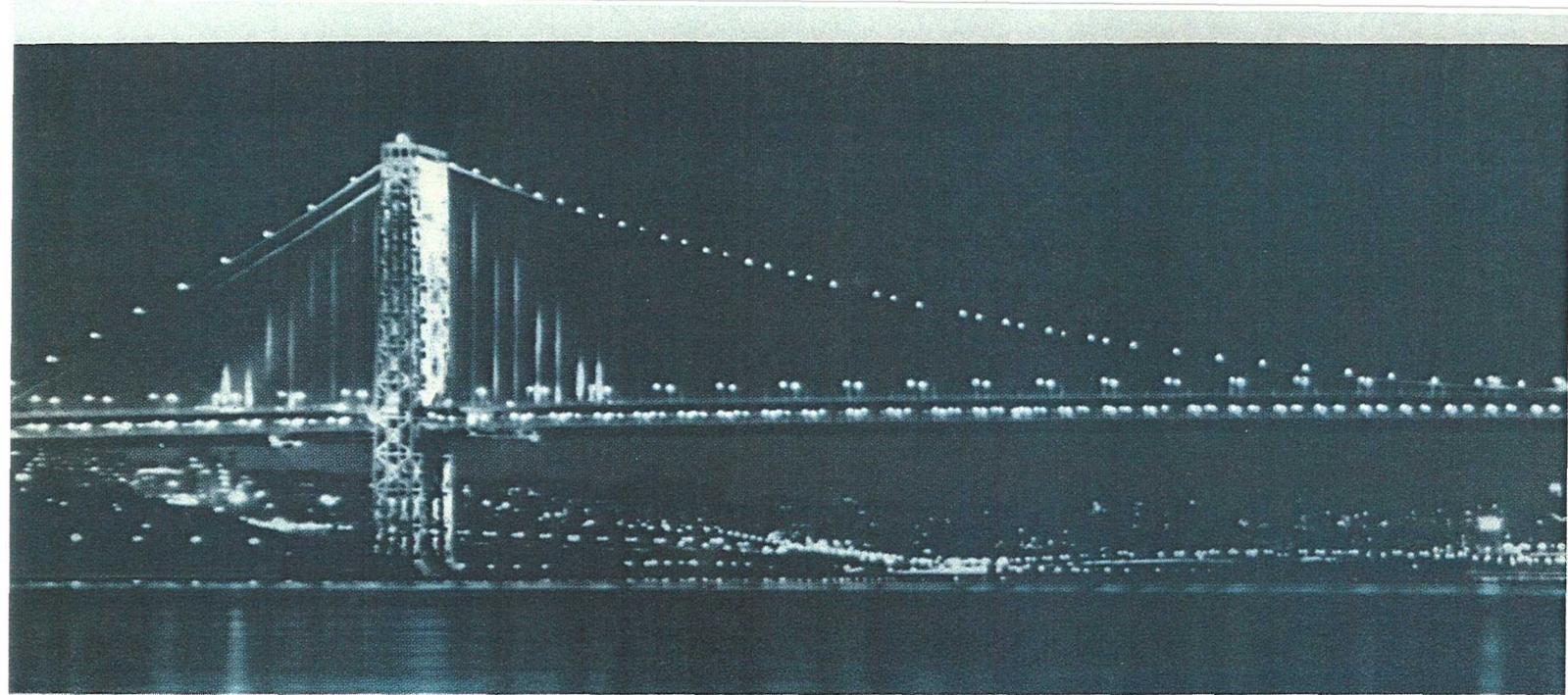




Honorable **Richard J. Hughes**  
Governor of the  
**State of New Jersey**



Honorable **Nelson A. Rockefeller**  
Governor of the  
**State of New York**



## The Story of the Port Authority

In 1921, the States of New York and New Jersey entered into a Compact under which the states pledged “. . . faithful cooperation in the future planning and development of the port of New York” and created The Port of New York Authority as their joint agency to implement this pledge.

### Port Compact

In their Compact the two States found and determined that: “a better coordination of the terminal, transportation and other facilities of commerce in, about and through the port of New York will result in great economies, benefiting the nation, as well as the States of New York and New Jersey;” and that “The future development of such terminal, transportation and other facilities of commerce will require the expenditure of large sums of money and the cordial cooperation of the States of New York and New Jersey in the encouragement of the investment of capital, and in the formulation and execution of the necessary physical plans.”

“Such result can best be accomplished through the cooperation of the two States by and through a joint or common agency.”

### Power and Duties

The Port Authority consists of twelve Commissioners—six resident voters from New York and

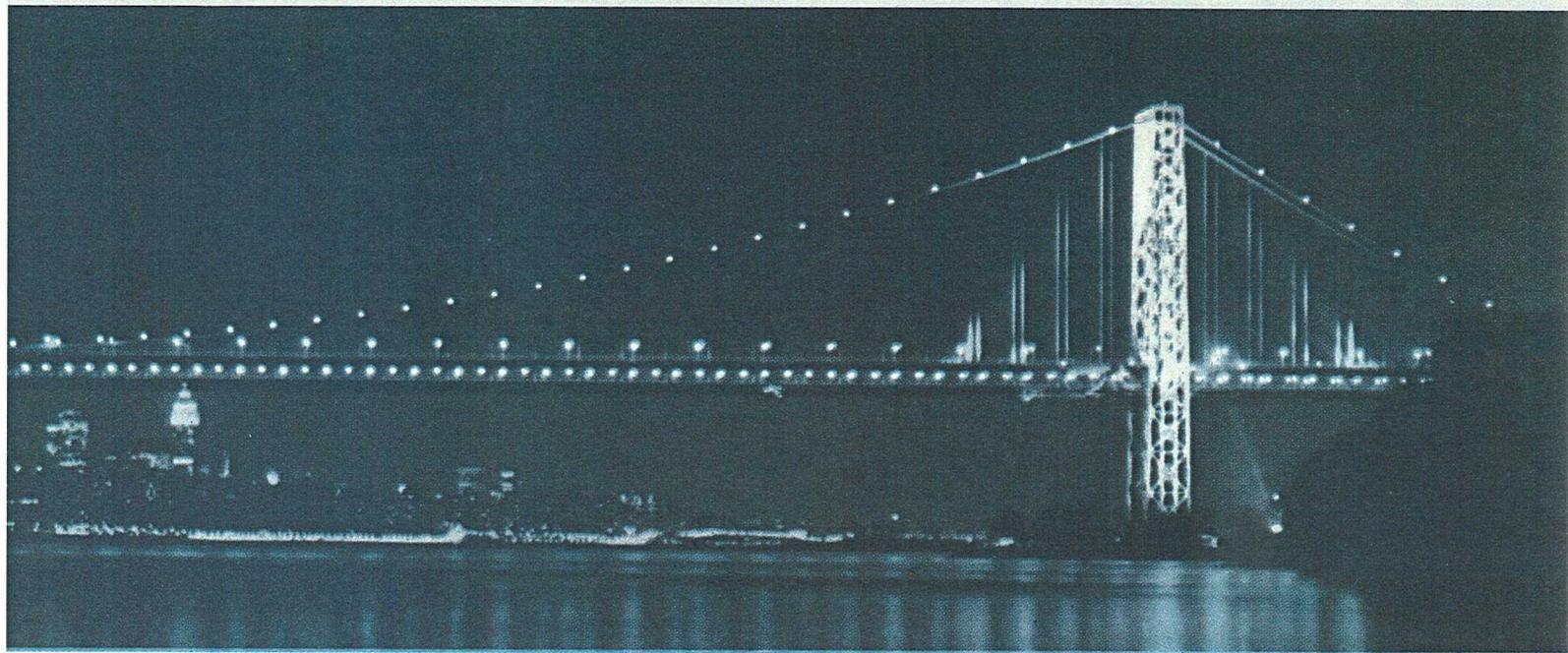
six from New Jersey. They are appointed by the Governors of their respective states with the advice and consent of the State Senates.

In establishing the Port Authority, the States also created the “Port of New York District”, a territory with a radius of approximately twenty-five miles from the Statue of Liberty. Within this Port District, the Port Authority performs functions relating to the port’s development as derived from the Compact, the Comprehensive Plan for the development of the Port of New York (adopted in 1922 under and pursuant to the Compact), and from supplementary legislation adopted by the two States.

According to the Compact: “The Port Authority shall constitute a body both corporate and politic with full power and authority . . . to purchase, construct, lease and/or operate any terminal or transportation facility within said (port) district; and to make charges for the use thereof; . . . and for any such purposes to own, hold, lease and/or operate real or personal property, to borrow money and secure the same by bonds or by mortgages upon any property held or to be held by it.”

The agency was also authorized to “. . . make recommendations to the legislatures of the two States or to the Congress of the United States, based upon study and analysis, for the better conduct of the commerce passing in and through the port of New York, the increase and improvement of transportation and terminal facilities therein, and the more economical and





expeditious handling of such commerce." And "... petition any interstate commerce commission ... public utilities commission ... or any federal, municipal, state or local authority ... for adoption and execution of any physical improvement, change in method, rate of transportation, system of handling freight ... which in the opinion of the Port Authority may be designed to improve ... the handling of commerce in and through said district. ..."

To assure the promotion and protection of port commerce by their joint development agency, the two States, in the Compact, provided that: "The Port Authority shall have such additional powers and duties as may hereafter be delegated to or imposed upon it from time to time by the action of the legislature of either state concurred in by the legislature of the other."

Thus, as the needs arose, the States by additional enactments specifically charged their agency with the responsibility for airports, marine, bus and truck terminals, bridges and tunnels, and the Hudson Tubes.

### A Self-Supporting Agency

In the States' mandate to their agency to plan for and develop the Port of New York, it is stated as a basic principle that facilities are to be provided on a self-supporting basis. The Compact stipulates that: "The Port Authority shall not pledge the credit of either state except by and with the authority of the legislature thereof."

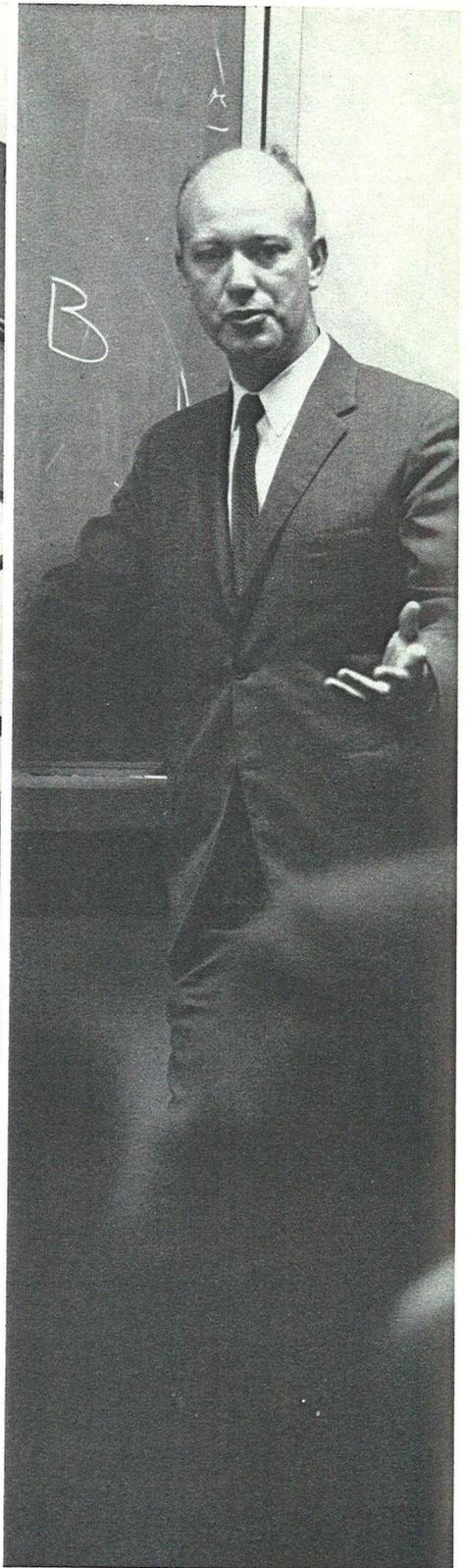
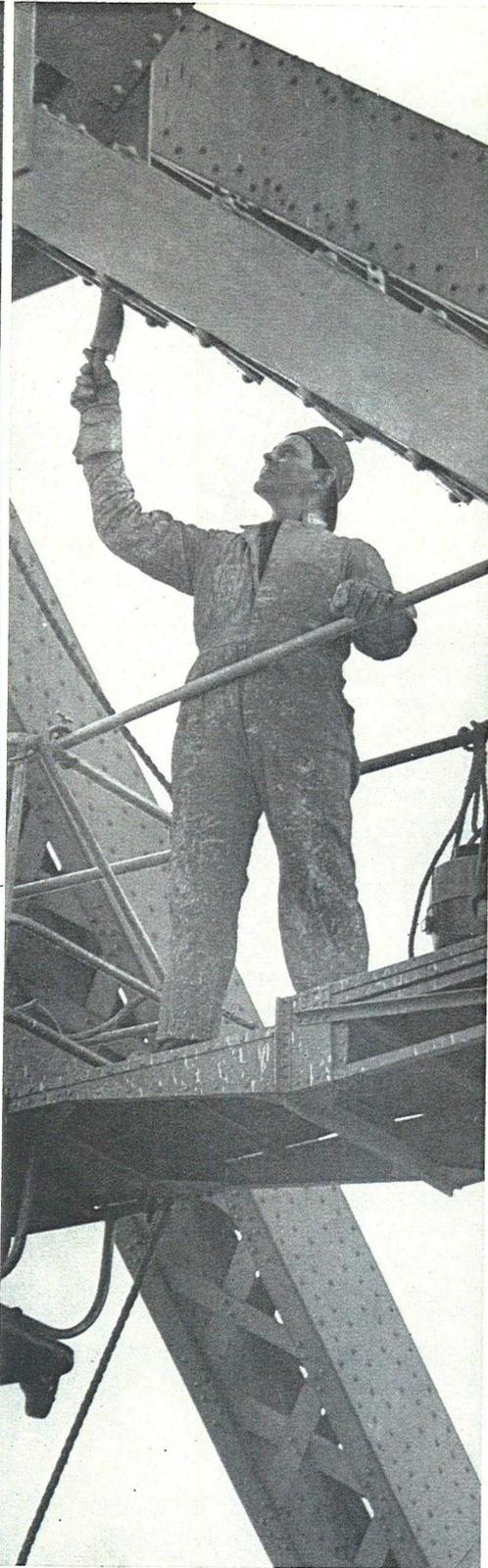
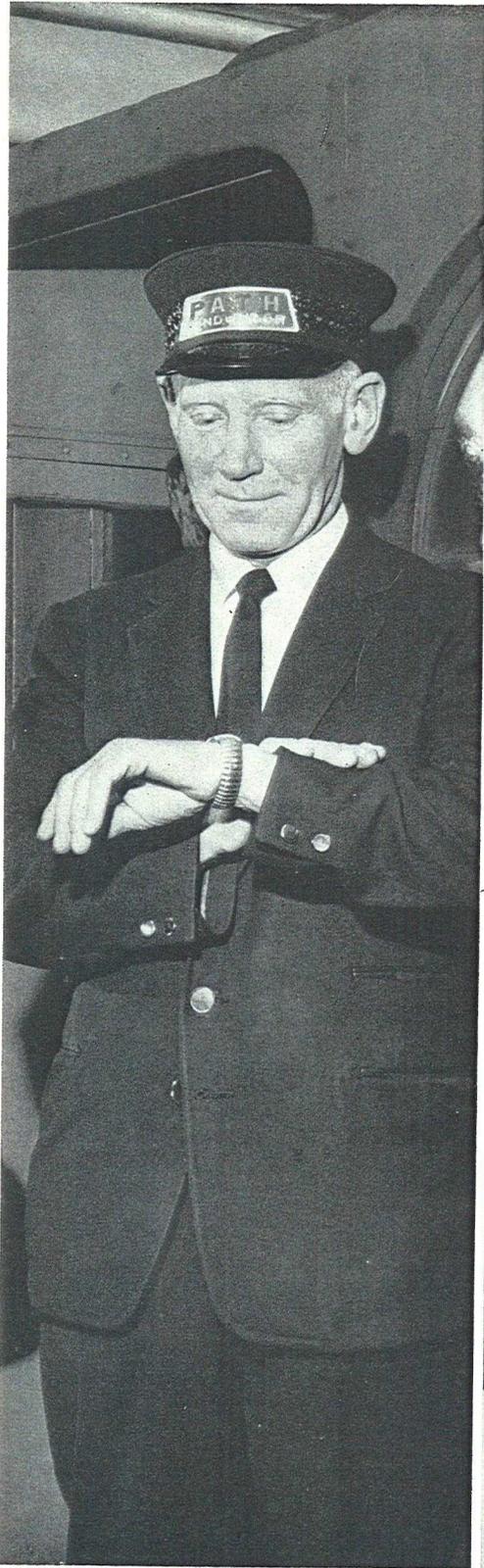
The Comprehensive Plan vested the agency with appropriate powers "... not inconsistent with the Constitution of the United States or of either state ..."—except the power to levy taxes or assessments.

### Port Authority Activities

The Comprehensive Plan directed the Port Authority to proceed with the development of the port "as rapidly as may be economically practicable." Since 1921, with the authorization and approval of the Governors and legislatures of the two States, the Port Authority has provided, and today operates, six interstate bridges and tunnels, four airports and three heliports, six marine terminal areas, two union truck terminals, a truck terminal for rail freight and a union bus terminal. In 1962, the operation of the Hudson and Manhattan Railroad, now known as the Port Authority Trans-Hudson System, was also brought within the scope of the agency's responsibilities. In addition, the Port Authority appears before governmental regulatory bodies and maintains Trade Development Offices to promote and protect Port commerce.

All Port Authority activities are carried on in accordance with the policies of its Board of Commissioners. The affairs of the Port Authority are administered by its Executive Director, Austin J. Tobin, who heads the Port Authority staff. A report on all Port Authority operations and activities in 1964 is contained in the following pages.





# Annual Report 1964



World Trade 10

PATH and  
Rail Transportation 20

Air Terminals 28

Marine Terminals 36

Tunnels and Bridges 42

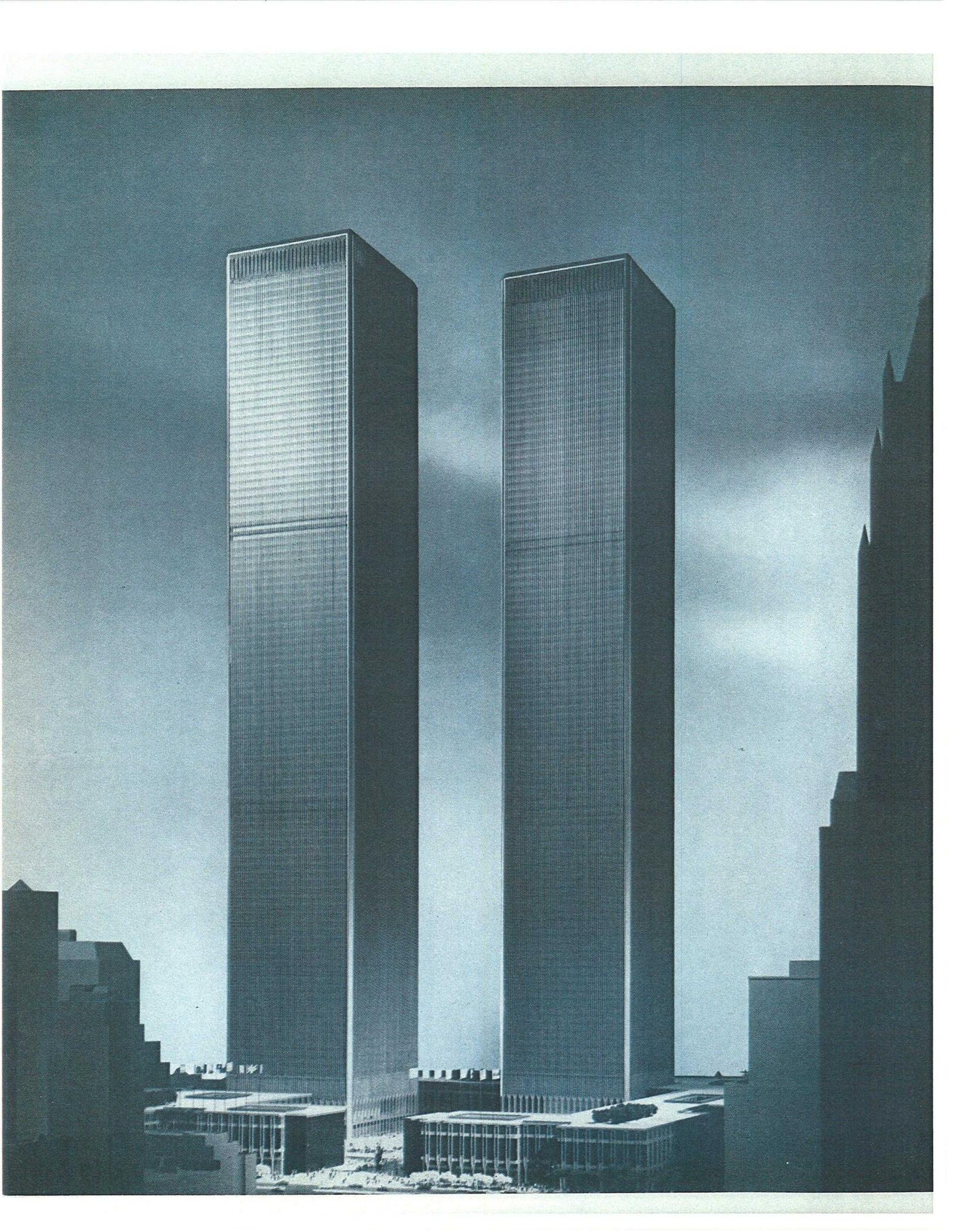
Terminals 46

Port Development 52

Administration 56

Commissioners 60

The Staff 64



# World Trade

## World Trade Center

Architectural plans for The World Trade Center to be constructed in lower Manhattan were made public on January 18, 1964. During the year, test borings on the site were virtually completed, detailed architectural and engineering planning proceeded on schedule and an extensive rentals program went forward.

It is planned that excavation at the site will start in 1965, following authorization by the Board of Commissioners. The first phase of construction, comprising the North Tower and a part of the Plaza Building, will be completed in 1968. The balance of the project will be completed in stages during 1969 and 1970.

The World Trade Center will play a vital role in expediting international trade moving through the Port of New York. The Center will provide a centralized community for international trade services including transportation companies, custom house brokers, foreign freight forwarders, international banks, marine insurance firms and a host of others.

Only 40 percent of the ten million square feet of rentable space to be provided in the Center, or approximately four million square feet, will be available for occupancy by private firms engaged in international commerce. The remainder of the space is reserved for government agencies and public services. The government units include Federal and State agencies, foreign consulates, trade missions and other official bodies associated with world trade. The services include a World Trade Information Service, a hotel to serve the needs of international businessmen, parking, storage areas and other essential auxiliary services.

The Center will be an impressive example of modern architecture. Principal design elements will include a spacious plaza of almost five acres, a low-lying multi-level Plaza Building which will almost completely encircle the site, and twin towers which will soar 1,350 feet above plaza level. Two of the world's leading architectural firms, Minoru Yamasaki and Associates

of Birmingham, Michigan, and Emery Roth & Sons of New York City, are serving as architects for The World Trade Center.

## Government Tenancies

Discussions regarding the relocation of Customs offices to The World Trade Center are now underway with the General Services Administration, the government agency responsible for such matters.

Also underway are negotiations with the State of New York for the relocation of State offices in the Center. As announced by Governor Rockefeller on January 13, 1964, New York State "plans to consolidate most of its principal offices in Manhattan in a building at The World Trade Center."

## Private Commercial Tenancies

Requests for space reservations totaling more than a million square feet of the four million available in the Center for private commercial occupancy have been received from American and foreign companies. The list of tenants already includes leading banks, freight forwarders, customs brokers, exporters and manufacturers. At year's end, more than 65 percent of the total rentable area in the Trade Center was committed, reserved or in active negotiation.

These tenancies are the result of a rental effort that has spread from Port Authority headquarters in New York to the West Coast, Europe and South America. In the United States, World Trade Center plans were directly presented to potential tenants in major business centers throughout the nation, and the assistance of the real estate brokerage community was also enlisted in the overall rentals effort.

With the help of the United States Department of Commerce, meetings were held last spring in Boston, Detroit, Cleveland, Chicago, Philadelphia, Pittsburgh, Los Angeles, San Francisco, Dallas and St. Louis. In each of these cities, the Port Authority staff, working through the

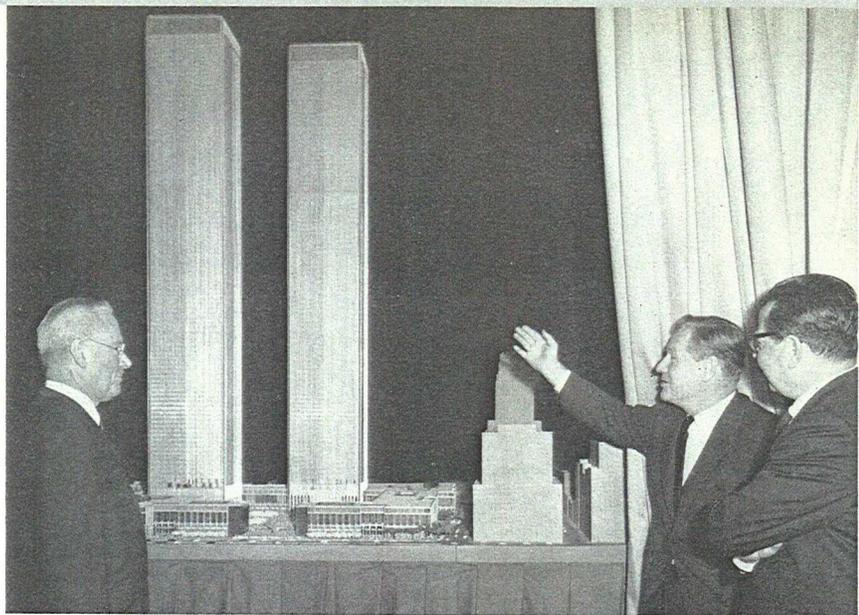
director of the Department of Commerce's Field Office and Regional Export Expansion Council, made detailed presentations on The World Trade Center to firms engaged in international trade. The meetings were followed by personal calls by Port Authority representatives to provide further information on specialized aspects of the Center's functions and services.

At the same time, special World Trade Center presentations were made to real estate firms in these ten cities. The realtors, who became thoroughly familiar with all phases of the project, are an effective adjunct to the Port Authority's rentals staff.

Simultaneously with the meetings in the United States, rental efforts were proceeding in Europe. Special presentations were made to foreign governments regarding space in the Center for consulates and national trade centers.

A reception for the Diplomatic Corps in Washington was held in March, 1964 at the State Department to inaugurate the Port Authority's formal World Trade Center rental activity. In his welcoming remarks to the ambassadors and other diplomats representing some 61 nations, Secretary of State Dean Rusk noted that The World Trade Center would contribute substantially to greater international understanding and would foster the economic growth of all participating nations.

The Washington reception set the stage for the most important segment of the foreign rentals campaign, a mission to the capitals of eleven



Upper right: Port Authority Chairman S. Sloan Colt (left), New York Governor Nelson A. Rockefeller (center) and New Jersey Governor Richard J. Hughes (right) view a model of The World Trade Center at the public unveiling of architectural plans for the Center on January 18, 1964.

Center: Commissioner Donald V. Lowe (center) and members of staff discuss The World Trade Center with the Consuls General of various Central American Republics in a special presentation on October 21, 1964.

Lower right: Commissioner John J. Clancy explains The World Trade Center concept to an audience of distinguished Swedish business men in Stockholm. Shown (l. to r.) are: Rudolph Kalderen, Managing Director of AB Nordiska Co.; U.S. Ambassador Jenkins; Commissioner W. Paul Stillman; Wilhelm Josephson, Managing Director of Bendix, Josephson & Co.



major European nations. The primary purpose of the six-week mission was to present The World Trade Center plans to government leaders and to commence discussion concerning their country's participation in the Center.

In all the overseas countries visited, Port Authority representatives enjoyed the complete cooperation of American Ambassadors and their staffs. The Ambassadors participated in many of the presentations and discussions. The preliminary liaison work abroad was conducted through the Port of New York's Trade Development Offices in London and Zurich.

The emphasis throughout the European mission was on securing governmental participation in the Trade Center, but a great amount of time and energy also were devoted to contacts with leaders in the fields of finance and industry.

To follow up the overseas activities and the discussions held since the earlier meetings with the diplomatic representatives in Washington, specific proposals for World Trade Center participation were prepared and submitted to more than forty nations in addition to those visited by our trade representatives. As our studies progress, and as the needs of all nations become known to us, space and layout proposals suited to their particular requirements also will be developed for consideration by the respective governments.

### *Physical Planning*

Activities for the year concentrated principally on refining and completing the architectural and engineering plans for The World Trade Center.

Construction efficiencies and economies were achieved by changes in the structural design of the twin towers. Information developed from a series of wind tunnel tests on the effect of actual wind directions and velocities experienced at the site will be incorporated in the final design. In addition, building components such as elevator cabs, lighting fixtures and exterior wall material were analyzed.

The Plaza Building design was restudied to improve the functional arrangement of its components and to accommodate the PATH station in a more economical and efficient manner than previously had been planned.

Following these changes, a comprehensive review of the tower design was made by con-

sultant construction firms. Their conclusions confirmed both the soundness and efficiency of the chosen designs, thereby validating both the technical design and the construction cost estimates of the project. A similar review of the foundation design was undertaken by a number of leading contractors acting as consultants.

Discussions were held with the City of New York regarding numerous details which must be resolved before construction of the Center begins. Particular attention was devoted to the aspects of the plan designed to insure adequate street facilities to handle the anticipated heavy volume of traffic in the area. Plans for the relocation of the fire stations within the site, connections to the subway system and relocation of city utilities were also reviewed.

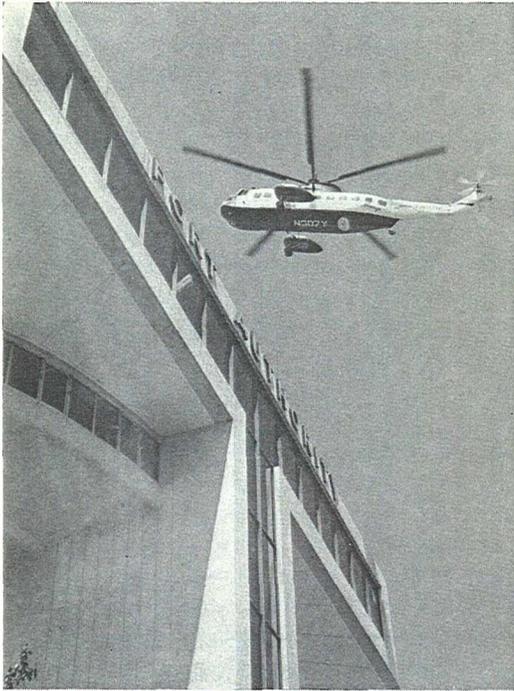
In addition to these aspects of planning, a number of projects essential to the final design of the Trade Center were initiated. A major aluminum company and a major steel company constructed full scale sections of the exterior wall structure of the tower at their own expense to evaluate various aspects of the tower design. A contract also was entered into with consultants to develop an automatic window and wall washing machine for the towers. Work progressed with the United States Post Office on the development of an efficient mail distribution system and negotiations were underway with the Consolidated Edison Company for the provision of electrical power.

### *New York World's Fair*

The mid-point of the New York World's Fair was reached as the gates closed on October 18, 1964.

With three of the largest exhibitors at the Fair, Ford, Chrysler and General Motors, plus a variety of smaller but equally exciting exhibits, the Transportation Section which the Port Authority planned, rented and operates for the Fair Corporation, drew an exceptionally high percentage of the overall gate.

The Port Authority Heliport and Exhibit in the center of the Transportation Section, featuring the unique 360-degree motion picture "From Every Horizon," played to capacity audiences during the 1964 Fair season. The New York Times called the film one of the "movie marvels at the Fair" and described it as "a panoramic travelogue giving the viewer a comprehension



*The Port Authority Heliport and Exhibit Building was the first tall building in the world designed primarily as a heliport.*

of the sights and excitement around New York Harbor.”

From the roof of the Port Authority’s “T”-shaped building, Sikorsky helicopters made over 20,000 sightseeing flights, while immediately below the rooftop heliport, diners enjoyed the view from glass-enclosed dining and lounge facilities.

In its pre-Fair role as rental agent for the Transportation Section, and with host and supervisory responsibilities over this area during the operating period, the Port Authority had an opportunity to assist in the development and operation of many fine exhibits. For example, the Port Authority played an important role in developing exhibits for and supervising operations of the Hall of Science. This unique building was constructed by the City of New York as the initial structure of a planned science exhibit complex to be known as the New York City Museum of Science and Technology. It will continue to operate as a World’s Fair exhibit through the 1965 year.

## Port Commerce

### *Railroad Rate Equalization Attacked by Baltimore*

In September 1963, after some seven years of litigation before the Interstate Commerce Commission and the Federal courts, the railroads serving the Port of New York were granted the right to lower their export-import rates by 60 cents per net ton to the Baltimore rate level, and generally all North Atlantic port rates to and from Central Territory in the Midwest were equalized. This victory allowed the Port once again to compete for rail traffic without discriminatory charges to shippers as in the past.

Despite the resounding victory in the *Equalization Case*, the Baltimore railroads continued their endeavors to restore differentially lower rates on selected commodities moving via the Port of Baltimore. Accordingly, in 1964 the Baltimore carriers published substantially reduced export rates on paper and related articles from presently equalized territory in the Midwest to Baltimore. The reduction made by the Baltimore carriers far exceeded the former differentials, and ranged as high as \$2.40 per ton under rates to the New York-New Jersey Port.

The railroads serving New York and the other North Atlantic ports met the reduction and at the same time requested the Interstate Commerce Commission to suspend and investigate the reduced rates. The Interstate Commerce Commission complied with the request and set the matter for hearing as *I&S Docket 8125, Paper and Related Articles, Central Territory to North Atlantic Ports*. The outcome of this proceeding will be exceedingly important. If the Baltimore railroads were to win, the way could well be opened for publication of other selected rate reductions which the Baltimore railroads have stated would be their next goal in their effort to undercut rates to and from New York.

### *Norfolk & Western Merger Approved with Safeguards*

The railroad unification between the Norfolk and Western Railway, the Wabash Railroad and the Nickel Plate Road was approved in 1964 by the Interstate Commerce Commission, and the railroads concerned proceeded to effectuate the merger on October 16, 1964. As a condition to

its approval the I.C.C. ordered the Pennsylvania Railroad to divest itself of its stock interests in the N&W and Wabash Railroads, to which the Pennsylvania Railroad agreed. In approving the merger, the I.C.C. also left the door open for the inclusion of the Erie-Lackawanna Railroad in the merged system if a plan meeting with the approval of the Commission is submitted within five years. The above conditions, included in the Commission's final order in the proceeding, were strongly advocated by the Port Authority, the City of New York and the States of New York and New Jersey, and should help to insure a satisfactory competitive position for the Port of New York despite the strengthening of the N&W system of Norfolk.

#### *Rate Cases Spell Uncertainty for Coastwise Lines*

The U. S. District Court for Northern New Jersey this year issued an important decision on review of the I.C.C. finding in connection with reduced rates on aluminum articles from points in Texas to points in Pennsylvania and New Jersey. The railroads have published reduced rates to the New York area designed to meet the competition of the Seatrain Lines, a water carrier of loaded railroad cars, but at the same time refused to make proportionate reductions in the rail rates from the interior of Texas to Seatrain's terminal in Texas City. The Port Authority had intervened in support of Seatrain. The Commission approved the railroad rate reduction and denied Seatrain's plea that comparable reductions be made to Texas City in order that Seatrain could remain competitive with the all-rail routes. Upon review, however, the District Court found that the action of the railroads in not reducing the rates from points in Texas to Texas City was discriminatory and remanded the proceeding to the Commission for corrective action. This court decision is of extreme importance in bolstering the coastwise lines' continued ability to serve the Port of New York.

In another case, however, Seatrain did not fare as well. By a series of complex maneuvers, the line lost a protracted fight to prevent the railroads from applying rate reductions on polyethylene plastics from Texas to the New York area which they granted shippers handling a minimum of 50,000 tons of traffic a year. The

I.C.C. refused to suspend or investigate the rail reductions, and Seatrain's hopes of pinning the decision on the outcome of another plastics rate reduction case then pending were thereby dashed. The steamship line has already taken steps to renew the battle before the I.C.C. by filing a complaint against the rates, because the precedent could have disastrous consequences on New York's remaining coastwise trade.

A complete outline of all proceedings and their status is shown on pages 17-19.

#### *Port Rate Equality "Sold" to Foreign Trade Industry*

With Port of New York export-import railroad rates finally equalized with all other North Atlantic ports, the staffs at the Authority's nine Port of New York Trade Development Offices launched a concerted effort to notify shippers everywhere that cargoes could now be shipped via the bi-state port by rail at non-discriminatory rates for the first time in 87 years. Reports received from the trade development offices, located in New York, Washington, Pittsburgh, Cleveland and Chicago, and abroad in Zurich, Switzerland; London, England; San Juan, Puerto Rico; and Rio de Janeiro, Brazil, were encouraging. Steel, chemicals, farm commodities and machinery were among the major products in which the offices discerned substantial cargo restorations for the Port. New York's share of North Atlantic ports general-cargo rail-car unloading likewise recorded modest increases through the twelve-month period.

Nonetheless, there were indications that rate equality in itself is not a sufficient stimulus for some shippers to change hard and fast trade patterns oriented to competing ports. The year's statistical results of cargo handled pointed up the need to emphasize aggressively the advantages of this Port.

Another medium of importance in reaching the shipping public was the Sixth Annual Port of New York Seminar held in Chicago on May 5, 1964. The all-day event, which attracted about 100 persons, served as an educational forum in which Port Authority staff, joined by executives from the railroad, freight forwarding, container, airline and trucking industries, brought exporters and importers up to date on the latest transportation and trade innovations at the New

York-New Jersey Port. Previous programs of this type were held in New York, Cleveland, Pittsburgh, as well as an earlier seminar in Chicago.

#### *Trade Center Development Aided*

Trade Development personnel also assisted the World Trade Center Development and Rentals staff in developing interest for The World Trade Center project. In all, trade development representatives in 1964 travelled 315,241 miles to make 12,390 calls in 33 states and 45 countries in the pursuit of trade development and World Trade Center objectives.

#### *The Port in Pictures and Print*

Throughout 1964, every applicable promotional medium, including literature, films, exhibits, advertising and international press releases, was used by the Port Promotion Division to stress to foreign traders the advantages of shipping via the Port of New York.

The year opened with a special issue of *Via Port of New York*, the Port Authority's monthly commerce magazine, devoted to familiarizing its world-wide readership with the concept of The World Trade Center. Demand for some 30,000 copies, in addition to the regular distribution of 25,000, indicated the high degree of enthusiasm generated for the project by the publication. Other highlights which contributed to a banner year for the magazine included the 15th Anniversary issue featuring the "Port in Transition" which was dedicated to Port Authority accomplishments in the last decade and a half, and articles celebrating the 175th Anniversary of the U. S. Bureau of Customs, the launching of the nuclear ship *Savannah*, and coverage of New York's historic rendezvous of world-renowned windjammers in "Operation Sail."

International press releases on a wide variety of port subjects were dispatched, beginning with the World Trade Center release early in the year. Distribution now totals 750 publications in 52 countries and copy is translated into ten languages. A record number of such releases was issued in 1964.

Thousands of requests for information on the Port of New York were received from virtually every quarter of the globe. Port Authority port literature including brochures, pamphlets, fact

sheets and booklets continued their important role in attracting trade to the Port. In addition, they were used by the U. S. Department of Commerce in the furtherance of the Export Expansion Program, and at many transportation seminars. Demand for copies of the Spanish and Portuguese-language *Port of New York Trade Guide* continued throughout the year.

Port Promotion staff members also were active in the program of the Joint Committee for Promotion of the Port of New York. Part of this activity involved the Committee's booklet, *What The Port of New York Means To You*, which was revised and distributed to schools in the New York-New Jersey Port area.

#### *The Port in Film and Exhibits*

The Port Authority's three sound and color promotional films, *Via Port of New York*, *The Fabulous Decade and Sixty-Seven South*, again proved effective in the overall program of promoting the Port of New York. These films were in continual demand by export and import organizations, transportation and trade clubs, Federal agencies, television stations, educational institutions and community groups.

The Port Promotion Division also participated in the design, preparation and placement of numerous exhibits in the United States and abroad illustrative of the variety of services available at the Port of New York for handling international trade. Other exhibits described plans for The World Trade Center and the inherent advantages in a single world trade community.

#### *World Trade Week Celebrated*

In 1964, the Port Authority once again led the planning and local participation in the celebration of World Trade Week from May 17th to the 23rd. This year a World Trade Week Speakers' Program was inaugurated. During the two weeks preceding World Trade Week, 45 speakers acquainted various civic and other organizations in the Port of New York District with the importance of world trade to the communities served by the Port. Six full days of activities highlighted by the World Trade Day Luncheon and the World Port Day Harbor Tour afforded present and potential exporters and importers an opportunity to share in the National Export Expansion Program.



During the summer 23 windjammers comprising the "Operation Sail" passed in review to honor the 300th anniversary of the City of New York.

### Marine, Rail and Motor Carrier Proceedings

#### Proceedings Before the Interstate Commerce Commission

Docket	Subject	Status
FF 209	Extension of operating rights of Lyons Transport, Inc., a domestic freight forwarder, on the basis of publishing equalized export rates to North Atlantic ports.	Briefs filed. Pending.
MCC-3437	Regulation of motor carriage incidental to air transportation.	*ICC found existing rules and regulations adequate insofar as they are reasonable. Present zone exempt from regulation retained. Concluded.
I&S 7344	Combination rail-water-rail rates on plastics from Texas to East.	*ICC on reconsideration found reduced rail rates lawful. Coastwise lines sought injunction against ICC order in U.S. District Court. Railroads canceled reduced rates, making issue moot. Proceeding discontinued.
I&S 8066	Railroad trailer-on-flatcar rates on citrus fruits from Florida which disrupted port unity at New York.	ICC found rates not just and reasonable, but withheld effectiveness of order until 60 days after final determination in ICC 33105.
I&S 8068	Extra charge for delivery of fruits and vegetables by carfloat or lighterage at New York.	*Railroads failed to sustain burden of proof and ICC ordered charges canceled. Concluded.
I&S 8079	New York railroad unloading charges on eastbound domestic lumber delivered in lighterage service.	*Railroads withdrew charges and ICC discontinued proceeding.

*\*Action to date is generally in accordance with the position supported by the Port Authority.*

Proceedings Before the Interstate Commerce Commission (continued)

Docket	Subject	Status
I&S 8108	Railroad reduced rates on brick, etc., to the New York Metropolitan Area excluding terminals in Brooklyn.	*Port Authority filed protest. Railroads under special permission withdrew schedules. Proceeding discontinued.
I&S 8125	Railroad reduced rates on paper, etc., to Baltimore, Philadelphia and Hampton Roads excluding all ports north of Philadelphia.	Port Authority filed protest. Hearing held. Pending.
Fin. 21510 & 21514	Unification of Norfolk and Western-Wabash-Nickel Plate railroads.	*ICC approved merger and Pennsylvania Railroad agreed to divest itself of N&W stock control within a ten-year period. Erie-Lackawanna Railroad open for inclusion within five years. Concluded.
Fin. 21989	Proposed merger of Pennsylvania-New York Central railroads.	Pending.
32816	Reduced all-rail and motor-water-motor rates on canned goods from Florida to the North.	*Proceeding discontinued because all-rail and motor-water-motor rates were placed on a parity.
33105	Port "splitting" railroad rates on fruits and vegetables to points in the Port of New York.	*ICC on reconsideration upheld port unity. Pennsylvania Railroad appealed to U.S. District Court. Pending.
33362 33373	Connecting railroad rates in Texas on coastwise steamship movements of aluminum articles to points in Pennsylvania and New Jersey via the Port of New York.	*Seatrail appealed to U.S. District Court which issued opinion invalidating ICC order. Remanded to ICC for further action. Pending.
33479	Combination rail-water-rail coastwise commodity rates.	Examiner recommended that railroads establish joint commodity rates with coastwise steamship lines not more than 5% below corresponding all-rail rates. Pending.
33899	Port "splitting" railroad rates on melons to points in Port of New York.	*Decision in ICC Docket 33105 to be binding. Pending.
34121	Sea-Land Service intercoastal containership commodity rates.	Reduced "door-to-door" rates protested by transcontinental railroads and freight forwarders. Pending.
34214	Reduced westbound transcontinental railroad rates on tinplate.	ICC found reduced all-rail rates favorable and reduced intercoastal rates unlawful. Concluded.
34254	Relief from railroad long-haul/short-haul statutory requirements on joint motor-rail rates.	Examiner recommended that Sec. 4 of I.C. Act should not apply to joint motor-rail rates. Pending.
34471	Reduced railroad rates on canned goods from Florida to East.	Port Authority filed petition of intervention. Pending.
34497	Reduced railroad rates on polyethylene plastics from Texas City, Texas to Kenilworth, N.J.	Port Authority filed petition of intervention, inasmuch as injunction to stay effectiveness of rates was withdrawn due outcome of ICC 7344. Pending.

Proceedings Before the Federal Maritime Commission and Maritime Administration

Docket	Subject	Status
Fact-Finding Investigation No. 4	Marine terminal practices at North Atlantic ports.	Hearings held. Pending.
S-137	American-Hawaiian Steamship Company application of Title XI Federal Mortgage Insurance for construction of containerships for intercoastal service.	Re-application for lesser amount of insurance than originally sought. Pending.
872	Joint Agreement No. 8200 between steamship lines of Far East Conference and Pacific Westbound Conference.	Examiner found agreement controlling inter-conference ocean rate relationships between Atlantic/Gulf and Pacific Coast ports to Far East subject to filing with FMC. Exceptions filed. Pending.

\*Action to date is generally in accordance with the position supported by the Port Authority.

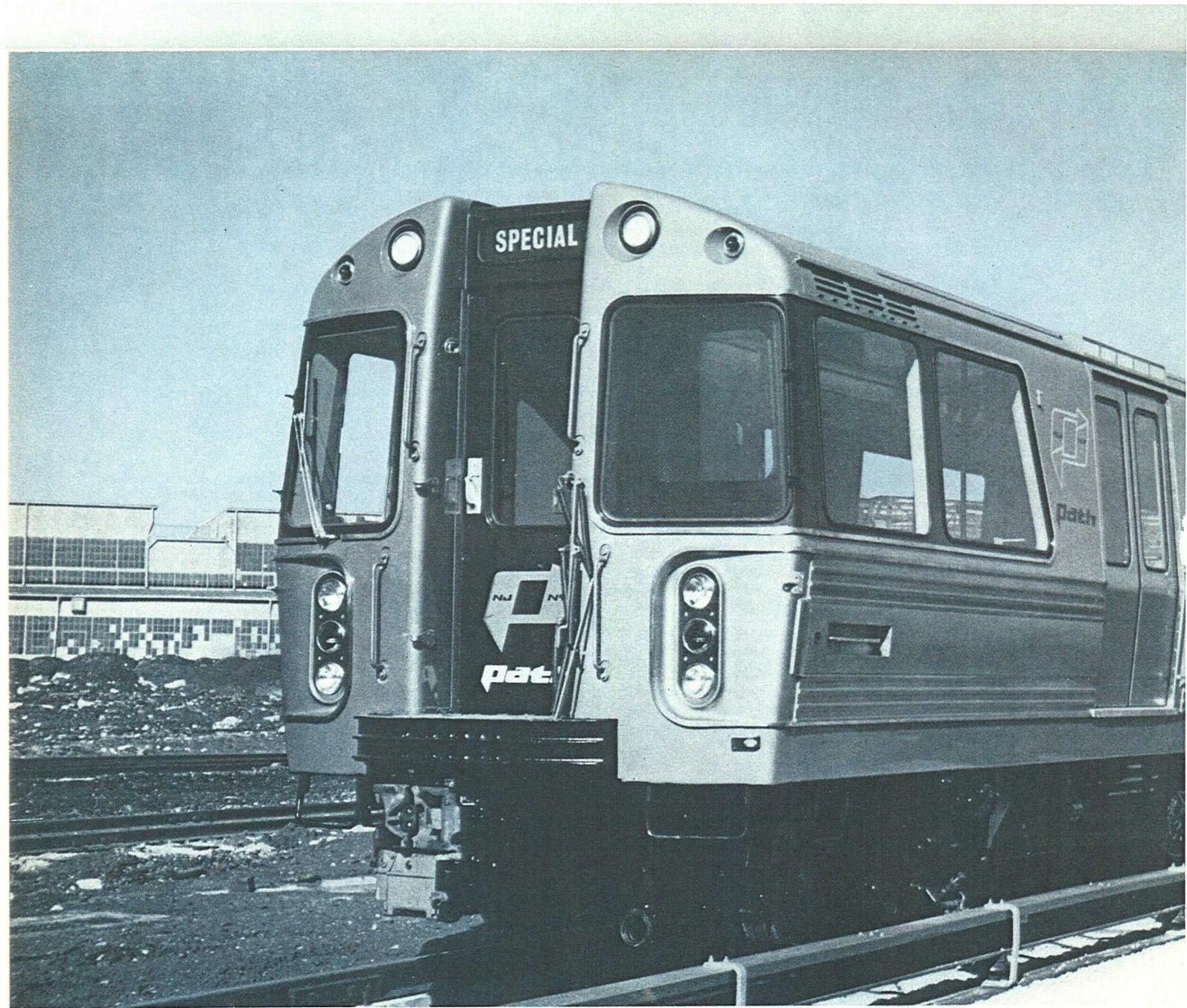
Proceedings Before the Federal Maritime Commission and Maritime Administration (continued)

Docket	Subject	Status
983	Rules governing shipper contract rates systems of conferences of steamship lines engaged in U.S. foreign commerce.	Pending.
1114	Investigation of ocean rates on U.S. steel exports to certain foreign destinations that exceed ocean rates on steel imports.	Pending.
1128 1129	Filing of marine terminal leases at Long Beach and Oakland, California with FMC.	*Briefs filed. FMC found that leases were not Sec. 15 Agreement.
1135	Marine terminal practices of steamship lines engaged in foreign commerce at Great Lakes ports.	Oral argument. Hearing held 11/16/64. Pending.
1153	Investigation of truck and lighter unloading charges at steamship piers in the Port of New York.	Briefs filed. Pending.
1166	U.S. Atlantic & Gulf/Australia-New Zealand Conference proposal to modify Sec. 15 Agreement to include Great Lakes steamship service at rates no lower than those from North Atlantic ports.	*Hearing held. Briefs filed. Initial report approved Great Lakes ocean rates no lower than those from Atlantic and Gulf ports. Pending.
1175	Meyer Line & other members of North Atlantic Continental Conference and Continental Westbound Freight Conference agreed to pooling of revenues after certain deductions for cargo handled at ports.	Oral argument set 10/12/64. Pending.
1182	Investigation of reduced ocean rates of TMT Trailer Ferry, Inc. via Jacksonville, Florida to Puerto Rico which are lower than rates of Sea-Land Service, Inc.	No hearing set.
1187	Complaint by New York steamship lines against reduced ocean rates published by TMT Trailer Ferry, Inc. on grading and roadmaking machinery via Jacksonville, Florida to Puerto Rico.	Hearing brief due 10/5/64. Pending.

Proceedings Before the Civil Aeronautics Board

Docket	Subject	Status
13577	Review of U.S. Flag airline transatlantic routes. The Port Authority supports competitive U.S. Flag airline passenger service between the Port District and Frankfurt, London, Paris and Rome and continued authorization of U.S. Flag all-cargo airline service between the Port District and European points with extension to a point or points in Italy.	*Examiner's decision rendered. CAB decision expected in 1965.
12837	Review of airline route authority in four important domestic markets including New York/Newark-Cleveland. The Port Authority supported authorization of a competitive airline between the Port District and Cleveland.	*CAB authorized second airline for competitive Port District-Cleveland service.
13296	Review of competitive service between Northeast U.S. points and points in the South. The Port Authority supported competitive service between the Port District and Atlanta, Birmingham, Charlotte, Greensboro, Memphis, New Orleans, Raleigh and Richmond and direct service between the Port District and Huntsville.	*CAB decision maintains competitive service in Port District markets and continues direct service between Port District and Huntsville.
12285	Renewal of Northeast Airlines' New York-Florida route. The Port Authority supported continued authorization of a third nonstop airline between the Port District and Miami/Ft. Lauderdale.	CAB decided to reduce competition between Port District and Miami/Ft. Lauderdale to two airlines. U.S. Court of Appeals stayed effectiveness of decision and retains jurisdiction pending further court action.

\*Action to date is generally in accordance with the position supported by the Port Authority.



## PATH and Rail Transportation

The first three units of its new fleet of 162 modern, aluminum, air-conditioned rapid transit cars were received by the Port Authority Trans-Hudson (PATH) Corporation on February 1, 1965. This initial delivery followed a year of intensive planning and construction initiated on January 16, 1964 when the PATH Board of Directors authorized the purchase of the new fleet to cost about \$18.6 million. All of the new cars will be in service in the Summer of 1965.

PATH also began a \$1.5 million signal system modernization program in June and started de-



tailed engineering design work in December on a new electric traction power system, estimated to cost \$5 million.

Many other essential improvement and rehabilitation projects moved ahead during the year. This followed the United States Supreme Court's favorable decision in December 1963 which ended the litigation challenging the constitutionality of the bi-state statutes under which PATH acquired and began the modernization of the former Hudson Tubes on September 1, 1962.

Planning for the Journal Square Transporta-

tion Center and the new Hudson Terminal progressed during the year. New contract agreements were reached with almost all of PATH's labor organizations, and numerous training programs were instituted for PATH employees.

### New Cars

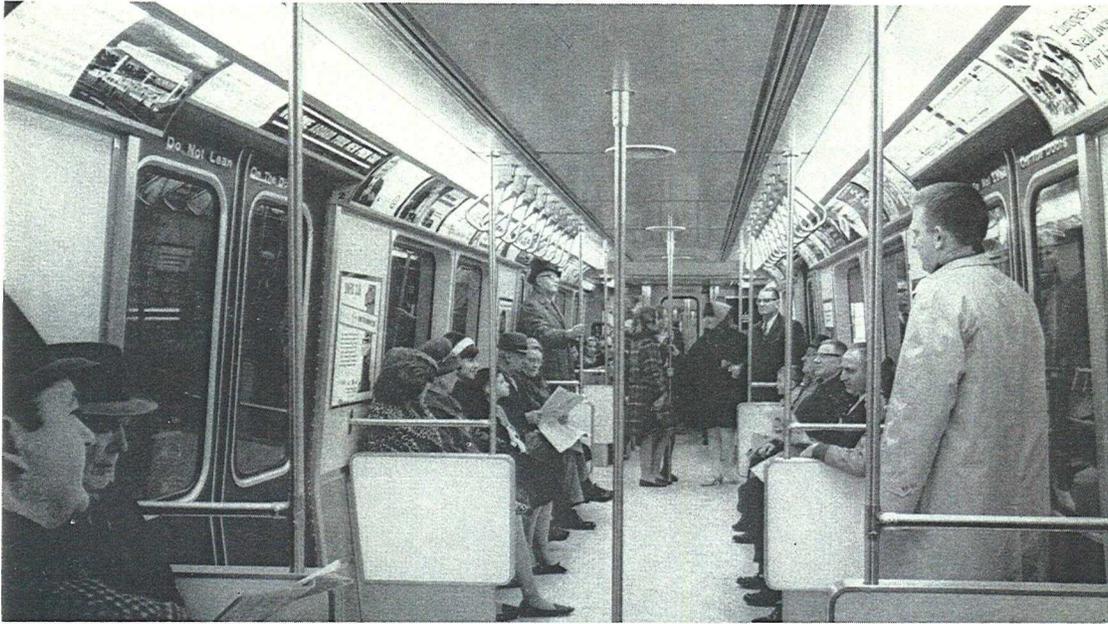
The fleet of 162 aluminum cars of the most modern design is being built by General Steel Industries, Inc., St. Louis Car Division. It will give PATH the first completely air-conditioned rail rapid transit fleet in the United States. The new cars will replace the antiquated (1909-1928) "black cars" of the former Hudson & Manhattan system.

The new cars are different in appearance from any cars now in use in this country. They will feature attractive, all-aluminum bodies, a new seating arrangement and a dual system of mechanical springs and air suspension to provide a smoother ride. Center-parting, double-leaf doors operated by all-electric engines will assure reliable door operation.

The cars will be 51 feet long, 9 feet wide and nearly 12 feet high, and will weigh about 57,000 pounds. One hundred and ten of the cars will be equipped with cabs for motormen and 52 will be motorized trailer cars. The cab-equipped cars will seat 43 passengers while the motorized trailer cars will seat 46. The upholstered seats will have fiberglass frames. Cross-car seats will be located at both ends of the car with side wall seating in the center.

Other features will include improved heating and ventilating systems, sound-proofing, fluorescent lighting and illuminated maps of the PATH system in easy-to-read locations above the doors. Each car will have a public address system for train service information.

Thousands of PATH riders were able to preview the new cars when a full-scale, walk-in model of PATH's new car was put on display in Hudson Terminal in October.



*The new air-conditioned cars feature attractive, all-aluminum bodies, a new seating arrangement and a dual system of mechanical springs and air suspension to provide a smoother ride.*

### **PATH Rehabilitation**

Throughout 1964, PATH maintenance and repair crews continued to work on an overtime schedule in shops, yards, tunnels and stations to make up for many years of deferred maintenance of cars and equipment prior to Port Authority acquisition of the system. A number of essential projects were completed during the year and planning went forward for the long-range modernization of the system.

Breakdowns of the antiquated "black cars" were the cause of a large part of the service interruptions on the system. In August 1964, a program for the rehabilitation of these cars, to assure adequate service until delivery of all the new cars, was completed at a cost of approximately \$1 million. During the 16-month rehabilitation program, the components which contributed most frequently to train delays, such as door controls, electrical controls and traction motors, were completely overhauled. In addition, interior repairs and repainting were completed on 104 of the old cars.

A pilot repair program for the 1958-model "gray cars" used in the Newark-Hudson Terminal Joint Service began early in September. The

standards developed in this pilot program will be applied in a two-year program of repairs on the entire gray car fleet.

Other rehabilitation work at PATH during 1964 included the repair of three power transformers which had been subject to intermittent breakdowns, causing service delays; the repair of five transformers held in reserve for emergency requirements; the overhaul of a rotary converter unit; initial repair of the tunnel drainage system pumps; and extensive repairs to the signal system.

The Hoboken Way and Power Shop and the Henderson Street Car Shop in Jersey City also were improved. The work at Hoboken included rehabilitation of facilities and upgrading of shop areas. At the Henderson Street Shop, new maintenance areas were constructed, new equipment installed and older shop facilities rehabilitated in preparation for handling the new car fleet.

Ultrasonic rail tests were conducted for the first time in June 1964 throughout the PATH system. All rail sections found below standard were replaced with new rail. These tests will continue to be made twice each year.

Improved service, better connections with commuter railroads and reduced waiting time

at station transfer points were initiated for PATH riders in a new train schedule that went into effect on October 25. A new express service was instituted between Hudson Terminal and Journal Square to provide better service for evening rush-hour passengers traveling to Newark.

During the year, PATH also undertook a program to provide new employee facilities, in addition to upgrading the existing facilities at the Hoboken Way and Power Shop and Henderson Street Car Shop. Other improvements for employees included the completion of new lounge and lunchroom facilities for off-duty PATH train crews at Hoboken and Hudson Terminal, and the start of renovation of employee facilities at Journal Square.

### PATH Modernization

Priority in PATH's long-range modernization program is being given to projects considered essential to provide efficient, convenient and reliable service. Included in the PATH program are construction of a new Hudson Terminal at the site of The World Trade Center and an improved PATH station at Journal Square as the core of a proposed Transportation Center in Jersey City.

Planning activities for the development of the Transportation Center at Journal Square progressed during the year. The plans for the Center include improved station facilities for PATH rail operations, a modern transportation terminal building and consumer service areas, and a bus terminal. Off-street bus berths within the new Center will help alleviate traffic congestion and permit sheltered transfer to PATH trains.

Planning continues to go forward for the new Hudson Terminal at the site of The World Trade Center in lower Manhattan. The planning for the terminal envisions a facility that will be capable of efficiently handling increased peak-hour train movements and passenger volumes. Platforms in the new terminal will be longer and wider than in the existing facility, and relatively free from such obstructions as supporting columns. The new platforms will be served by motor stairs which will transport passengers to The World Trade Center concourse. Provision will be made for direct sheltered connection to the subways serving the west side of downtown Manhattan.

Supplying the necessary traction power to

operate trains on the modernized system is another key element of the PATH modernization program. Following a study of the existing method of supplying traction power to PATH's cars, a detailed study was made to determine the cost and advisability of replacing the obsolete rotary converters presently in use with a system of the latest design and efficiency. As the year ended, PATH was going forward with plans for installing a new \$5 million silicon



*New employee facilities provided by PATH at Hudson Terminal (below) provide a striking contrast with primitive wash room at Journal Square (above) formerly in use.*



rectifier system. Under this system, static devices working through electro-chemical reaction will replace the cumbersome mechanical rotary converters. This will assure a more efficient, reliable and economical power supply and meet future requirements for expanded service.

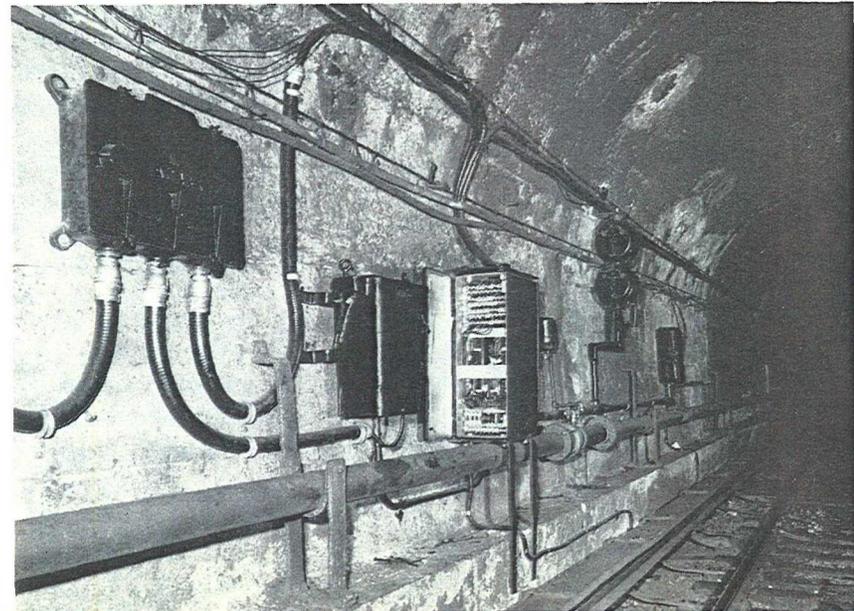
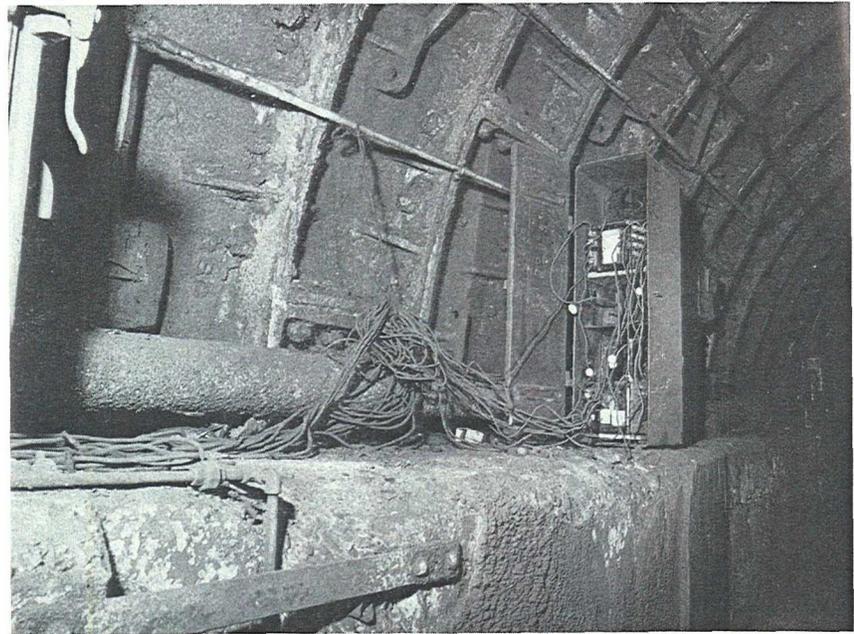
In June, a \$1.5 million signal system rehabilitation program was started. It includes rehabilitation of the signals on the uptown (6th Avenue) line north of 9th Street in Manhattan; modernization of interlocking signal control equipment; improvement of signal power distribution; and upgrading of automatic signals. It is estimated that this work, all of which is being done by PATH forces, will take two years to complete. The rehabilitated signal system will permit close headway operation with the new cars and assure faster, more dependable service.

Other projects which progressed during the year included test installations of new materials and equipment proposed for use in PATH's station modernization program. A special installation at Hoboken and at other stations tested materials, hardware and lighting fixtures for general use in refinishing all stations. Installation of a system-wide public address and central communications system provided passengers with up-to-date information on train service.

*Pictured (upper right and center) are some of the exposed and deficient wiring which caused frequent break-downs along the PATH signal system. In June a \$1.5 million signal system rehabilitation program was started. Shown (lower right) is a portion of the system, rehabilitated by PATH personnel, which will assure faster, more dependable service.*

### **Aldene Plan**

Another important project in which PATH participated in 1964 is the State of New Jersey's Aldene Plan. In December 1962, the New Jersey legislature authorized the State's Division of Rail Transportation to proceed with a plan to reroute Jersey Central trains over Lehigh Valley Railroad and Pennsylvania Railroad tracks into Pennsylvania Station, Newark. Under the plan, passengers of the line would change at Newark to PATH or the Pennsylvania Railroad for completion of their trips to downtown or midtown New York. PATH worked throughout the year with the New Jersey Division of Rail Transporta-



tion, Central Railroad of New Jersey and the Pennsylvania Railroad on the coordination of proposed train schedules as well as other operating arrangements required for implementation of the Aldene Plan.

In addition, PATH and the Pennsylvania Railroad conferred during the year on the future operation of the Newark-Hudson Terminal Joint Service under Aldene Plan conditions. Included in PATH's proposal to the Pennsylvania for the continuation of the Joint Service is the commitment by PATH to bear all expense in providing the additional cars, operating crews and car maintenance personnel required to accommodate Aldene Plan passengers between Newark and New York.

### **Organization**

Port Authority Commissioners and staff serve as the principal officers of PATH. The twelve Commissioners of the Port Authority serve as the Board of Directors; the Port Authority's Executive Director is President; the Deputy Executive Director is senior Vice President. The Director of the Port Authority's Rail Transportation Department is the Vice President and General Manager of PATH and the Authority's General Counsel also is Counsel for PATH.

During 1964, PATH continued its efforts to strengthen the system's manpower resources and thereby provide a skilled reserve of trained personnel for the present and future needs of the modernized PATH system. The training programs conducted throughout the year included courses on railroad signalling, motormen's operating duties, safety and fire prevention and in-

spection, maintenance and repair of old and new car equipment.

New collective bargaining agreements were entered during 1964 with 11 unions representing about 900 employees. At year's end, negotiations were in progress with the one remaining union. The new agreements provide for an increase in wages and benefits, and formally recognize certain key management rights and prerogatives. They are the beginning of the cooperative relationship between PATH and the unions essential to the conversion of an outdated and inefficient operation to a modern and superior public service.

### **PATH Traffic and Finance, 1964**

Passengers on the PATH system in 1964 totaled 28,130,000, an increase of 0.3 percent, or some 95,000 passengers, over the 28,035,000 passengers in 1963. Gross passenger revenues of \$7,602,000 exceeded 1963's \$7,599,000 by 0.04 percent. The slight increase in 1964 passenger volume was due to the Public Service Bus strike in March, as a result of which PATH carried an estimated 270,000 additional passengers, and also to Leap Year's extra weekday, which accounted for an added 90,000-100,000 passengers.

### **PATH Condemnation**

The trial to determine the value of the properties acquired for Hudson Tubes railroad purposes was commenced on November 2, 1964, in the Supreme Court, New York County. The trial is expected to be completed during 1965 after which the Court will hand down its award for the properties.

## New York State Railroad Equipment Program

The Railroad Equipment Program was created by the State of New York in 1959 to provide public financial assistance in the purchase of critically needed new cars for lease to the three commuter railroads serving the New York side of the Port. The Port Authority's role as program administrator is based on concurrent legislation enacted by the States of New York and New Jersey under which either state could act to make the Port Authority administrator of its own particular railroad equipment program.

All of the cars in this program are constructed according to specifications and contracts issued by the Port Authority. The basic car specification is prepared jointly by the railroad involved and the Port Authority to reflect the railroad's individual operating requirements and new technical developments in the equipment field. Thus, in many cases static devices (transistors, diodes, etc.) have replaced heavy rotating equipment in the electrical control systems of the cars. Car interiors also show a marked improvement, with bright, cheerful colors and easily cleaned plastic and stainless metal finishes.

During 1964, production went forward on the 34 new air-conditioned commuter cars being manufactured for the New York Central Railroad under the New York State Railroad Equipment Program. Anticipated participation in the program by the New Haven Railroad received a setback in September when a Federal Court cancelled the car leases the road had signed with the Port Authority because of the road's failure to get the public financial assistance it had expected.

### New York Central

The 34 cars being built for the New York Central are being provided under a lease signed with the Port Authority on September 24, 1963. The production schedule calls for the first of these new commuter cars to be off the Pullman-Standard production line in January 1965 with delivery of all the cars expected by mid-April.

This will bring to 87 the number of cars acquired by the New York Central under the Equipment Program at a total estimated cost of over \$14,000,000. An initial order of 53 cars was manufactured for the Central in 1962 at a cost of \$8,155,000. The 87 new cars have a capacity of approximately 11,400 passengers.

### New Haven

On June 24, 1964, the Port Authority signed a lease with the Trustees of the New Haven Railroad for the purchase of 80 new commuter cars and the rehabilitation of 50 existing cars. On June 30, the United States District Court for the District of Connecticut approved the lease agreements. This approval was conditioned upon the Court's further approval of agreements between the New Haven Trustees and the appropriate governmental bodies of Connecticut and Westchester County for specific financial assistance.

On September 28, 1964, after Westchester County declined to approve a measure for financial assistance, the Federal District Court cancelled the pending car leases with the New Haven. This action ended the only active Port Authority negotiations in 1964 with the New York commuter railroads under the Railroad Equipment Program.

### Long Island

In the fall of 1963, delivery of 30 new air-conditioned commuter cars leased to the Long Island Rail Road was completed. The cars, which cost \$5,328,000, can carry about 4,000 passengers.

### Financing of the Program

The approval of the New York electorate in November 1961 of an amendment to Article 10, Section 7, of the New York State Constitution permits the State to guarantee up to \$100 million of special Port Authority bonds to finance new commuter cars for the three railroads serving the area on the New York side of the Port—

the Long Island Rail Road, the New York Central Railroad and the New Haven Railroad.

On August 9, 1962, the First Series of State Guaranteed Commuter Car Bonds, in the principal amount of \$5,475,000 was sold at an average annual net interest cost of 1.942 percent. The last of these serial bonds will mature September 1, 1966. The proceeds of this sale were used to finance the 30 new Long Island cars delivered in 1963. Under its agreement with the Port Authority, the Long Island is making rental payments which are equal to the debt service on the outstanding car bonds and the administrative costs of its portion of the program.

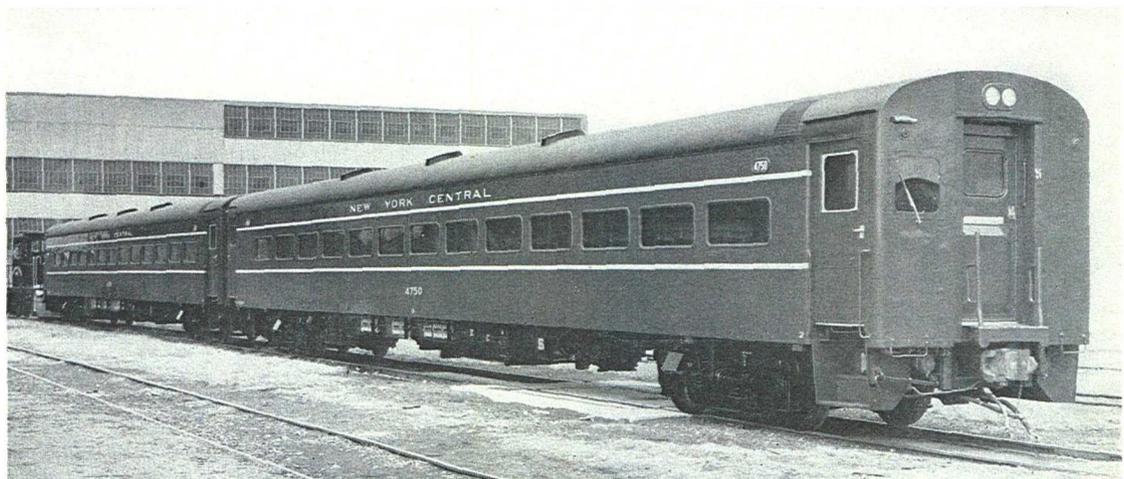
On March 14, 1963, the Second Series of State Guaranteed Commuter Car Bonds, in the principal amount of \$8,250,000, was sold at an average annual net interest cost of 2.717 percent. The last annual maturity of these bonds will occur December 15, 1987. With the proceeds of this issue, the State and the New York Central's subsidiary, Despatch Shops, Inc., were repaid for the funds advanced toward the 53 cars built for the Central in 1962. The Central is paying rental on the cars equal to the debt

service on the refunding bonds and the administrative costs of its portion of the program.

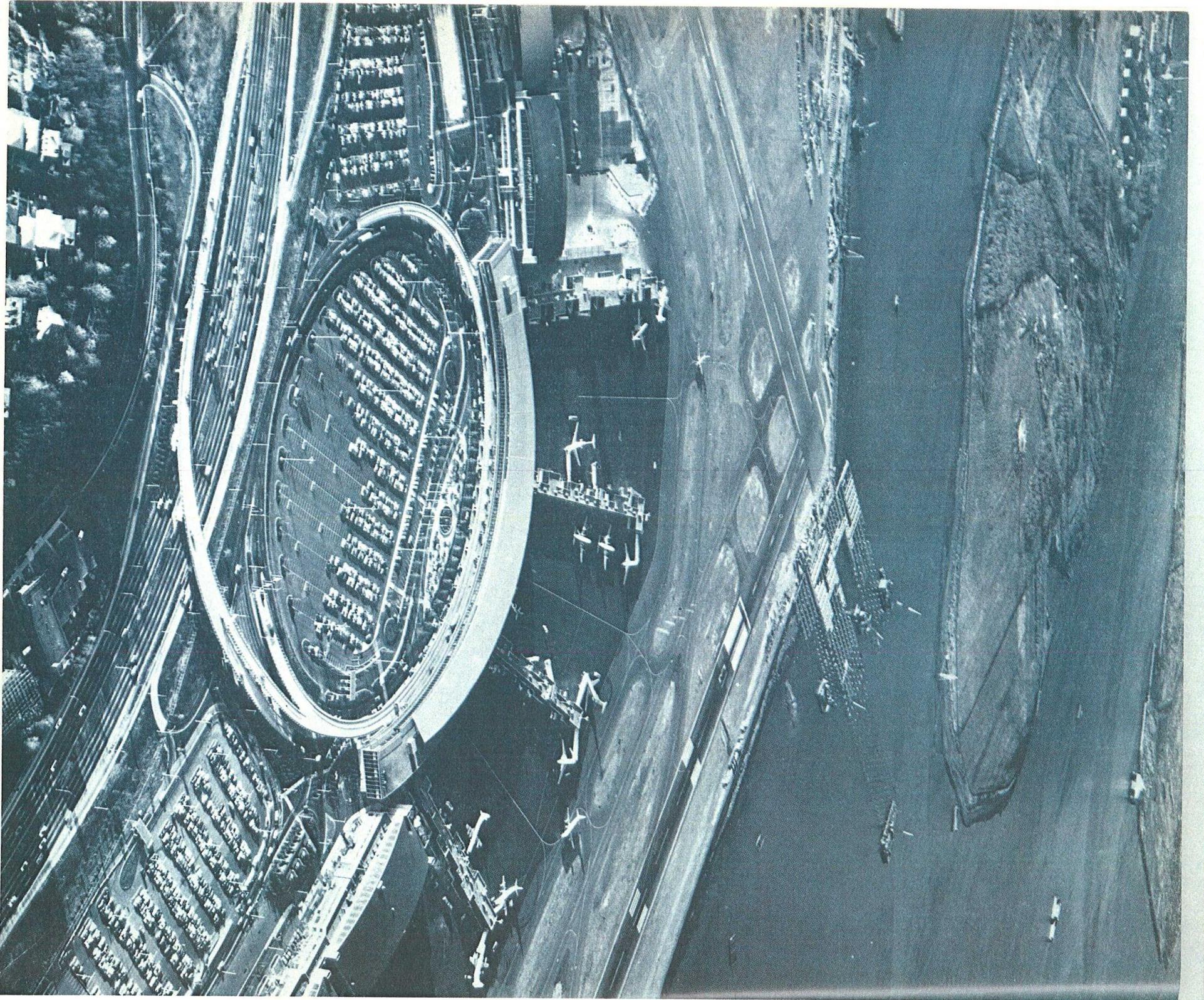
Purchase of the 34 additional cars to be leased to the New York Central, is being financed with the proceeds of a Third Series of State Guaranteed Commuter Car Bonds in the principal amount of \$6,000,000. These bonds are due serially February 1, 1965 through 1989 in equal annual amounts. This issue was sold on January 29, 1964 at an average annual net interest cost of 2.896 percent.

The legislation authorizing the Railroad Equipment Program carefully protects the Port Authority's financial structure. As administrator of the program, the Port Authority can neither derive revenues nor incur expenses from the car-leasing program which may in any way add to or detract from the revenue or reserves pledged to Consolidated Bonds or to any other outstanding Port Authority bonds. The principal amount of any such railroad car bonds is not included in determining the amount of the Authority's General Reserve Fund requirements.\*

\*The Assets and Liabilities of the New York State Commuter Car Program are set forth in Financial Statement J, Page 89.



*First two of thirty-four new commuter cars being built for New York Central Railroad under the New York State Equipment Program are shown at manufacturer's plant, prior to delivery.*



## Air Terminals

A regional air terminal system developed, financed, and operated by the Port Authority serves the air transportation requirements of the New Jersey-New York metropolitan area. The system includes John F. Kennedy International and LaGuardia Airports in New York, Newark and Teterboro Airports in New Jersey, and two commercial heliports in Manhattan.

In 1964, the four regional airports handled 927,800 aircraft movements and served a record 22,856,000 air passengers, reflecting increases of 7.0 percent and 15.5 percent respectively over 1963. Air cargo volumes increased by 21.3 percent to 402,700 tons and air mail increased 6.7 percent to 93,900 tons.

The four airports provided jobs for 41,944 people who earned an estimated \$349,000,000 during the year. This does not include the extensive earnings of the thousands of people working on airport construction jobs, nor does it include the many thousands of jobs related to airline and airport services. The Port Authority's total airport investment at the end of the year was \$529,500,000, an increase of \$46,200,000 over 1963.

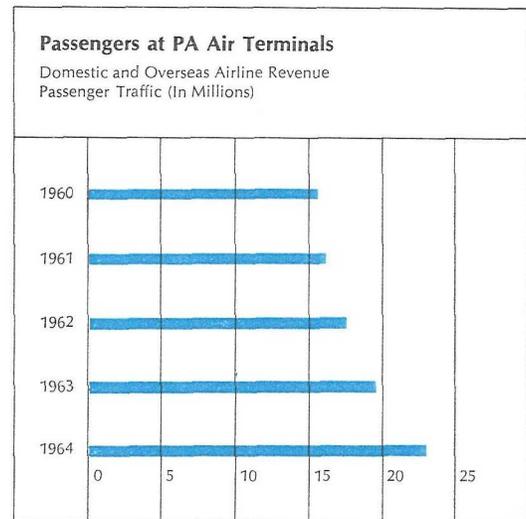
The dedication of a new passenger terminal and related improvements, and the introduction of jet aircraft service in 1964 opened a new era in the history of the 25-year-old LaGuardia Airport. Significant progress was made on the extension of the airport's two runways to 7,000 feet into the Rikers Island Channel.

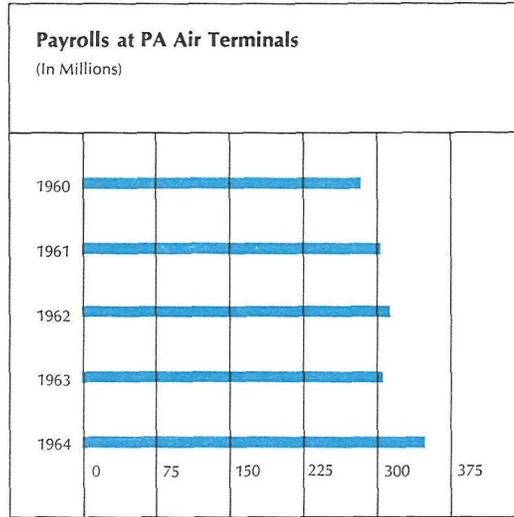
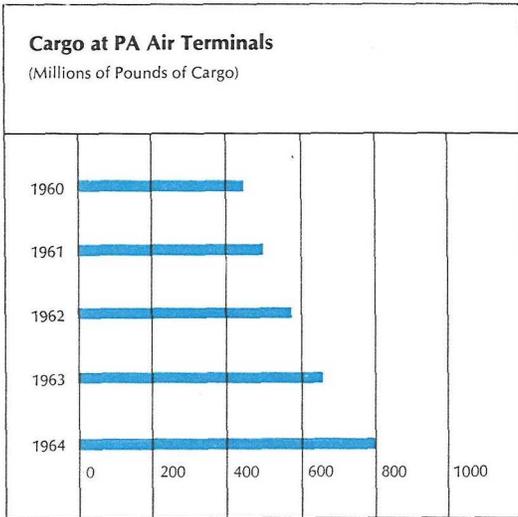
At Kennedy International Airport, construction was begun on a cargo service building for British Overseas Airways Corporation to meet the increasing demands of the rapidly expanding air cargo industry. The 3,550 foot extension of Runway 4L-22R into Jamaica Bay was completed and opened for service late in the year. Progress was made on the installation of a \$20 million underground fuel distribution system.

At Newark Airport, where the growth of traffic continued at a rapid pace, site prepara-

tion work was begun for the airport's new 375-acre passenger terminal area to be built as part of a \$150 million redevelopment and modernization project.

In January 1964, at the request of Governor Richard J. Hughes, the Port Authority undertook studies of two possible sites in northern New Jersey for a new major airport. They are the Bearfort area in Passaic County and the Bowling Green area on the Morris-Sussex County border. On October 27, the Port Authority reported to Governor Hughes and Governor Rockefeller preliminary findings regarding the Bearfort-Bowling Green study. It was concluded that the development of a major air terminal at either of the two sites would be costly, would never approach a self-supporting operation even if it were to operate at maximum capacity from the start, and would require a subsidy of several hundred million dollars. When these preliminary findings regarding Bearfort and Bowling Green were released, Governor Rockefeller requested the Port Authority to re-evaluate Pine Island in Orange County, New York which the Port Authority has agreed to do. The final report





on the Bearfort and Bowling Green sites is to be completed and submitted to the Governors in 1965.

### John F. Kennedy International Airport

The growth of air traffic in the New Jersey-New York Metropolitan Area in 1964 was reflected at John F. Kennedy International Airport where 14,608,000 passengers were served. This was an increase of 14.6 percent over 1963. Overseas passengers totaled 4,441,000, up 22.5 percent and there were 10,167,000 domestic passengers, 11.4 percent more than the year before.

Take-offs and landings at Kennedy International Airport totaled 332,300, a gain of 6.4 percent. Air cargo continued its steady growth during 1964, increasing by 24.0 percent to 310,700 tons. The volume of air mail processed at the airport increased 6.6 percent to 79,100 tons.

The 31,769 people employed at the airport in 1964 earned an estimated \$260,000,000. By the end of the year, the Port Authority's investment in the airport totaled \$366,500,000, an increase of \$16,600,000 over 1963. Combined with LaGuardia Airport, these two air terminals are Queen's largest industry and are important factors in the economic growth and stability of the metropolitan area.

### Terminal City

Trans World Airlines announced plans for a

\$14,000,000 expansion of its unit terminal in Terminal City at Kennedy International Airport. The plan calls for expansion of the existing building, designed by the late Eero Saarinen, and construction of another flight wing similar to the existing one.

The new three level flight wing will consist of a satellite building containing waiting rooms and ramp control facilities joined to the main terminal by a covered walkway.

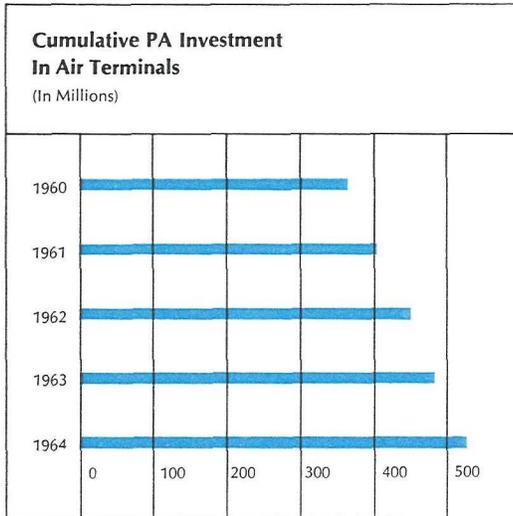
An innovation at TWA will be two conveyor belts in the tunnel to move arriving passengers and baggage to the baggage claim area. A heliport on the satellite roof also is planned.

The existing terminal will be expanded at both ends to provide space for a flight commissary, baggage claim, office space and a coffee shop.

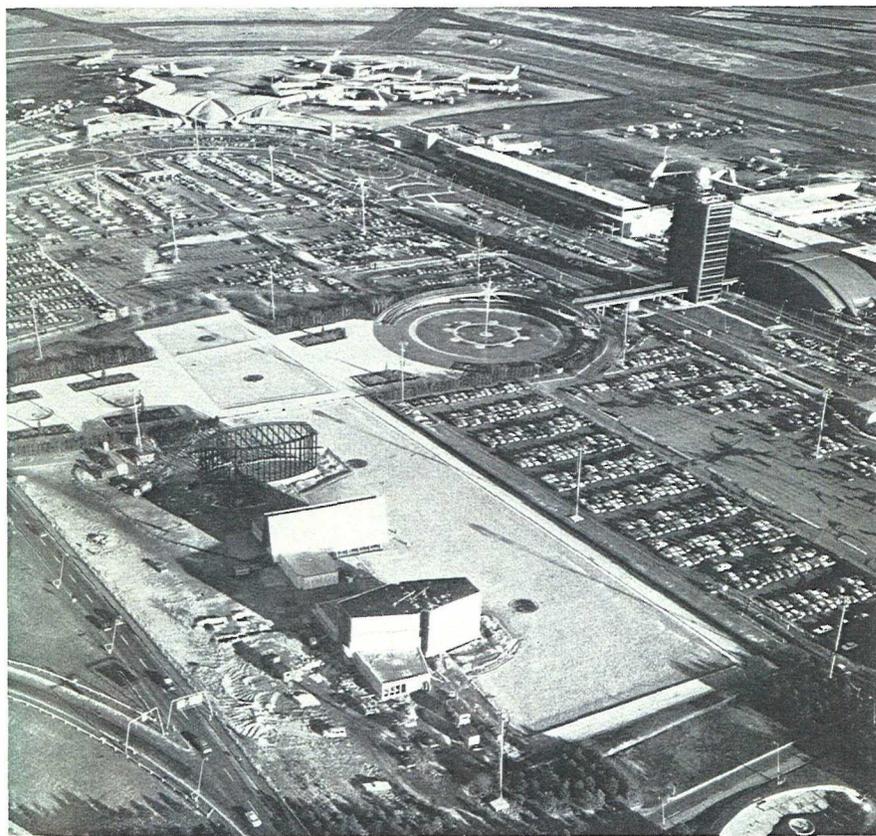
Expansion and rehabilitation of the airport's long-term parking lot increased parking spaces at the airport from 5,800 to 7,700. Hertz Rent-A-Car Corporation began construction of maintenance and storage facilities scheduled for completion in the Spring of 1965, and Avis Rent-A-Car continued work on plans for similar facilities.

### Air Cargo Center

Pan American World Airways began site preparation for the construction of a \$7,000,000 air cargo terminal during the year for completion in 1965. A new \$1,600,000 cargo facility for British Overseas Airways Corporation was about 30 percent completed by the end of the year.



*Construction moved ahead on the Chapel Plaza at Kennedy International Airport. Cornerstone ceremonies were held November 15th for the Protestant Chapel, and construction schedules call for completion of the Jewish Chapel in Spring 1965 and the Catholic Chapel later that year.*



In addition, Cargo Building 87 was expanded by 20,000 square feet, Cargo Building 83 by 7,000 square feet and Cargo Building 81 by 26,000 square feet.

Since 1948, when 1,598 tons of air cargo were shipped through Kennedy International Airport, the traffic has grown to 310,700 tons a year. The 171-acre Air Cargo Center now has 593,000 square feet of enclosed cargo handling space.

The highly automated Pan American building will contain about 155,000 square feet and will increase ten-fold that airline's present cargo handling space at the airport.

#### Runways

The 3,550-foot southerly extension of Runway 4L-22R into Jamaica Bay was completed in November, increasing its length to 11,400 feet. The extension and related taxiways cost \$8,600,000.

The modernization and extension of Runway 13L-31R was begun in November. The \$3,100,000 project will permit greater flexibility for the landing and take-offs of jet aircraft and reduce traffic delays. Construction includes high-speed taxiway turn-offs, the installation of center line button lights, and modification of runway edge lighting as well as extension of the runway from 8,000 feet to 10,000 feet. The work will be completed in mid-1966. An Instrument Landing System (ILS) for Runway 31R and high-intensity lead-in lights for Runway 13L were installed by the Federal Aviation Agency in 1964.

#### Other Developments

The construction of four 200-foot-long bridges to carry taxiways and service roads over a new 150th Street approach road was completed in mid-1964. The \$4,500,000 project is the first step in providing a second major entrance to Terminal City. A new \$1,100,000 electrical system got under way in late summer.

Progress continued on the \$20,000,000 underground fueling system scheduled for completion in 1965. The system will be capable of pumping over 3,500,000 gallons of aviation fuel a day from the storage area near Bergen Basin through a 50-mile network of pipes to the aircraft ramp areas. It will distribute fuel more rapidly and efficiently than the present truck delivery system which delivered about 710,000,000 gallons in 1964.



### LaGuardia Airport

The introduction of jet service at LaGuardia Airport, which celebrated its 25th year in 1964, and the completion of its new \$36,000,000 passenger terminal brought increased traffic to that airport. Trans World Airlines and United Air Lines reinstated their scheduled service at the airport, suspended during the construction period. In addition Mohawk Airlines and Allegheny Airlines initiated service to the airport during the year. These changes helped to reverse the gradual downward trend of the past several years caused by the rehabilitation program. In 1964, 3,737,000 passengers used LaGuardia Airport, 27.6 percent more than in 1963.

Aircraft movements during the year increased 21.2 percent to 170,000. Air cargo volumes rose to 10,700 tons, 26.3 percent more than 1963, and air mail was up 9.5 percent to 2,900 tons.

An estimated \$41,000,000 was earned by the 4,487 people employed at LaGuardia Airport during 1964. By year's end, the Port Authority had invested \$101,600,000 in the Airport.

### Terminal Facilities

The new passenger terminal was dedicated April 16, marking the end of the first phase of the airport's \$119,000,000 rehabilitation and runway extension programs. At the same time the new twelve-story control tower was dedicated. The tower had been financed and built by the Port

*Above: The new terminal, nearly seven times the size of the structure it replaces, features a two-level roadway which extends the full length of the terminal. Enplaning passengers use the upper level and deplaning passengers the lower level.*

*Below: LaGuardia Airport's two runways are being extended into Rikers Island Channel on a 50-acre L-shaped pile-supported structure of pre-stressed and post-tensioned concrete. Upon completion both runways will be 7,000 feet long.*



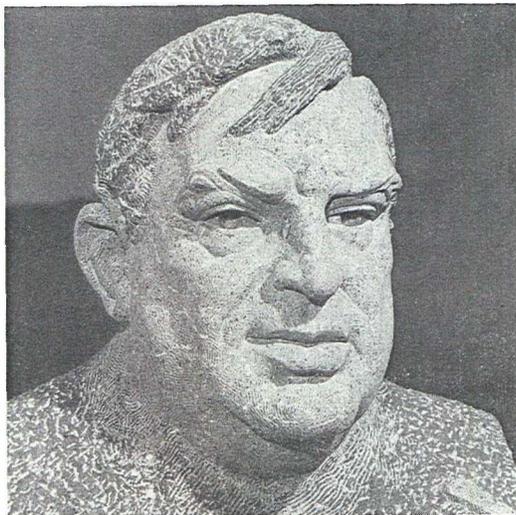
Authority and turned over to the FAA upon its completion.

The new terminal, nearly seven times the size of the old terminal, is served by a two-level roadway. Enplaning passengers use the upper level and deplaning passengers the lower level. By the end of 1964, all airline tenants were operating from the new terminal.

#### *Runway Extensions*

A major part of the LaGuardia redevelopment program is the extension of its two runways from 5,000 and 5,965 feet to 7,000 feet to accommodate short and medium haul jet aircraft. The extensions, to cost \$39,000,000, will employ a new concept in runway design developed by the Port Authority. The runways are being extended into Rikers Island Channel on a 50-acre L-shaped pile-supported structure of prestressed and post-tensioned concrete. Completion of the project is expected in 1967.

Dredging was completed in November of a new South Brother Island Channel to replace the Rikers Island Channel which must be closed to permit the extension of the runways. The new Channel is 3,200 feet long, 400 feet wide and 30 feet deep.



*An eight-foot-high sculpture of Mayor Fiorello H. LaGuardia was unveiled by Mrs. Marie LaGuardia at ceremonies held December 2, 1964 commemorating the 25th anniversary of the airport. The sculpture, created from Spanish marble by Luis A. Sanguino of New York City, was commissioned by the Port Authority.*

#### *Newark Airport*

Newark Airport served 4,511,000 passengers, a 10.0 percent increase over the previous year. A continuing increase in jet flights and the introduction of non-stop jet service to the West Coast by American Airlines and Trans World Airlines contributed to this growth.

Aircraft movements during the year were 183,500, up 0.7 percent from 1963. Air cargo increased 10.3 percent to 80,100 tons.

The airport provided jobs for 4,632 persons who earned approximately \$40,000,000 during the year. The Port Authority's investment in the airport at the end of the year was \$49,900,000.

#### *Redevelopment Program*

The Port Authority's \$150,000,000 redevelopment program for Newark Airport includes new passenger terminal facilities consisting of four separate terminal buildings, each about the size of the present terminal. Three of the buildings will be built immediately and the fourth when anticipated traffic growth requires it. Also included in the redevelopment plans are parking spaces for 12,000 automobiles, fuel storage and underground distribution system, provisions for new aircraft maintenance and cargo facilities, as well as a new runway and extensions to existing runways which will increase the airport capacity by approximately 50 percent. As originally planned the present terminal will be converted into a hangar.

Each new terminal building will have flight centers to house airline operations related to their respective aircraft loading positions. The two central terminal buildings will have three of these flight centers each, providing a total of 22 loading positions. The buildings at either end of the terminal complex will have 16 positions each. Ultimately, the new terminal building complex will afford 76 aircraft loading positions as compared with the 26 positions available at Newark Airport today.

Functional designs of the new terminals are aimed at providing maximum flow of passenger traffic and a minimum of walking. With the construction of the suggested split-level terminal concept, arriving and departing passengers need not walk up or down more than half a level, except from the parking level to the ticket area where escalators will be provided.

Each flight center will have separate waiting rooms for each plane position and will provide separate consumer services, minimizing the need for passengers to return to the main building prior to departure.

Passengers will not be required to cross roadways between the parking areas and the terminal buildings. The roadway system is elevated to permit free pedestrian flow as well as convenient parking underneath.

An airport roadway system has been designed to offer direct, separate access to each terminal building without mixing inbound and outbound traffic. The reconstruction plans include ten miles of these new airport highways and service roads. Access to the airport itself will be provided through a new major interchange which will be constructed in cooperation with the New Jersey State Highway Department.

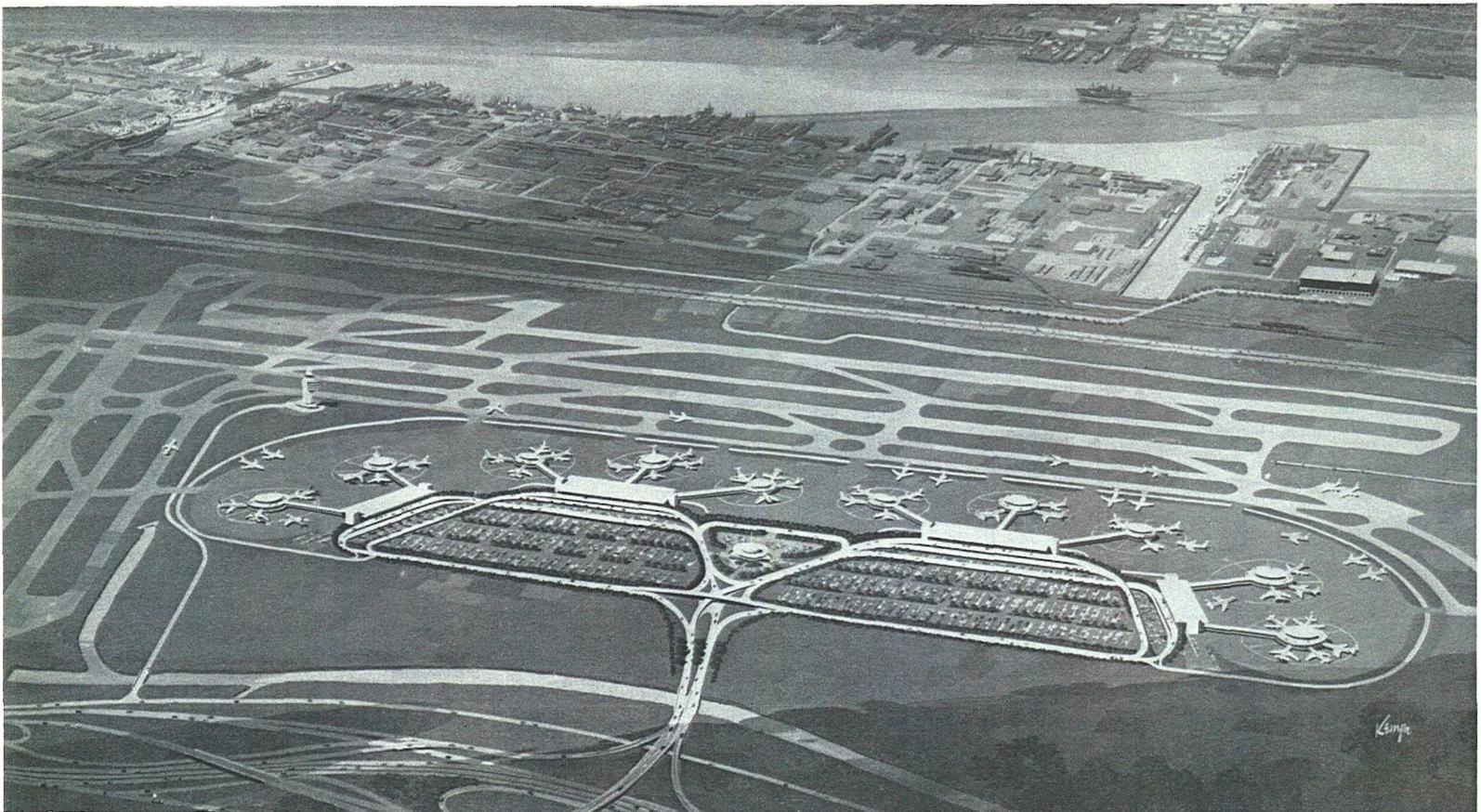
Redevelopment plans also will feature an underground fuel distribution system similar to the system being constructed at Kennedy International Airport. Fuel will be piped underground from a twenty-acre tank farm located

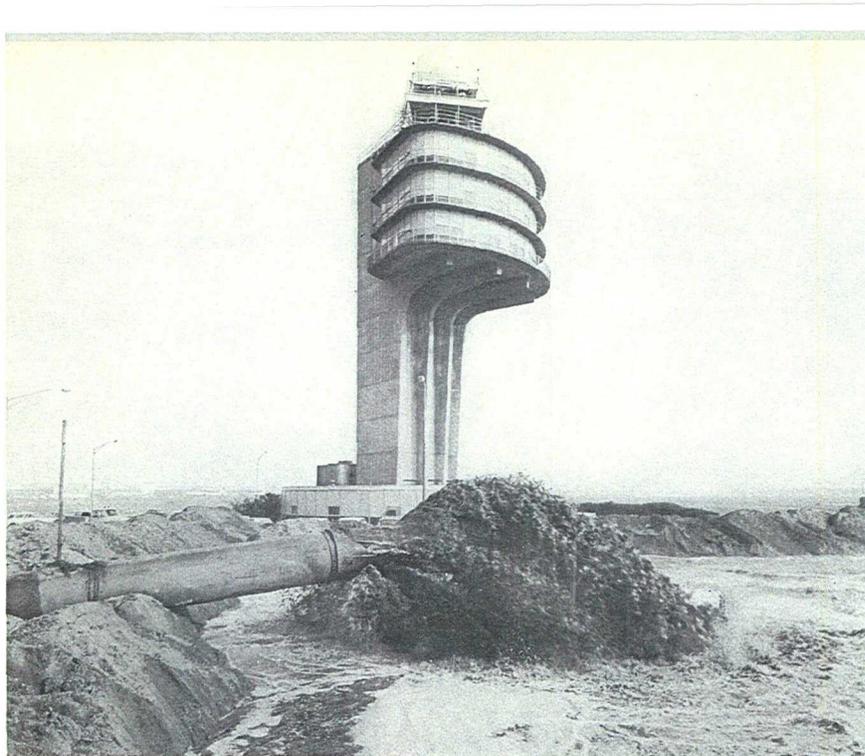
at the south end of the field directly to hydrants on the ramps. The system will be capable of pumping nearly a million gallons a day from the 4,000,000-gallon storage area into the aircraft.

A new 8,200-foot runway parallel to the existing north-south instrument runway will be constructed to enable the airport to accept the increased number of aircraft movements needed to handle future passenger volumes. Other runway improvements will include the extension of existing Runway 4-22 from 4,000 feet to 8,200 feet and the extension of Runway 11-29 from 6,800 to 7,300 feet.

The placement of more than 12,000,000 cubic yards of hydraulic fill and surcharge over a 375-acre area in the center of the airport began in September 1964. This \$14,600,000 project will prepare the site for construction of the new terminal facilities, runway and taxiway work, and the fuel farm. Site preparation work for the first two terminal buildings is scheduled for completion in late 1966, and the buildings will be completed in early 1969.

*Artist's drawing showing design concept of the \$150,000,000 redevelopment of Newark Airport now under way for completion in 1971.*





*Preparation for the redevelopment of Newark Airport began in September 1964 with the start of placement of more than 12,000,000 cubic yards of hydraulic fill and surcharge over a 375 acre area in the center of the airport.*

#### *Interim Improvements*

While the redevelopment program moved ahead, work began on the modification and expansion of existing facilities to meet increased demands over the next few years.

Expansion of the east and west arcades of the passenger terminal by 28,000 square feet was begun late in 1964. Parking lot capacity was increased by about 1,200 spaces by modification of Parking Lot 3 during the year. Parking facilities adjacent to the passenger terminal were improved, and free shuttle bus service between the remote parking lot and the terminal was instituted.

In addition, all the airlines operating at Newark Airport undertook programs to modify and expand their present passenger service accommodations. Hot Shoppes, Inc. opened a new flight kitchen in August, one of the most modern and complete in the nation.

#### **Teterboro Airport**

Teterboro Airport, devoted exclusively to general aviation, recorded 241,200 aircraft movements in 1964, 4.1 percent more than 1963. Business and private aircraft movements, which

constitute a major portion of the airport's activity, decreased 0.6 percent to 128,800. Flying school movements were up 9.8 percent to 111,000.

The 1,056 persons employed at the airport earned an estimated \$8,000,000. The Port Authority's total investment in the facility at the close of 1964 was \$10,500,000.

#### **Heliports**

The Port Authority-Downtown Heliport, operated by New York Airways under an agreement with the Port Authority, served 34,000 passengers, 16.1 percent less than in 1963. Similarly, helicopter movements declined 15.2 percent to 17,900 and air cargo increased 15.0 percent to 92,000 pounds. Declines in helicopter movements and passengers were due to equipment shortages.

The Port Authority-West 30th Street Heliport, Manhattan's first, served corporate and private helicopter operations during 1964.

#### **Air Commerce**

During the year the Port Authority participated in a number of proceedings before the Civil Aeronautics Board in accordance with its obligation under the Port Compact to promote and protect the Port District's air commerce.

One significant case involved subsidy funds for scheduled helicopter airlines, such as New York Airways, to enable it to continue this important mode of air transportation. Congress, which annually appropriates funds for helicopter subsidies, has, in the past few years, indicated a desire for early termination of subsidy payments. The CAB, responsible for the administration of the helicopter subsidy program, has supported the continuing need for adequate subsidy support for helicopter airlines.

The Port Authority has long supported the development of helicopter transportation in the Port District and recognized the need for Federal subsidy support for the service until the traffic growth can enable it to be self-supporting. Accordingly, the Port Authority strongly supported adequate Federal subsidy funds under the CAB's plan for gradual reduction of helicopter subsidy appropriations until Fiscal Year 1970, when subsidy payments would be terminated.



## Marine Terminals

The waterborne commerce of the New Jersey-New York Port, gateway to the United States, has been the cornerstone on which the bi-state metropolitan region has developed. In order to maintain the Port's position as the nation's leading seaport, the Port Authority has been engaged since 1945 in a \$425,000,000 marine terminal development program in the bi-state harbor. To date, \$261,200,000 has been invested in the development of marine facilities at Elizabeth, Newark, Hoboken and Brooklyn. In 1964, \$11,600,000 was invested in marine terminal construction, and about \$14,800,000 will be spent on additional improvements in 1965.

The six Port Authority marine terminals in New York and New Jersey comprise 34 percent of the port's usable deep-water cargo berths and handled 39 percent of the port's foreign general cargo. They include Port Newark, the Elizabeth-Port Authority Marine Terminal and the Hoboken-Port Authority Marine Terminal in New Jersey; in New York, the Brooklyn-Port Authority Marine Terminal, the Erie Basin-Port Authority Marine Terminal and the Port Authority Grain Terminal.

In 1964, more than 9,237,900 long tons of cargo were handled at Port Authority marine terminals, an increase of 7.7 percent over the preceding year. This tonnage, valued at about \$5,937,116,300, included more than 7,883,700 tons of high-value foreign and domestic general cargo, which produces the largest volume of waterfront employment.

Port Authority marine terminals led the port and the nation in the handling of containerized general cargo with a total of 2,048,953 tons. They also handled 85 percent of the port's frozen meat, 45 percent of the lumber, 93 percent of the automobile imports and 51 percent of the scrap metal exports that had moved through the port in 1964.

This vast movement of waterborne cargo provided jobs for over 9,920 people at the bi-state agency's marine terminals last year. They earned \$55,276,700. An additional 618 were engaged in

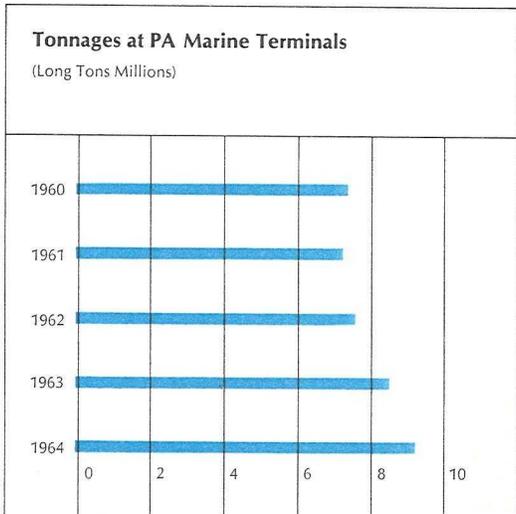
the extensive construction programs and earned an estimated \$4,950,000.

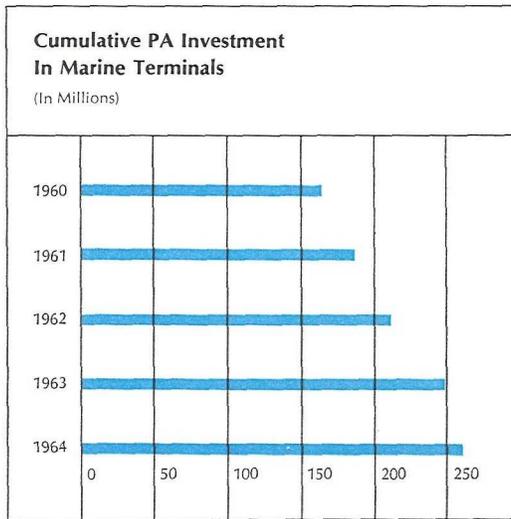
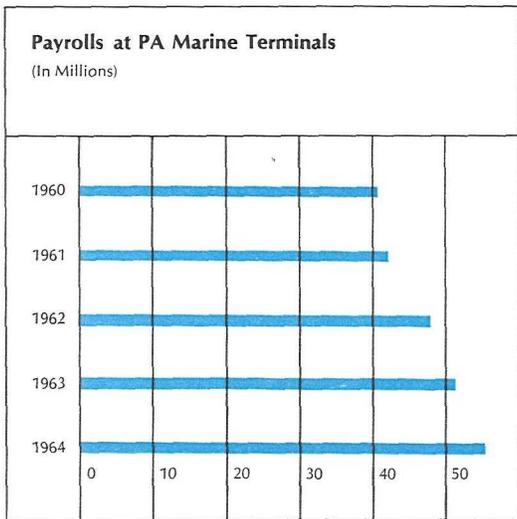
### Port Newark

The largest and busiest of the Port Authority marine terminals continues to be the 707-acre Port Newark. Activity at that seaport provided employment for 4,562 people earning more than \$25,436,000. The continuing construction program increased Port Authority investment in the seaport to \$84,400,000 by year's end and provided an additional 228 jobs with a payroll of \$1,820,000.

One of the major improvements was the completion in July of a carfloat bridge that provides direct access for all railroads to Port Newark and the Elizabeth-Port Authority Marine Terminal. The bridge, located near the head of the Elizabeth Channel, connects with more than 30 miles of trackage and enables direct deliveries of freight to all areas of both facilities.

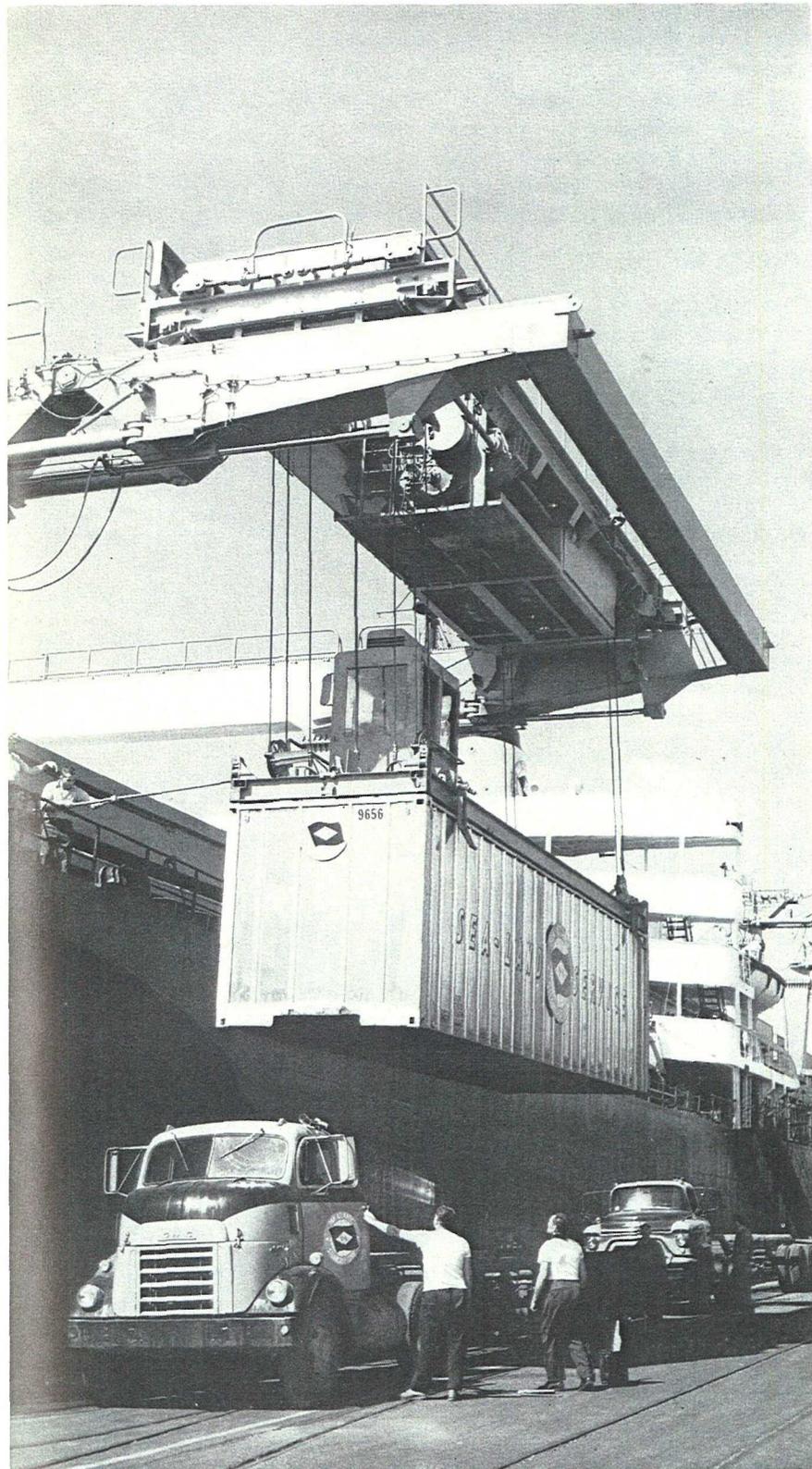
Construction of the public cold storage warehouse to be located midway between the deep-water berths on the Newark and Elizabeth Channels progressed on schedule. The 1,120,000 cubic-foot building will help accommodate the growing volume of imported frozen





A major improvement at Port Newark was the completion in July of a carfloat bridge that provides direct access for all railroads to Port Newark and the Elizabeth-Port Authority Marine Terminals.





foods in the port area. The building, leased to Hudson Refrigerating Company, is scheduled for completion in the Spring of 1965.

Convenient and economical covered space for the distribution of waterborne cargoes is an integral part of an efficient marine terminal. To date the Port Authority has provided almost 2,500,000 square feet of modern cargo distribution space at Port Newark. During 1964, two distribution buildings each with 104,000 square feet of space were completed on the north side of the Channel. Two additional cargo distribution buildings, providing another 208,000 square feet, are under construction for completion in early 1965.

During the year, buildings in the former Naval Reserve Industrial Shipyard acquired by the Port Authority in 1963 were rehabilitated and fire mains and electrical power lines modernized. The entire area is now protected by a central station fire alarm and supervisory system.

More than 4,000,000 tons of cargo passed through the seaport in 1964, a slight increase over 1963. Of this volume 2,713,914 tons were general cargo and 1,286,296 tons bulk liquids. Port Newark leads the nation in automobile imports and the handling of imported frozen meats. It is also one of the largest lumber ports on the East Coast.

#### Elizabeth-Port Authority Marine Terminal

Development of the 703-acre Elizabeth-Port Authority Marine Terminal continues to make impressive headway. The 111-acre first phase has been completed. The 194-acre second phase area will be in partial operation in 1965 and be completed in 1967.

The national headquarters of Sea-Land Service Inc., the world's leading containership company occupy 87 acres of the first phase area. With its fleet of 15 ships and over 8,500 containers, Sea-Land serves the Atlantic, Gulf and West

*With its fleet of 15 ships and over 8,500 containers, Sea-Land Service, Inc. ranks as the world's leading containership company. Their huge containership terminal in Elizabeth includes five deep-sea vessel berths, nine major buildings and 26 acres of paved upland.*

Coasts, Puerto Rico and Alaska. This huge containership terminal includes five deep-sea vessel berths, nine major buildings and 36 acres of paved upland. During the year, Sea-Land completed construction of its General Office Building, Refrigerated Cargo Terminal and Refrigerated Trailer Garage, the last three buildings in its terminal complex.

Port Authority construction continued in other portions of the first phase of development. A complete proprietary fire alarm system was installed and connected to the City of Elizabeth alarm system. Fire alarm boxes and lines are being added as construction proceeds.

Construction also progressed in the second phase of development. Paving of 700,000 square feet of open area adjacent to two of the five completed wharves is under way, and paving at the remaining three berths will start in 1965. In 1964 construction was completed on four of sixteen authorized Cargo Distribution Buildings in this phase of the Elizabeth development. In addition, two new distribution buildings were started during the year. The sand surcharge for the remaining ten buildings has been placed and construction of two of these buildings will begin in January 1965.

It is estimated that an average of 334 people earning about \$2,680,000 a year were employed on construction work at the new facility.

When completed, the Elizabeth-Port Authority Marine Terminal is expected to handle nearly 5,000,000 tons of cargo annually, of which at least 50 percent will be at containership berths.

### Brooklyn-Port Authority Marine Terminal

More than \$94,000,000 has been invested in the development of modern facilities at the Brooklyn-Port Authority Marine Terminal since the bi-state agency purchased the property eight years ago.

Pier 5 in the Fulton Terminal Area, the twelfth new pier in this 13-pier redevelopment project, was completed during the latter part of 1964. The new pier provides over 180,000 square feet of shedded space, 43,000 square feet of apron area and more than 158,000 square feet of paved, upland area.

During the year, the Port Authority moved ahead in its endeavors to expand direct rail car

delivery of freight to the Brooklyn-Port Authority Marine Terminal. Particular progress was made in facilitating the transportation of refrigerated cargoes to the piers.

In 1964, this modern, efficient marine terminal handled 1,903,555 tons of cargo, a 31.3 percent rise over 1963 and provided jobs for 2,800 people who earned \$15,592,400.

### Erie Basin-Port Authority Marine Terminal

Containerization, the latest development in the movement of waterborne freight is the newest innovation at this facility which has been handling world-wide cargoes for over a century.

During 1964, 588 vessels were berthed at, and 662,461 tons of general cargo moved across the Erie Basin piers. As a result, 943 workers earning \$5,258,000 were employed at the marine terminal during the year.

*During the year, a total of 148,262 automobiles were handled at Port Newark, including 112,692 imported autos and 35,570 domestic cars, representing the largest volume of autos handled at the seaport in any single year.*



### Hoboken-Port Authority Marine Terminal

As the main operating base for American Export Isbrandtsen Lines, Inc., the Hoboken-Port Authority Marine Terminal is one of the most active facilities in the harbor. The line's world-wide services accounted for the berthing of 314 vessels at Hoboken during 1964. This combined cargo and passenger activity created 630 jobs with a payroll of \$3,475,400.

### Port Authority Grain Terminal and Columbia Street Pier

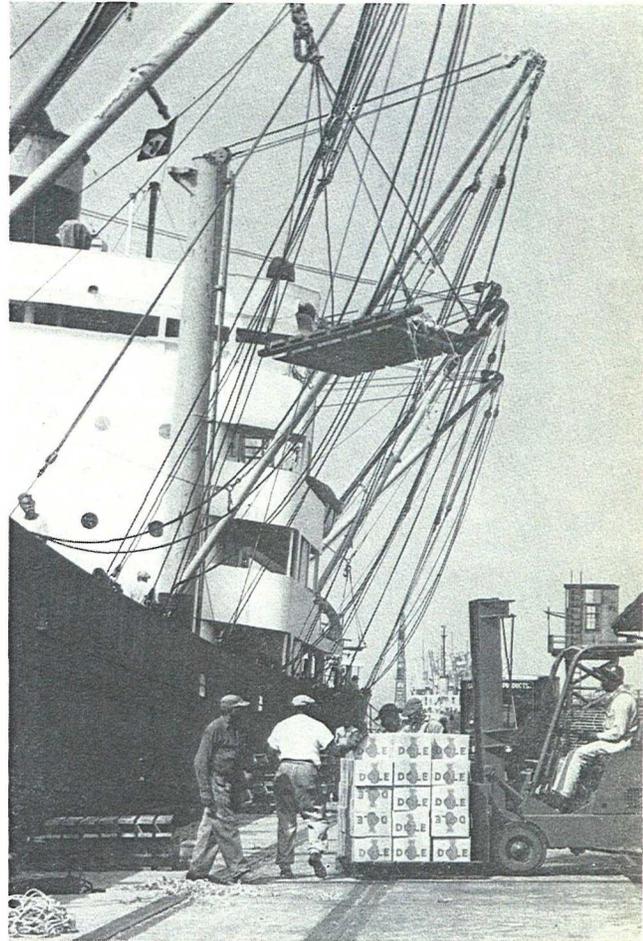
Since the last overseas shipment of grain from the Hudson River "mothball" fleet in mid-1963, there has been a sharp decrease in grain handled at the Terminal. In 1964, 2,677,909 bushels were elevated, and 2,534,002 bushels loaded directly into the holds of deep-sea vessels, 69 percent less than in 1963.

At the Columbia Street Pier, 95,627 tons of freight were handled in 1964, an 18.3 percent decline from 1963. The five-acre lumber terminal handled 40,884,480 board feet or 54,756 tons, a decrease of 2.2 percent.

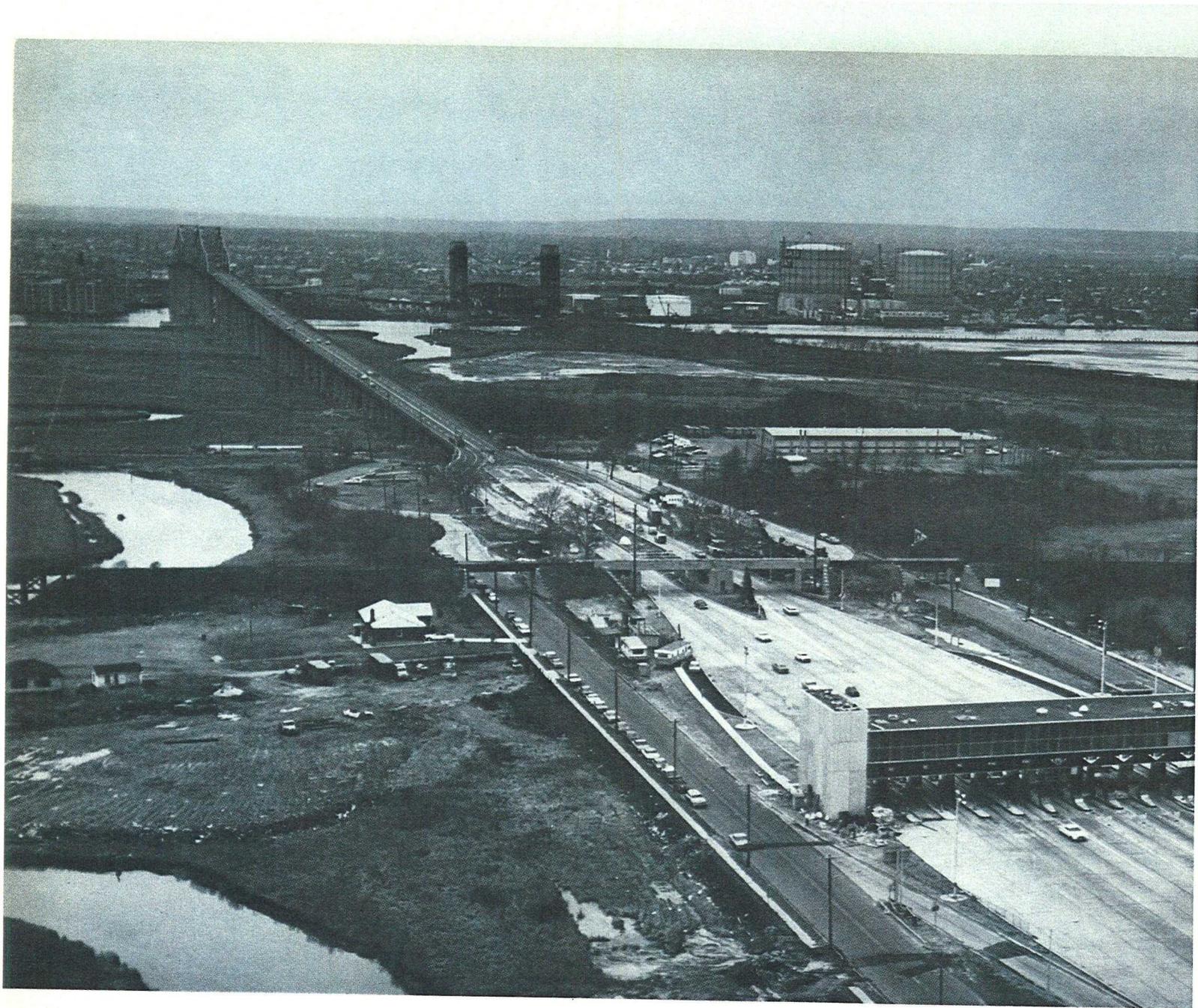
### Pre-Palletized Movement of Export/Import Freight by Lighter

During 1964 an experimental program begun the previous year at the Brooklyn-Port Authority Marine Terminal demonstrated that increased productivity results from the pre-palletized movement of freight by lighter between steamship piers and rail terminals. Other benefits include a more rapid turnaround time for lighters, a corresponding improvement in the utilization of the lighterage fleet and better service to customers. Most important, this program resulted in a reduced rate, effective December 1, 1964, to the railroads for the handling of pre-palletized cargo.

The program whose initial participants were the New York Central Railroad and American Stevedores, Inc., has been expanded to include the Erie-Lackawanna Railroad, Pittston Stevedoring Company, United States Lines and Holland America Line. It is hoped that further acceptance of this program will result in the participation of other railroads, steamship lines and stevedoring companies.



*Longshoremen unload cartons of canned pineapple at Port Newark. During the year this facility provided work for 4,562 people earning more than \$25,436,900.*

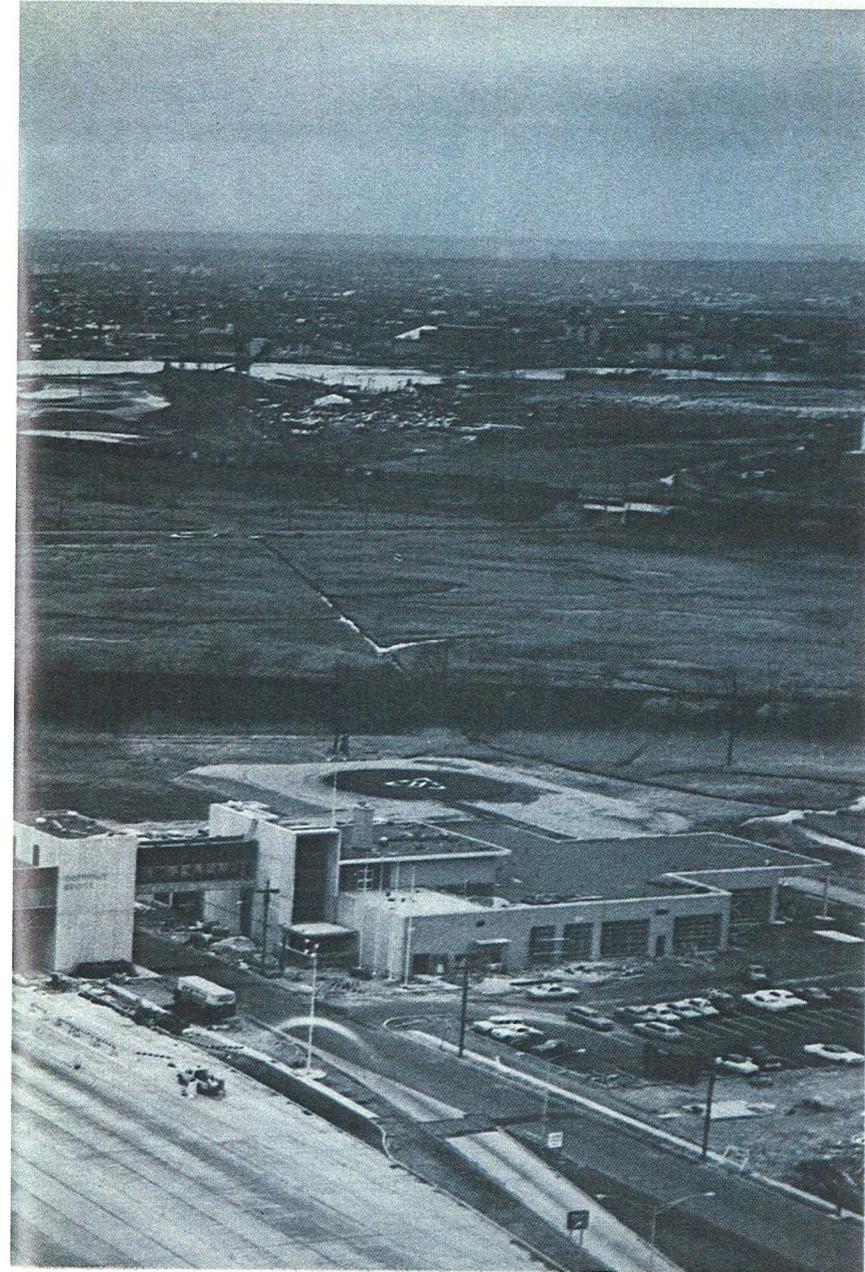


## Tunnels and Bridges

The six Port Authority vehicular crossings in 1964 carried a record 115,699,473 vehicles, an increase of 8.1 percent, or 8,717,809 vehicles over 1963.

Traffic volumes were unusually high in the beginning of the year as a result of the completion of major improvements in New York highways late in 1963. Further increases occurred in the late spring and summer months, accounted for largely by normal seasonal advances, fine weather and World's Fair-bound motorists.

Fall and winter traffic volumes tapered off from the summer peak levels, but remained



above normal primarily as a result of the opening in October of the Bergen-Passaic Expressway between the George Washington Bridge and the Garden State Parkway.

#### Traffic and Revenues for 1964

The bulk of the increase in traffic at Port Authority crossings was experienced by the George Washington Bridge. This recently expanded facility, with its complex of approach roads linking Northern New Jersey with Manhattan, the Bronx and Queens, carried 52,408,989 vehicles during the year, 5,888,858 more than last year.

Lincoln Tunnel volumes also were up, indicating a partial recovery of traffic lost in 1963 during the periods of major construction on the New Jersey Turnpike interchange, Hackensack River bridges and other New Jersey Route 3 improvements. This construction, which was completed in time to give World's Fair visitors a better trans-Hudson route, provides a greatly improved artery linking New Jersey with midtown Manhattan.

Near the end of November, the Staten Island Bridges, especially the Goethals Bridge, experienced the first increase from the new Verrazano-Narrows Bridge which was built by the Triborough Bridge and Tunnel Authority. This increase represented both diversion from the Hudson River tunnels leading to Manhattan and some new motor vehicle traffic between New Jersey and Long Island. The growth of traffic at the six Port Authority crossings developed gross revenue of \$60,000,000, an increase of \$4,200,000 over 1963.

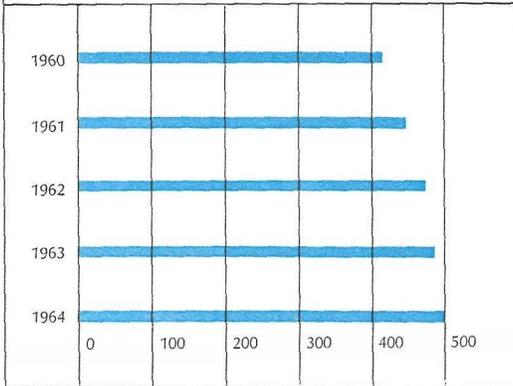
#### The Staten Island Bridges

During 1964, the Metropolitan Area Highway Bypass System moved from plan to reality. Completion of the Verrazano-Narrows Bridge in November brought to fruition a program initiated ten years ago following the Joint Study of Arterial Facilities for the New York-New Jersey Metropolitan Area by the Triborough Bridge and Tunnel Authority and The Port of New York Authority. As a result of the recommendations made in that study, there are now two major bypass systems around the congested central business districts of the region. The George Washington Bridge is the keystone of the northern bypass, served by excellent new highways and expressways.

The southern bypass utilizes the Verrazano-Narrows Bridge, the Goethals and Bayonne Bridges and Outerbridge Crossing to connect Brooklyn/Long Island with New Jersey via new and expanded highway facilities. As the southern bypass became available, work con-

**Cumulative PA Investment  
In Tunnels and Bridges**

(Includes GWB Bus Station) (In Millions)



**Crossings**

(Traffic in thousands)

	1964	1963
<b>All Crossings</b>		
Automobiles .....	97,140	89,616
Buses .....	3,710	3,587
Trucks .....	14,849	13,779
Total Vehicles .....	115,699	106,982
<b>George Washington Bridge</b>		
Automobiles .....	47,309	42,151
Buses .....	699	680
Trucks .....	4,401	3,689
Total Vehicles .....	52,409	46,520
<b>Lincoln Tunnel</b>		
Automobiles .....	23,512	22,300
Buses .....	2,853	2,753
Trucks .....	3,986	3,905
Total Vehicles .....	30,351	28,958
<b>Holland Tunnel</b>		
Automobiles .....	16,314	16,118
Buses .....	113	113
Trucks .....	5,424	5,236
Total Vehicles .....	21,851	21,467
<b>Staten Island Bridges</b>		
Automobiles .....	10,005	9,047
Buses .....	45	41
Trucks .....	1,038	949
Total Vehicles .....	11,088	10,037

continued on major improvements at the Bayonne and Goethals Bridges to expedite traffic using these facilities. The Goethals Bridge construction includes a new twelve-lane plaza with direct connections to the new Staten Island Expressway and a new Administration Building on the plaza. The building serves as maintenance and administrative headquarters for the three Staten Island Bridges. It provides toll booths for the bridge at plaza level and offices for administrative personnel on the upper level.

The new six-lane plaza at the Bayonne Bridge, which is expandable to twelve lanes, provides direct connections with the Willowbrook Expressway as well as local streets. A new plaza building and emergency garage was constructed. Roadway rehabilitation continued during the year and is scheduled for completion in 1965. In addition general rehabilitation is under way at Goethals and Bayonne Bridges. The major portion of the work requiring the closing of roadways was completed in 1964 in time for the Narrows Bridge opening. The remainder is scheduled for completion in the spring of 1965 and will be accomplished without interference with traffic.

Construction is scheduled to start in 1965 on an interchange on the New Jersey side of the Goethals Bridge to provide a direct connection between the bridge and the New Jersey Turnpike, US Routes 1 and 9 via new Interstate Route 278, New Jersey Route 81, and local streets. During the past year, the final plans for design and financing of the entire interchange were developed jointly by the New Jersey State Highway Department, New Jersey Turnpike Authority and Port Authority.

The Port Authority's own direct participation in the interchange construction will consist of the erection of a new Goethals Bridge eastbound viaduct approach parallel to the existing viaduct, which in turn will be widened and improved. The widening will provide a direct connection with the proposed interchange alignment for Goethals Bridge offbound traffic. In addition, the supports of the viaduct will be relocated to meet the requirements of the New Jersey Turnpike realignment.

Planning is in progress for a new plaza for the Outerbridge Crossing to be built to coincide with future construction of New York State ex-



*The women toll collector program which began in 1962 at the Lincoln Tunnel is now in effect at the three Hudson River crossings.*

pressways and parkways on Staten Island. These will provide direct connections between the Outerbridge Crossing and the Narrows Bridge.

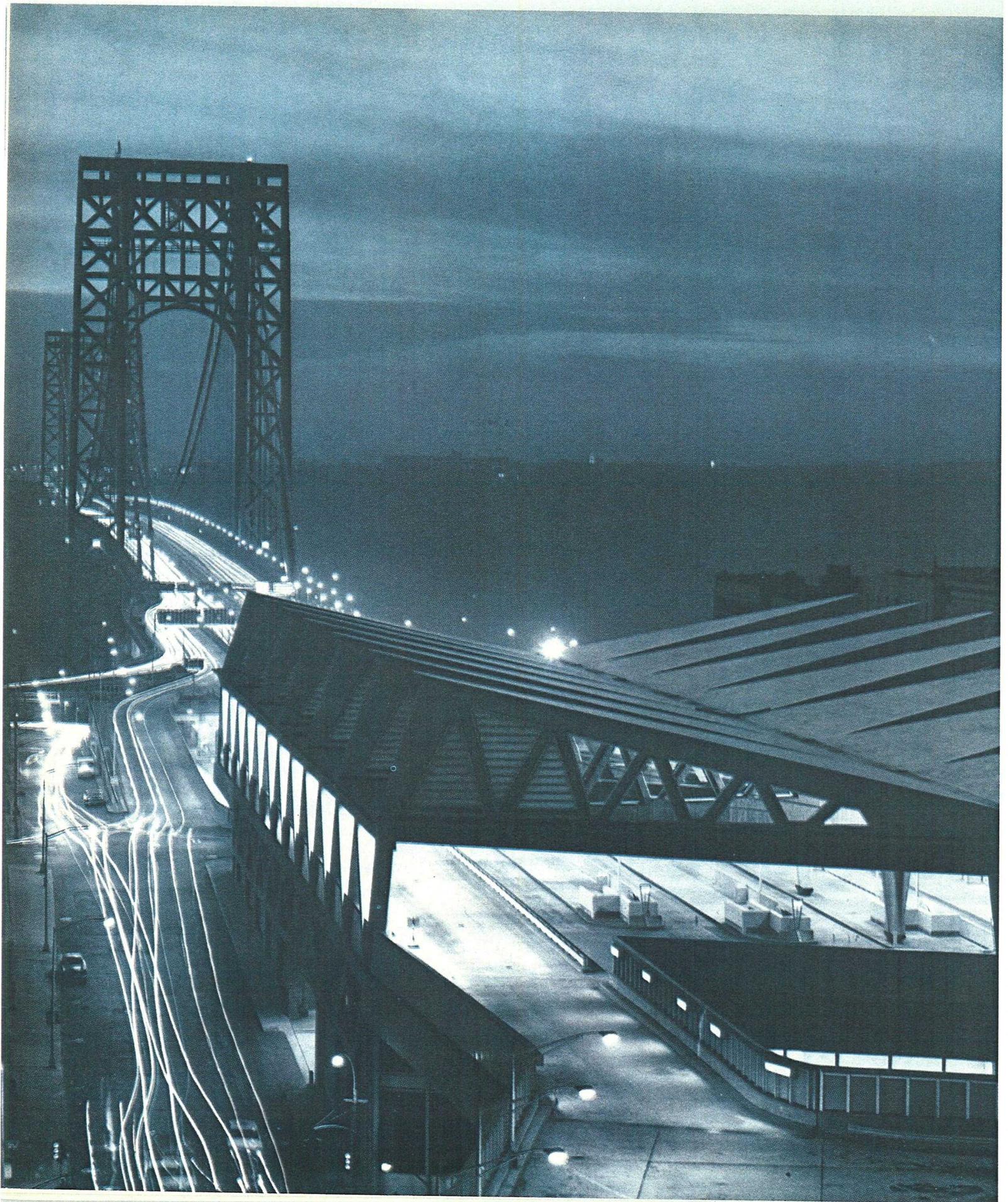
In New Jersey, construction of Route 440 by the State Highway Department is expected to begin in 1966 to link the Outerbridge Crossing with Interstate Route 287 at the New Jersey Turnpike. The highway will pass through Perth Amboy and Woodbridge making connection with Route 35 and the Garden State Parkway before reaching the Turnpike.

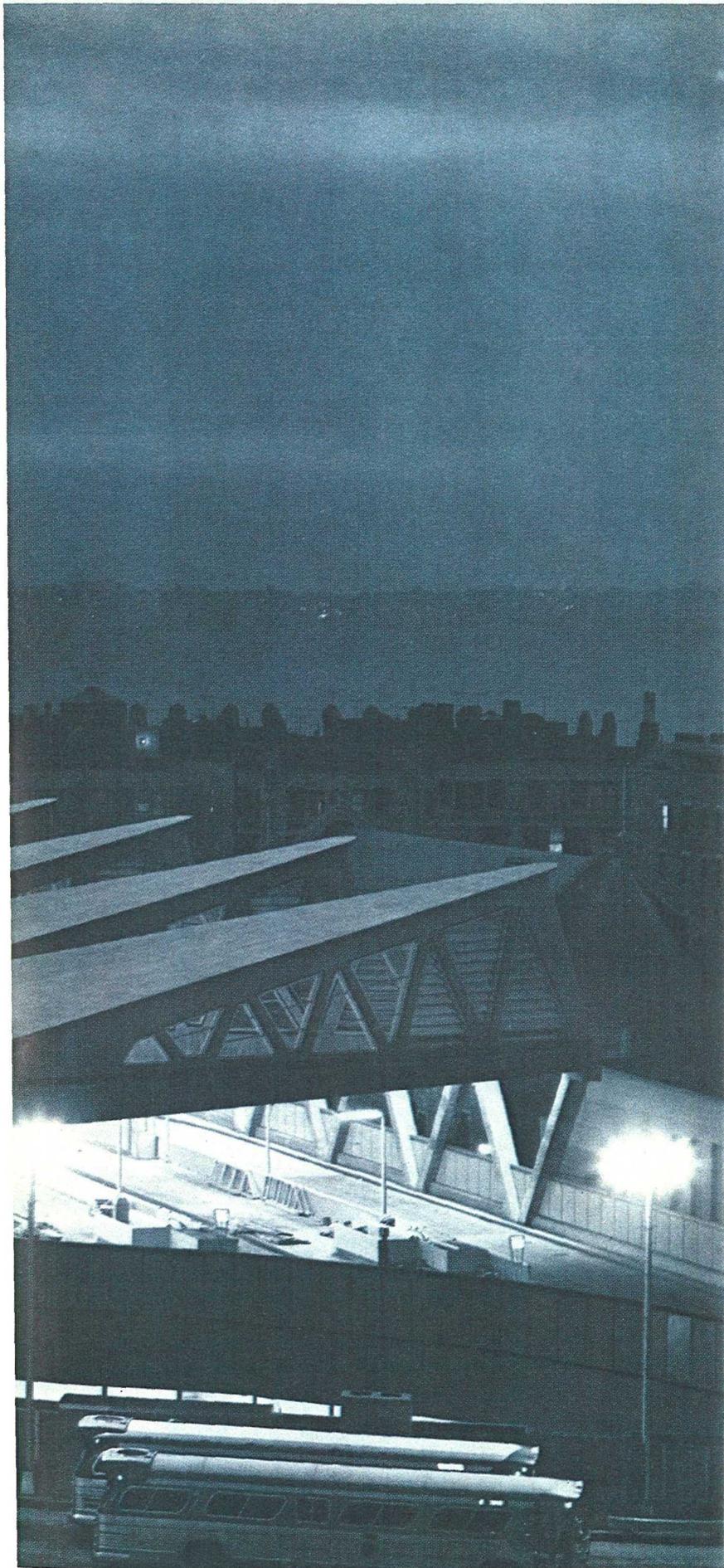
With the opening of the Verrazano-Narrows Bridge a simplified ticket system was established at the Bayonne Bridge, Goethals Bridge, and the Outerbridge Crossing. The new system will expedite the movement of an estimated 3,500,000 vehicles expected to use these facilities instead

of the Holland or Lincoln Tunnels during the coming year. Effective December 1, the simplified ticket system reduced the 27 types of tickets in use at the Staten Island facilities to conform with the three basic and simpler types in use at the Holland Tunnel, Lincoln Tunnel and George Washington Bridge since 1951.

#### **Women Toll Collector Program**

The women toll collector program which began in 1962 at the Lincoln Tunnel is now in effect at the three Hudson River crossings. The change-over to women toll collectors permits reassignment of police officers to specialized police duties. It is expected that civilian personnel will be utilized at the Staten Island Bridges starting in 1966.





## Terminals

Bus transportation in the New Jersey-New York metropolitan area is increasing substantially as a result of the growth of outlying communities, the construction of interstate feeder highways, and the introduction of more air-conditioned buses.

At the Port Authority Bus Terminal in midtown Manhattan, traffic continued to set new activity records, with more than 2,420,000 buses arriving and departing from the Terminal in 1964 carrying some 66,200,000 passengers.

This represented an increase of 3.0 percent over the past year and 53 percent over 1951, the Terminal's first full year of operation. It is anticipated that by 1975, passengers using this facility will number close to 75 million.

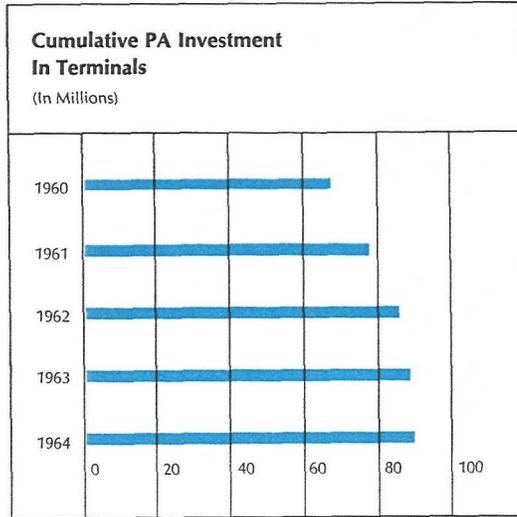
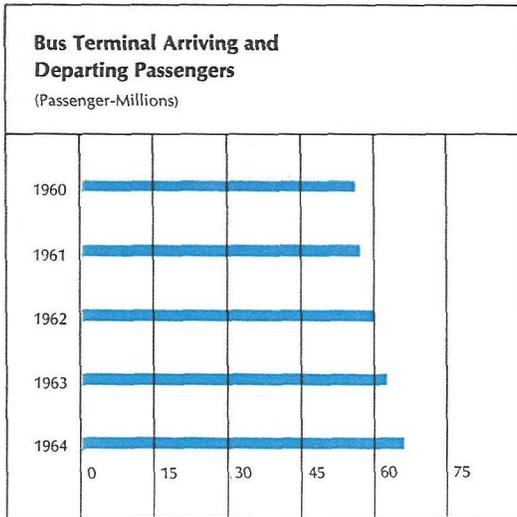
The year 1964 also marked the first full year of Greyhound operation at the Bus Terminal with the consequent elimination of some 200,000 buses annually from the streets of Manhattan's central business district east of Eighth Avenue.

Expanded bus service also has been provided between suburban communities and the George Washington Bridge Bus Station in uptown Manhattan, which completed its first full year of operation in 1964. By year's end, the new Station had served 11,500,000 passengers on 418,000 short haul or suburban buses.

The Port Authority Building, which houses the Port Authority's administrative offices and a number of commercial tenants remained, as it has been for some years, at almost 100 percent occupancy. It also continued to show considerable trucking activity in its 192 off-street truck berths.

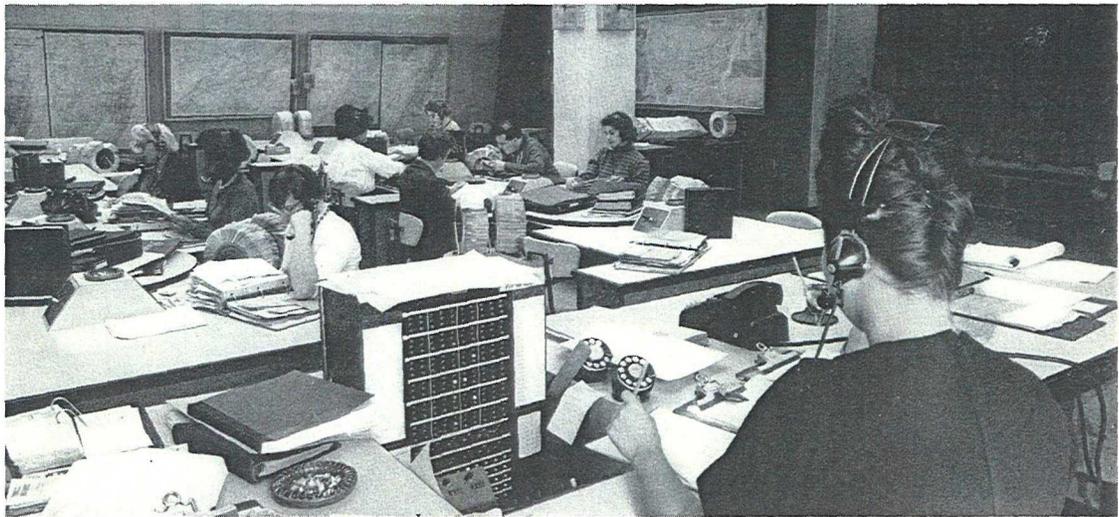
Consolidation and distribution of freight at the New York Truck Terminal remained at high levels during the year. At the Newark Truck Terminal, activity increased substantially with the first full year of operation of Associated Transport, Inc., the country's second largest over-the-road trucking company occupying one-half of the Terminal's berth and platform space.

In 1964, Inland Terminals earned gross revenues of \$12,600,000, providing a total of 8,400



*During 1964, more than 2,420,000 buses arrived and departed from the Port Authority Bus Terminal carrying some 66,200,000 passengers.*





*The Telephone Information Center at the Port Authority Bus Terminal handled more than 1,784,000 telephone inquiries regarding bus schedules in 1964.*

jobs with a payroll estimated at \$44,252,000. By the end of 1964, the Port Authority's total investment in Inland Terminal properties rose to \$88,900,000.

#### **Port Authority Bus Terminal**

New highs in bus activity were set in 1964 at the Port Authority Bus Terminal, when 1,210,000 departures were recorded. This represents an increase of 30,000 over last year's figures and the fifth consecutive year in which the one million mark has been exceeded.

Long distance activity sparked the total departure increase by climbing 15 percent over 1963 to more than 353,000 departures. The growth in long distance activity resulted from the rapid expansion of outlying New Jersey communities as well as by substantial growth in the traditional long distance market served primarily by Greyhound and Trailways. The largest increases were recorded by carriers moving daily commuters between the Bus Terminal and communities lying from 30 to 50 miles from the Manhattan core area. Until recent years these areas were not considered within commuting distance of the city.

#### **Success of Tri-Level Parking Facility**

A new three-level car parking super-structure was built as a part of the Terminal's expansion

program. The former roof parking facility provided space for only 450 automobiles while the new parking area provides space for over 1,000 automobiles. Linked conveniently and directly with the Lincoln Tunnel by the Terminal's ramp system, it has eliminated the need for many of these vehicles to utilize city streets. In 1964, 596,748 vehicles were parked, an increase of 19 percent over 1963.

#### **Additional Improvements**

In 1964, the Terminal's operating space was further improved by the conversion into prime loading and unloading space of a 600-foot platform on the south side of the lower bus level. This brought the Terminal's total number of bus operating positions to 181. The platform was formerly used in peak periods by long distance carriers for discharging passengers and baggage. The area and its adjacent roadway constituted the last unfinished space in the Terminal suitable for development as operating space.

In addition, work commenced on two modern snack bars conveniently located on the Terminal's long haul concourses to serve the growing number of bus patrons and visitors.

#### **George Washington Bridge Bus Station**

Since its opening in 1963, the George Washington Bridge Bus Station has provided expanded

services for patrons of the Washington Heights area of Manhattan and the thousands of Bergen and Rockland County residents who regularly use its facilities. In 1964, the Station's first full year of operation, a total of 11,900,000 passengers were carried on the 451,000 buses moving into and out of the facility.

The largest segment of the Bus Station's traffic was accounted for by 40,000 daily commuters. Long distance bus activity experienced a most impressive increase recording a total of 16,600 departures, and exceeding the 1963 total by over 70 percent. The Station now has service to the New Jersey Shore and the South, as well as to points in the Catskills, upstate New York and New England.

Special operations also became an important feature of the Station's service during the year. For example, direct bus routes to and from the World's Fair carried over 135,500 residents from New Jersey and New York during the six-month 1964 season of the Fair. Special service to Jones Beach and the various racetracks in the New York area also represented a growing element of traffic.

The Suburban Level's loading and unloading platforms were provided with heated glass and aluminum enclosures to add to the comfort of travellers using the Bus Station during the winter months.

#### **Port Authority Building and Truck Terminals**

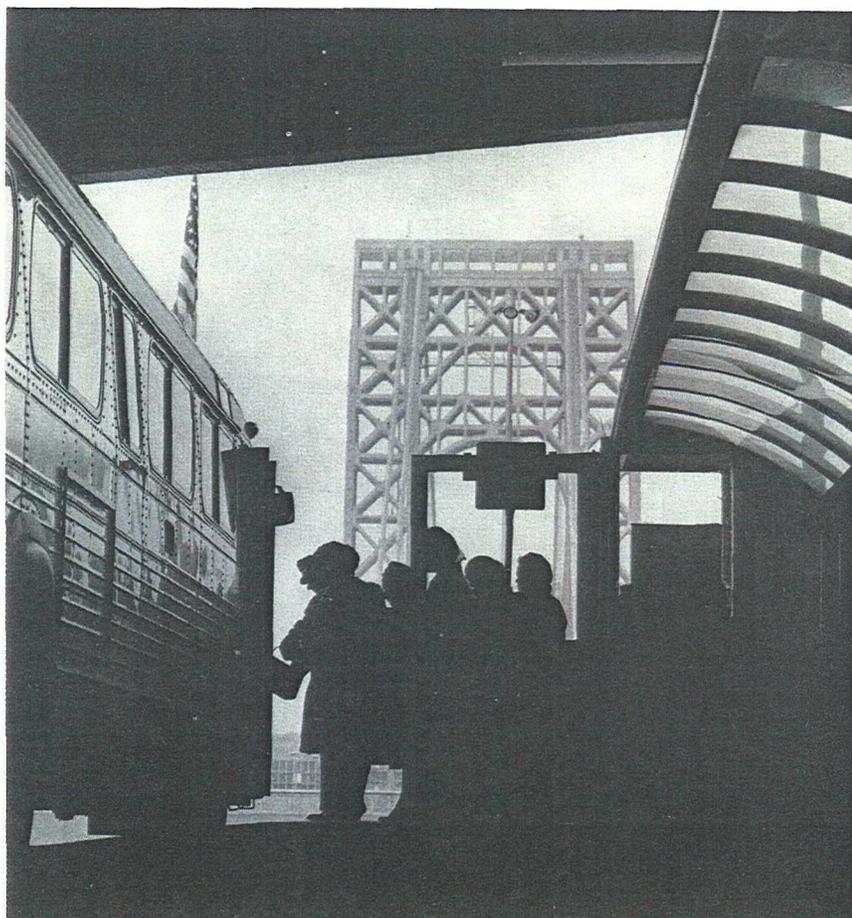
The Port Authority Building, a fifteen-story structure which occupies the block between Eighth and Ninth Avenues and 15th and 16th Streets in Manhattan, houses the Port Authority's main administrative offices. This building provides 192 off-street truck berths for the consolidation and distribution of truck and rail freight in the New York area. In addition, it houses a number of commercial tenants and provides extensive freight services for upper floor tenants by means of four large truck elevators.

The Terminals Department also operates two truck terminals, the 142-berth New York Truck Terminal in downtown Manhattan and the 160-berth Newark Truck Terminal in New Jersey. In 1964, the New York Truck Terminal, leased to the Empire State Truck Terminal Co., Inc., continued at a high level of activity.

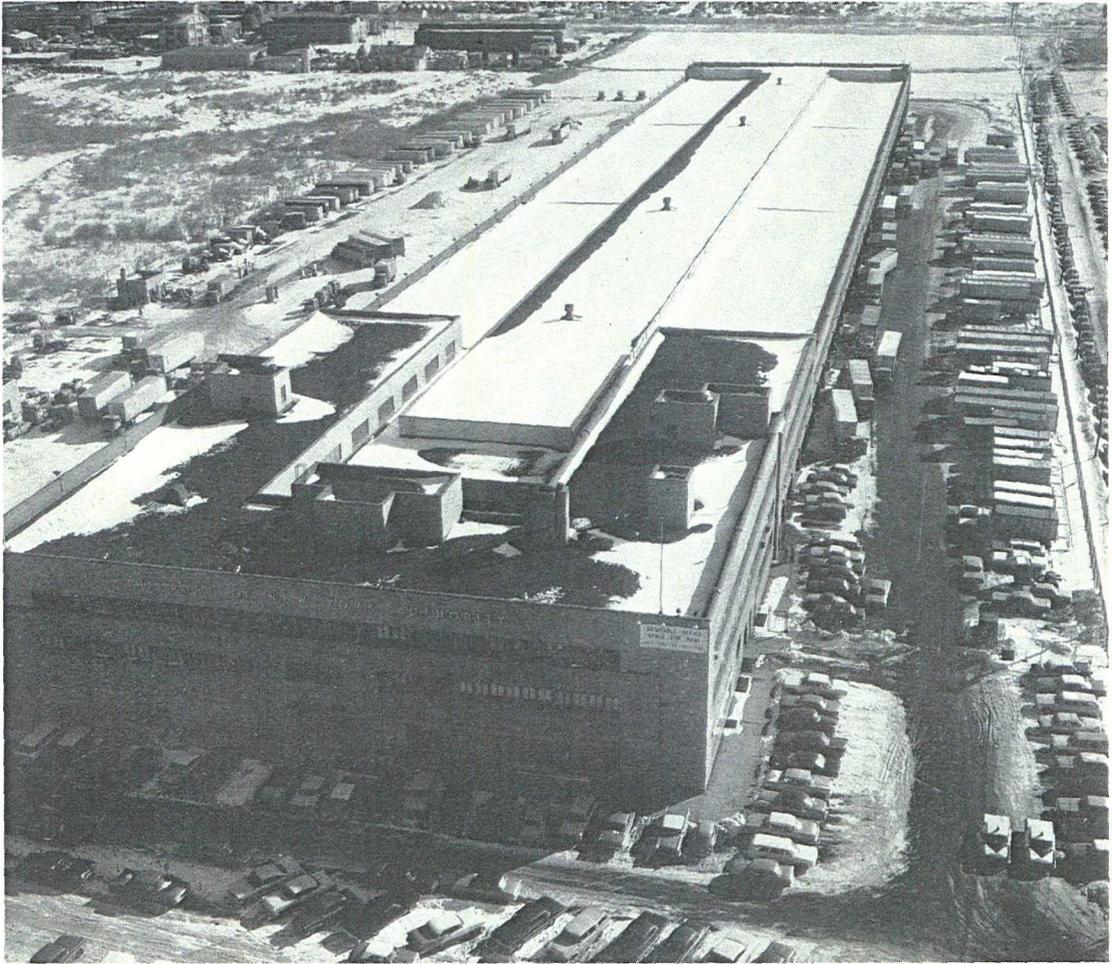


*Over 17,800,000 long distance bus passengers either started or ended their trip at the Port Authority Bus Terminal in 1964.*

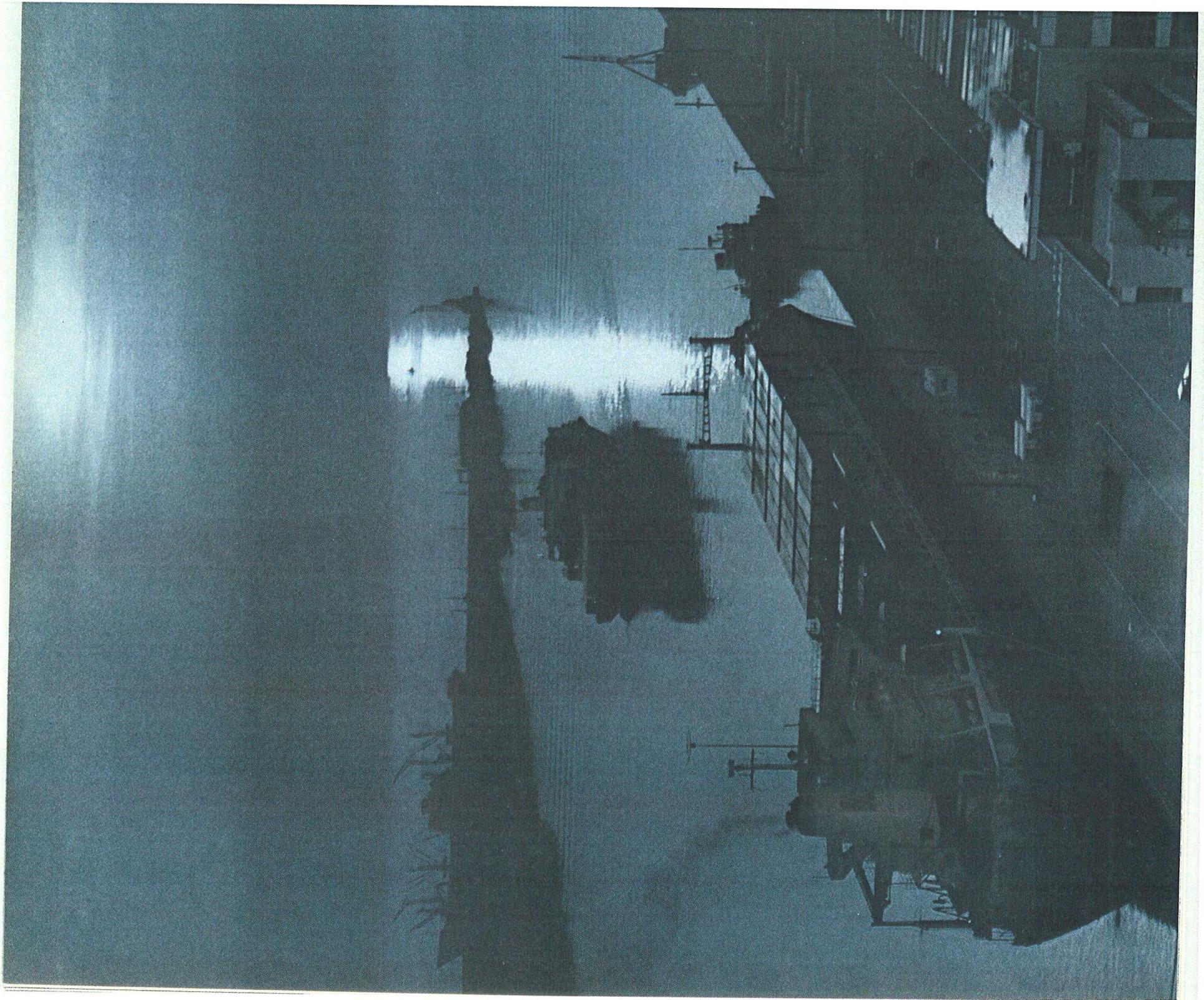
*Heated glass and aluminum enclosures added to the comfort of Bus Station passengers during the winter months.*



The substantial increase in activity at the Newark Truck Terminal during the past year is the direct result of successful operations by Associated Transport, Inc. which leased 80 truck berths and adjacent platform space in the Newark facility in 1963. In its first full year of operations in its new quarters, Associated handled 160 truck unit movements in and out of the Terminal on a typical day, with a volume of 2.8 million tons of freight per week.



*In an average week, Associated Transport, Inc., which occupies more than half of the Port Authority's Newark Truck Terminal, moves approximately 2.8 million tons of freight throughout the metropolitan area.*



## Port Development

The Port Authority, through its Port Development Department, carries out a continuing program of determining the transportation resources and requirements of the Port District. When these studies indicate the need for a public transportation or terminal facility that falls within the area of responsibility of the Port Authority, or the need for proposals or views on the regional transportation network, appropriate recommendations are developed.

Throughout the planning process, Port Authority efforts are closely coordinated with federal, state, county and municipal agencies, as well as with other public interest groups concerned with transportation and commerce in the New York-New Jersey metropolitan area.

### Passenger Transportation Planning

During 1964, proposed changes in mass commutation services were studied by Port Authority staff working closely with the New Jersey Division of Rail Transportation, the Tri-State Transportation Committee and New York City and State agencies. In addition, particular attention was given to the interrelationship of vehicular transportation by bus and auto, the New Jersey commuter railroads and the role of PATH in the region's future transportation system.

A report on the New Jersey Turnpike Authority's proposal to expand the northern portion of the Turnpike to 12 lanes was issued, including suggestions for alternate means to improve traffic flow.

In preparation for the opening by the Triborough Bridge and Tunnel Authority of the Verrazano-Narrows Bridge on November 21, 1964, the Port Authority worked closely with the New Jersey Highway Department and New York State Department of Public Works in developing plans for improved highway connections at each of the Port Authority's three Staten Island bridges. In addition, it collaborated with the State of New Jersey on the continued planning of the highway approaches and interchange at the

Goethals Bridge as well as on the Port Street interchange now under construction near Newark Airport. In New York, the Port Authority continued to work with highway officials on the planning of the Nassau Expressway and relocated Rockaway Boulevard in the vicinity of John F. Kennedy International Airport.

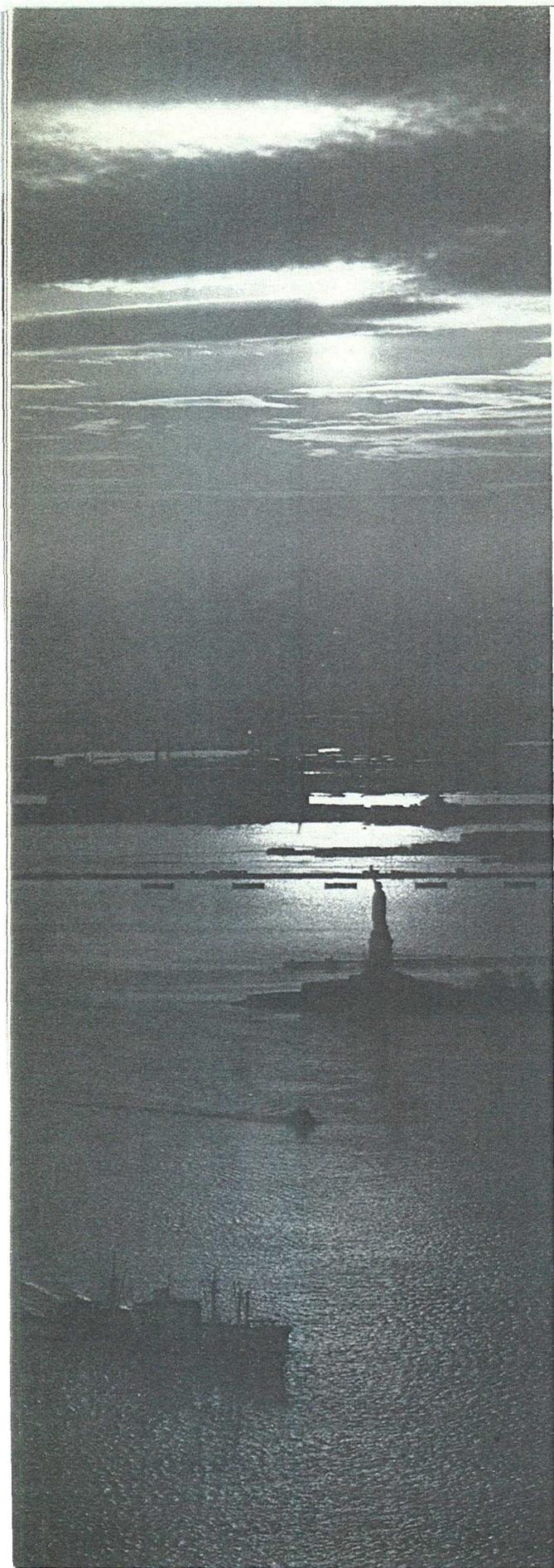
### Freight Transportation Planning

During the year, work progressed on several cooperative programs with Port District railroads initiated in 1963. These studies already have resulted in the improvement of the handling of certain types of cargo and in introducing a broader-scale use of pre-palletization for export/import cargo. The studies have resulted in both significant cost savings for the railroads and service benefits to the shipper.

In 1964 considerable effort was devoted to the improvement of rail access to Port Newark resulting in greater use of the new Port Authority floatbridge at that facility. In mid-October, the Erie-Lackawanna and New York Central Railroads designated the terminal as an official station on their respective railroads. A daily joint float operation is now in progress.

The Port Authority completed its planning on behalf of the Tri-State Transportation Committee on the study of a possible future consolidated lighterage terminal for the Port of New York. Tri-State subsequently submitted a report to the Governors of New York, New Jersey and Connecticut and to the Port District railroads. It advocated the consolidation of the marine and waterfront terminal facilities of all railroads serving the Port and demonstrated the service improvements and savings that could be achieved through such a plan. A joint study was begun with Tri-State and the railroads to forecast in detail future tonnages which would be handled by the joint lighterage operation.

Study continued on the future need for facilities in the Port to handle various bulk cargoes.



### Developmental Planning

In 1964, the Port Authority continued its coordinating activities on behalf of the New York Harbor "Waterfront Cleanup" project. This work involved liaison with the municipalities of the harbor, State officials, commercial marine interests, chambers of commerce and civic organizations, and other groups interested in improving the navigability and appearance of the Port. This project has as its objective the institution of a federal program to remove derelict piers, abandoned scows and other debris from the waterfront, thereby removing shipping hazards created by flotsam and jetsam.

At year's end, the United States Corps of Engineers had almost completed its study of the project, looking toward the development of a recommendation on the project as part of its over-all responsibility for maintaining and improving navigation in federal waterways.

As in past years, the Port Authority coordinated the development of New York Harbor's Federal channel improvement program. This work culminated in the appropriation of funds to complete construction projects involving improvements to the Buttermilk Channel, Shooter's Island Dike and the North Reach of Newark Bay and to continue the improvement of the Great Lakes to Hudson River Waterway. Navigation review studies by the Army Engineers included the New Jersey Meadows, the New York/New Jersey channels, the New York State Barge Canal, and a feasibility study of federalizing the new South Brother Island Channel.

Considerable effort also was devoted to improving aids to navigation, particularly with an experimental installation of a bridge-to-bridge radio system serving ships using Newark Bay. This experiment will provide the basis for consideration of improved navigation on a port-wide basis.

### Transportation Research and Statistics

Passengers departing from the Port Authority Bus Terminal were interviewed during the summer in an expansion of the Port Authority program to gather information on travel patterns and market characteristics of the trans-Hudson traveler. This survey, which included the distribution and collection of questionnaires from nearly 50,000 commuters and personal inter-

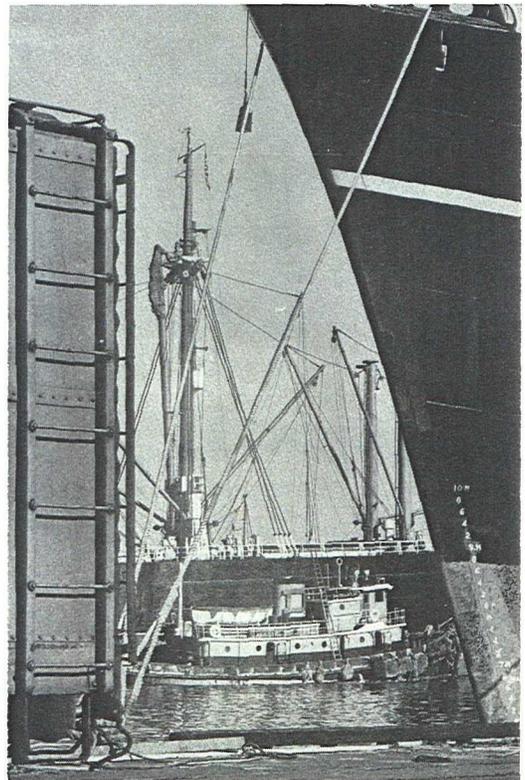
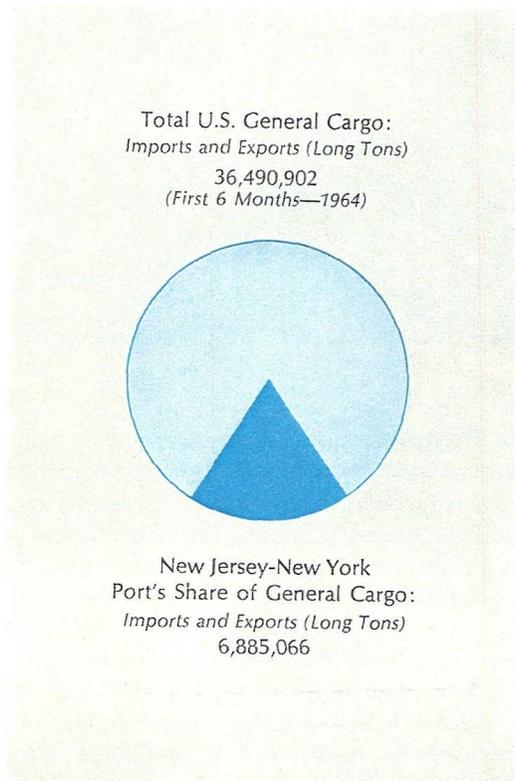
views with some 12,000 long distance travelers, will be related to and compared with earlier surveys of PATH and trans-Hudson ferry passengers. The survey results will be of major use in assessing the future transportation requirements of the trans-Hudson sector of the region. Another major source of data on regional passenger movements was the continuing origin and destination survey of automobile patrons carried out at Port Authority trans-Hudson and Staten Island facilities, and, through the cooperation of the New York Thruway Authority, at the Tappan Zee Bridge.

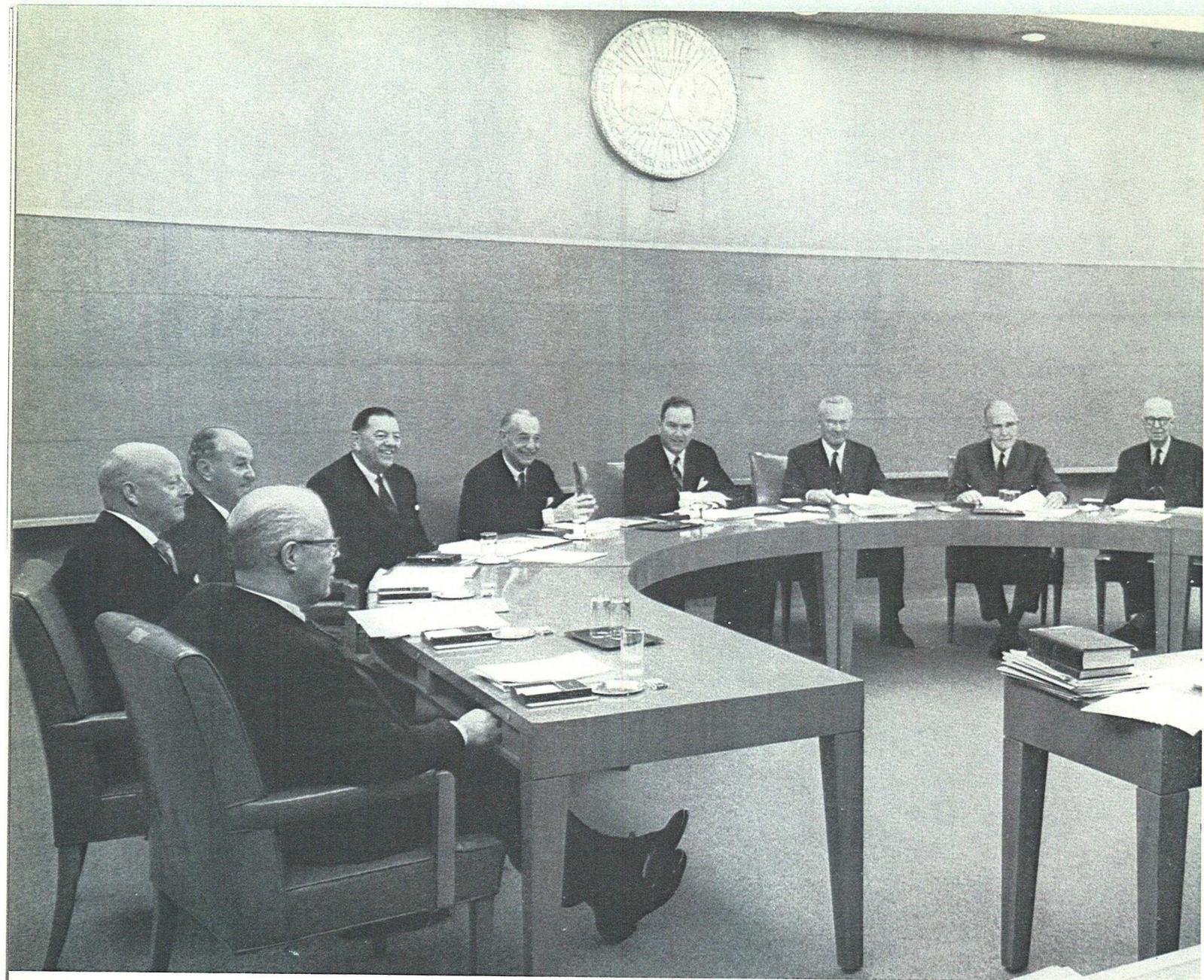
Particular emphasis was placed on analysis of the continued strong increases in vehicular traffic throughout the region and on identification of the impact of the World's Fair on vehicular and common carrier passenger volumes.

The Port Authority's foreign trade and freight research program continued to supply information on New York's position in world and national commerce and assisted in specific studies intended to evaluate proposed cargo facilities. An "Annual Report of Foreign Trade at the Port

of New York" was issued, covering trends in air and oceanborne cargo passing through the Port and evaluating New York's competitive position in cargo handling. Other foreign trade studies reviewed New York's trading relationships with key nations and trading blocs in the light of tariff negotiations and the changing climate for world trade. In addition, many specific investigations were carried on in support of the Port Authority's trade solicitation and port protection programs.

Also carried forward was a program of studies in regional development, emphasizing such factors as population, employment, manufacturing and distribution activities and the effects of these factors on regional transportation and trade. These efforts were coordinated with other public agencies and planning groups with specific local interests. In addition, results of the Port Authority's studies of strengths and weaknesses in the industrial segment of the region's economy were furnished to public and private groups concerned with the development of the region's economic base.

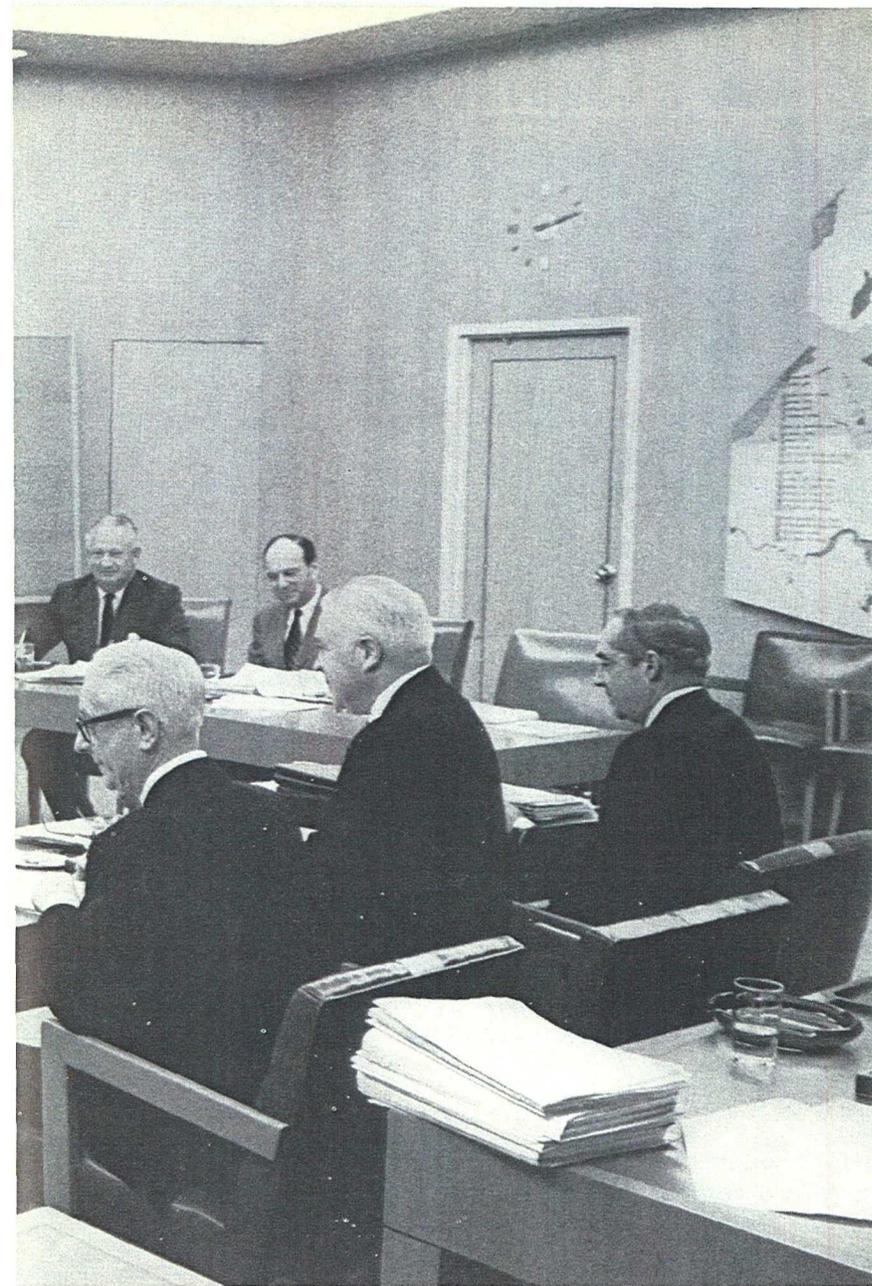




## Administration

In accordance with the Compact between the States of New York and New Jersey which created the Agency on April 30, 1921, a twelve-man Board of Commissioners establishes and directs the policies and programs of The Port of New York Authority. Six Commissioners are appointed by the Governor of New York and six by the Governor of New Jersey to serve, without pay, for overlapping terms of six years.

At the Annual Board meeting in April, the Commissioners re-elected S. Sloan Colt of New York City to his sixth term as Chairman of the



*Executive Director Austin J. Tobin, seated in center at right, addresses a meeting of the Port Authority Board of Commissioners. Members of the Board (in semi circle from left foreground) are: Ben Regan, W. Paul Stillman, Joseph A. Martino, John J. Clancy, Honorary Chairman Howard S. Cullman, Vice Chairman James C. Kellogg III, Chairman S. Sloan Colt, Donald V. Lowe, Bayard F. Pope, Charles W. Engelhard and Alexander Halpern. Seated with Mr. Tobin are Deputy Executive Director Matthias E. Lukens (right) and General Counsel Sidney Goldstein (left).*

Port Authority. Howard S. Cullman, also of New York City, was re-elected as Honorary Chairman and James C. Kellogg III of Elizabeth, New Jersey was re-elected to his fifth term as Vice-Chairman.

S. Sloan Colt, Chairman, first was elected to head the Board in 1959 after serving as Chairman of the Finance Committee. Originally appointed to the Board of Commissioners in 1946 by former Governor Thomas E. Dewey, Mr. Colt is a director and a member of the Executive Committee of the Bankers Trust Company and

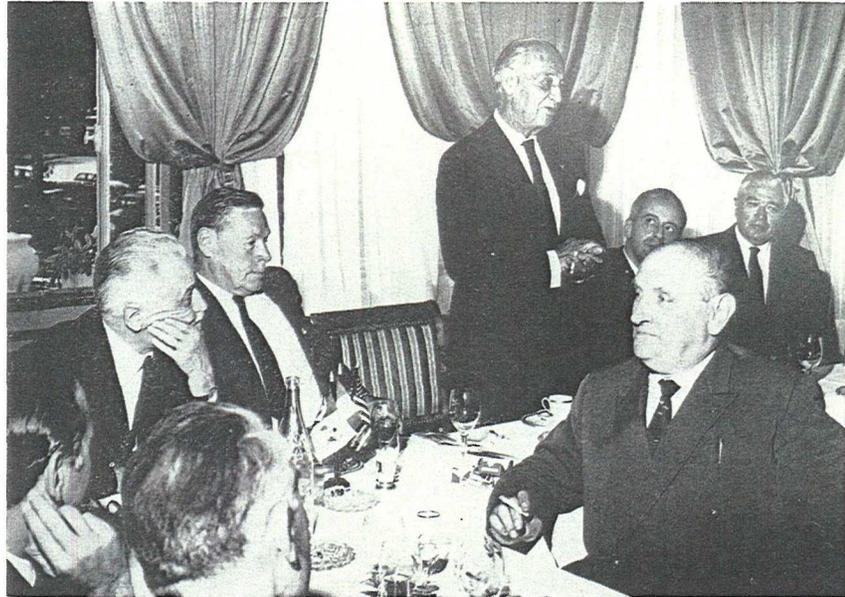
was formerly Chairman of the Board. He is an officer and member of leading civic, cultural, educational and philanthropic groups.

Howard S. Cullman, Honorary Chairman of the Port Authority, marked his thirty-eighth year of service in 1964 on the Board. Appointed a Commissioner in 1927 by the late Governor Alfred E. Smith, he was Vice-Chairman from 1934 to 1944, and Chairman from 1945 to 1955 when he was elected to the post of Honorary Chairman. He is the president of Cullman Bros., Inc., and a director and officer of many banking, business and philanthropic enterprises. Honorary Chairman Cullman is well known for his interest and investments in the theater as well as his efforts in medical and health organizations.

James C. Kellogg III, entered his fifth term as Vice-Chairman and his ninth year as a Commissioner. He was originally appointed to the Board by former New Jersey Governor Robert B. Meyner in 1955. A member of the New York Stock Exchange and former Chairman of its board of governors, he is a senior partner of Spear, Leeds and Kellogg. He is a director of many business, banking and financial organizations. He is president of the James C. Kellogg Foundation for Infantile Paralysis and is active in civic and church groups.



*During ceremonies at the Board Meeting of November 12, Mrs. Lowe joined her husband as Chairman Colt presented Commissioner Lowe with the Howard S. Cullman Distinguished Service Medal.*



*At a luncheon meeting with French officials in Paris, Honorary Chairman Howard S. Cullman delivers opening remarks on the subject of French participation in The World Trade Center. Shown in photo above (left to right) are: M. Henri Bonnet, former French Ambassador to the United States; American Ambassador Charles E. Bohlen; Honorary Chairman Cullman; M. Francois Bizard, Director of Foreign Economic Relations; and Executive Director, Austin J. Tobin. In right foreground is M. Jean Wahl, Assistant, Directorate of Foreign Economic Relations.*

Governor Richard J. Hughes reappointed Commissioner John J. Clancy on July 1, 1964, to a new six year term. Commissioner Clancy, senior member of the firm of Clancy & Hayden, was first appointed to the Board by former Governor Robert B. Meyner.

The year also marked the resignation of Commissioner Robert F. McAlevy from the Board to accept appointment as a Judge of the New Jersey State Superior Court.

Commissioner McAlevy was serving in his second term on the Board of Commissioners. Originally appointed in 1959 by Governor Robert B. Meyner to succeed Commissioner Jess Harrison Davis, Commissioner McAlevy was reappointed in April 1963 by Governor Hughes to a new six-year term. He served as Vice Chairman of the Port Planning Committee and as a member of the Construction Committee.

There are four committees of the Board of Commissioners: Committee on Construction, Joseph A. Martino, Chairman and W. Paul Stillman, Vice Chairman; Committee on Finance, James C. Kellogg III, Chairman and Bayard F. Pope, Vice Chairman; Committee on Operations, Howard S. Cullman and John J. Clancy, serving as Chairman and Vice Chairman respectively; Committee on Port Planning, Donald V. Lowe and Alexander Halpern serving as Chairman and Vice Chairman respectively. These committees act upon policies and programs related to their specific responsibilities, and either take action themselves or, when necessary, recommend suitable action to the Board.

The Port Authority Executive Director, Austin J. Tobin, is responsible for carrying out the programs and policies of the Board. Elected to this post by the Commissioners in 1964 for the



*Commissioner Alexander Halpern (right) and Ermanno Bassani (left), Procuratore, Bassani, S.P.A., Milan, sign agreement for Bassani's space in The World Trade Center, while representatives of Bassani and the Port Authority look on. The Italian firm, manufacturers of electrical equipment, was, with Decca Radar, Inc., one of the first European-based enterprises to sign for space in the Center.*



*In Rome, key Italian government and industry officials hear commissioner Ben Regan outline the functions and purposes of The World Trade Center.*

twenty-second consecutive year, he reports to them directly as head of staff. He has been with the Port Authority since 1927. The Deputy Executive Director of the Port Authority is Matthias E. Lukens.

The Port Authority General Counsel, Sidney Goldstein, is legal advisor to the Board of Commissioners, the Executive Director and the Staff, and represents the Port Authority in all legal matters. The General Counsel was re-elected to this post by the Board for the thirteenth consecutive year in 1964.

The Secretary of the Port Authority is Joseph G. Carty, who prepares and keeps the official minutes of the Board of Commissioners' meetings as well as all other official records.

The Port Authority is organized into "line" and "staff" departments which report to the Executive Director. The line, or facility operating units, are the Aviation, Terminals, Marine Terminals, Tunnels and Bridges Departments, the Rail Transportation Department, and the World Trade Department. The Port Authority's subsidiary, the Port Authority Trans-Hudson Corporation, is the responsibility of the Rail Transportation Department.

The staff departments include Community Relations, Comptroller's, Engineering, Law, Medical, Operation Services, Organization and Procedures, Personnel, Port Development, Public Relations, Purchase & Administrative Services, Real Estate and Treasury.

## Commissioners

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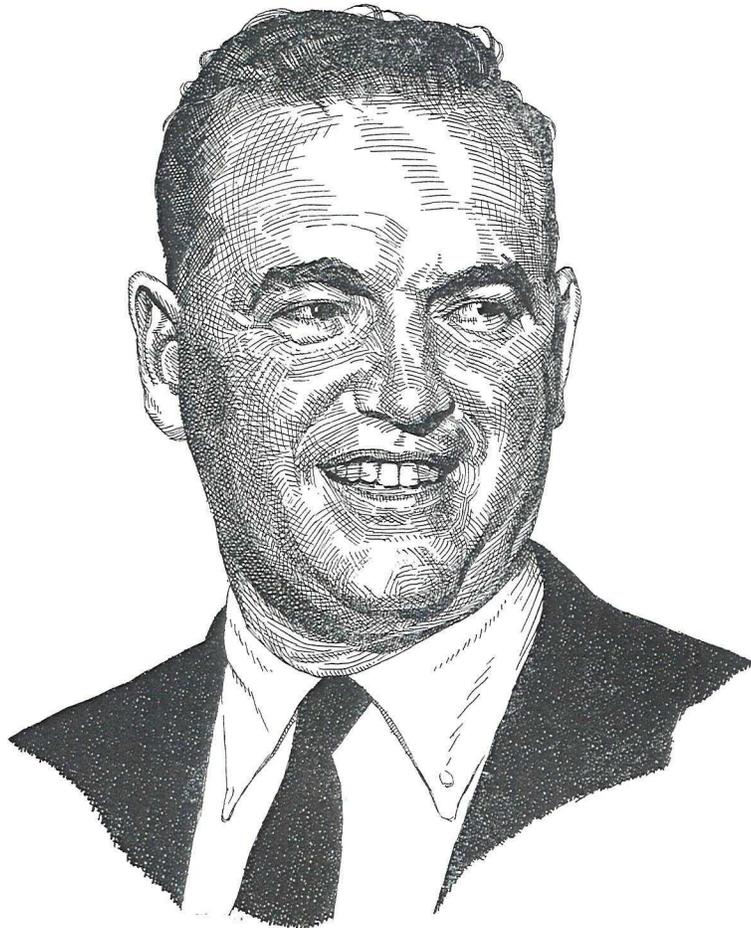


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### **S. Sloan Colt, CHAIRMAN**

S. Sloan Colt of New York City is a director and member of the executive committee of Bankers Trust Company, having previously served as its president and chairman of the board. He is also a director of leading financial, industrial and insurance companies and a member and officer in leading civic, cultural,

educational and philanthropic groups. Chairman Colt was appointed to the Port Authority Board in 1946 and reappointed by former Governor Thomas E. Dewey in 1950, by former Governor Averell Harriman in 1956 and by Governor Nelson A. Rockefeller in 1962. He was first elected Chairman in 1959.



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**James C. Kellogg, III, VICE CHAIRMAN**

James C. Kellogg, III of Elizabeth, New Jersey, has been a member of the New York Stock Exchange since 1936. He has served as chairman of the Exchange's Board of Governors and is a senior partner of Spear, Leeds, and Kellogg as well as a director of other business, banking and financial organizations.

Vice-Chairman Kellogg is president of the J. C. Kellogg Foundation for Infantile Paralysis and is active in civic and church groups. He was named a Commissioner in 1955 and reappointed in 1960 by former Governor Robert B. Meyner. He was first elected Vice-Chairman of the Authority in 1960.



**Howard S. Cullman, HONORARY CHAIRMAN**

Howard S. Cullman of New York City is president of Cullman Bros., Inc., and director and officer of many banking and business enterprises. He is known for his interest and investments in the theater and his work in medical and health organizations. He served as U.S. Commissioner General for the 1958 Brussels Universal and International Exhibition. Appointed to the Board by former Governor Alfred E. Smith in 1927, he was reappointed by former Governors Herbert Lehman, Thomas E. Dewey, Averell Harriman and Nelson A. Rockefeller. Vice-Chairman from 1934 to 1945, he was Chairman for the next ten years and since 1955 has been Honorary Chairman.



**John J. Clancy**

John J. Clancy of South Orange, New Jersey, is the senior member of the law firm of Clancy & Hayden. He is a director of First National State Bank of New Jersey, a director and chairman of the executive committee of the Carteret Savings & Loan Association, and a director in other financial and business enterprises. He is a member of the Essex County, New Jersey State and American Bar Associations, and is active in various legal, civic and philanthropic organizations. Commissioner Clancy was appointed to the Port Authority in 1958 by former Governor Robert B. Meyner.



**Charles W. Engelhard**

Charles W. Engelhard of Far Hills, New Jersey is chairman of the board of Engelhard Industries, American-South African Investment Co., Ltd., Rand Mines, Ltd. and Minerals and Chemicals Philipp Corporation. He is active in a number of New Jersey civic and philanthropic organizations, serving as a director of the New Jersey Chamber of Commerce, and the Thomas Alva Edison Foundation, and as president of the Newark Museum. He is a director of Public Service Electric and Gas Co., National Newark and Essex Banking Co., Hudson Bay Mining and Smelting Co., International Silver Co. and the Anglo American Corporation. Commissioner Engelhard was appointed to the Board in 1960 by former Governor Robert B. Meyner.



**Alexander Halpern**

Alexander Halpern of Armonk, New York, is a partner in the law firm of Pross, Smith, Halpern & LeFevre and is a member of New York City, Westchester, New York State and American Bar Associations. He is also an executive and director of a number of realty and investing corporations and is a financial advisor. Commissioner Halpern was appointed to the Port Authority Board of Commissioners in 1960 by Governor Nelson A. Rockefeller.



**Donald V. Lowe**

Donald V. Lowe of Tenafly, New Jersey, is Chairman of the Board of the Lowe Paper Company. He has served as United States Delegate to the Transportation and Communications Commission of the United Nations. A trustee of the New Jersey Manufacturers Association and a director of its associated insurance companies, he is also a director or former officer of other businesses and associations and is a leader in civic, church and school affairs. Commissioner Lowe was appointed to the Port Authority by former Governor Edge in 1945, reappointed by former Governor Driscoll and by Governor Richard J. Hughes in January, 1963. He was elected Vice-Chairman of the Authority in 1953 and served as Chairman between 1955 and 1959.



#### **Joseph A. Martino**

Joseph A. Martino of Manhasset, New York, is Chairman of the Board of the National Lead Company. He is a director of the Chase Manhattan Bank and a director or officer of other leading industrial, business and insurance organizations. He is also on the governing boards of outstanding business promotion and advisory groups. Commissioner Martino is active in civic affairs and is director or trustee of several hospitals and medical research foundations. He was appointed to the Port Authority Board of Commissioners in 1958 by former Governor Harriman and reappointed by Governor Nelson A. Rockefeller in 1959.



#### **Robert F. McAlevy, Jr.**

Robert F. McAlevy, Jr. of Hoboken, New Jersey, is a lawyer. He is a member of the Hoboken, Hudson County, New Jersey and American Bar Associations, National Institute of Municipal Law Officers, American Judicature Society and active in various civic and fraternal organizations. He was formerly a member of the New Jersey Assembly and City Attorney for Hoboken. Commissioner McAlevy was named to the Board in 1959 by former Governor Robert B. Meyner and reappointed by Governor Richard J. Hughes in 1963. He resigned from the Board in 1964 to accept appointment as a Judge of the New Jersey State Superior Court.



#### **Bayard F. Pope**

Bayard F. Pope of New York City is a director and a member of the executive committee of the Marine Midland Corporation, having previously served as its chairman of the board for twenty years. He is a director and a member of the executive committee of The Marine Midland Trust Company of New York, and a director of several leading utility, financial and industrial corporations. Active in civic, cultural and charitable organizations, he is the honorary chairman of the Community Service Society and a trustee of various institutions. An appointee of former Governor Thomas E. Dewey, Mr. Pope served as a Commissioner of the Port Authority from 1944 to 1955. Governor Nelson A. Rockefeller reappointed him in 1959.



#### **Ben Regan**

Ben Regan of New York City is a general partner of Hornblower and Weeks. He is also a director of several leading corporations, including H. C. Bohack and "21" Brands, Inc. Commissioner Regan is a former chairman of Frontier Airlines. In 1961, he was appointed by the then Vice-President Lyndon B. Johnson to the Civilian Commission of NATO. He is director of several eastern and midwestern universities. Commissioner Regan was appointed to the Board by Governor Nelson A. Rockefeller in 1963.



#### **W. Paul Stillman**

W. Paul Stillman of Fair Haven, New Jersey, is chairman of the board of First National State Bank of New Jersey and the Mutual Benefit Life Insurance Company. He is also a director of several manufacturing, insurance and utility companies, a member of the Board of Trustees of the United Hospitals of Newark and a member of the board of trustees of New York University and of the advisory council of the Department of Politics of Princeton University. Mr. Stillman was appointed to the Port Authority Board of Commissioners by former Governor Meyner in 1960.



## The Staff

Since its inception in 1921, the work of the Port Authority has been carried on by a competent career staff, dedicated to the public service. Today 7,313 men and women (including PATH) continue in that tradition of service to the public established more than 43 years ago.

The Port Authority's merit system and its principle of promoting persons from within the organization provided advancement opportunities for approximately 1500 employees through promotion and transfers during 1964. A total of 797 men and women were added to the staff (either as replacements or to fill new positions) from outside sources. Employees who terminated their employment with the Port Authority represented 6.7 percent of the work force which compares favorably with local industry and government employment statistics. The low absence frequency among Port Authority employees continued during 1964 with an average of less than 2.9 absences per employee for the year.

### Education and Training

The Port Authority provides training opportunities for its staff so that each man and woman has the chance to develop to his maximum capacity. To help attain this goal, the Port Authority offers courses ranging from maintenance and clerical skills to supervisory and management development.

During 1964, over 2100 employees enrolled in these training programs. In addition, employees are encouraged to obtain formal education through an Education Refund Plan. This provides repayment of 100 percent of tuition fees for employees who successfully complete courses relating to the work of the Port Authority.

### Personnel Research

To keep its personnel policies and programs current and to enable it to meet the ever shifting demands of a dynamic society, the Port Authority pursues an active research program in such

areas as test development, employee attitudes, training methodology, computer technology and manpower planning.

### Classification and Salary Administration

A program of continuous study of salary policies in the metropolitan area is maintained to assure that Port Authority employees are properly paid for their work and that their salaries are comparable to wages throughout the community. Salary surveys of the leading companies in the Port District are made each year and pay scale ranges for various jobs are reviewed.

### Employee Relations

For many years the Port Authority has had a policy of working with representatives of the maintenance, police and clerical staff who are members of employee organizations.

Presently, the Port Authority (exclusive of PATH) recognizes four employee organizations. These include: the Port Authority Employees Association, which speaks for over 1700 maintenance employees; the Port Authority Associates, with a membership of about 700 clerical personnel; the Police Benevolent Association, which represents virtually all of our 1000 Police Officers; and Local #30, International Union of Operating Engineers, which represents 35 Watch Engineers.

Negotiations with PATH union organizations conducted during 1964 saw collective bargaining agreements signed with 11 of the 12 unions (See PATH and Rail Transportation Section).

### Communications

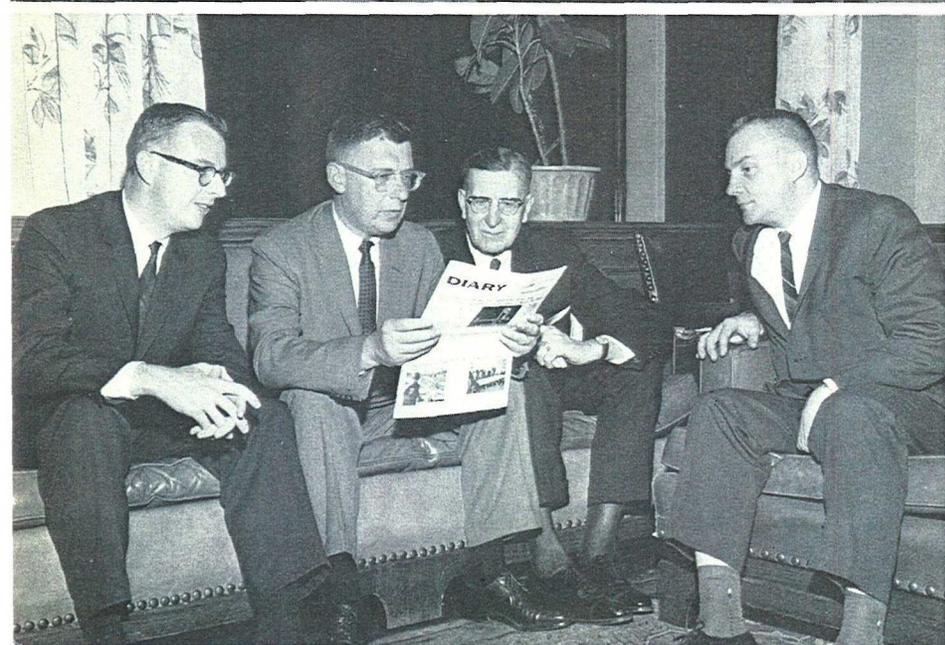
By maintaining a flow of information throughout the organization, employees at all levels are kept aware of Port Authority activities, aims, policies and opinions. The staff receives news and information concerning the port agency through internal publications, including a monthly newspaper, a weekly Management Bulletin, booklets, pamphlets and special bulletins. Other publica-



Director of The World Trade Center, Richard C. Sullivan, addresses members of the Port Authority Speakers Bureau at their annual dinner meeting. During 1964 members of the Bureau spoke to over 300 Port District organizations who requested information about the Port Authority and its work.



During 1964, over 2,100 employees enrolled in Port Authority training programs ranging in subject matter from maintenance skills to personnel management.



Roy Rowan (second from left), Assistant Managing Editor of LIFE magazine, gives some professional advice to award-winning DIARY reporters Tom Kearney, James Irving and John Allyn (left to right). The monthly newspaper is one of several publications used to keep employees at all levels well informed.



*The Medal of Honor, The Port of New York Authority's highest award for valor, was awarded at Medal Award Ceremonies to Police Sergeant William J. Crisham and Police Officer Theodore W. Rowe for their heroic action under conditions of great personal danger in halting the escape of an armed bank robber in the George Washington Bridge Bus Station.*

*At the same time, nine Distinguished Service Medals, seven Commendation Medals, including two special police awards, and eleven Executive Directors' Awards of Achievement were presented to Port Authority and Port Authority Trans-Hudson (PATH) Corporation employees in recognition and appreciation of outstanding public service.*

tions aimed at more specific groups within the organization include: the Port Authority Review, a quarterly publication containing articles in depth for the higher echelons of management; the Operations-Maintenance News, a monthly newsletter for the personnel in that particular field; and the PATH Newsletter, a monthly publication for the staff of the Port Authority operated rapid transit system.

#### **Medal Awards**

Staff members who have made outstanding contributions to the Port Authority and Port District are honored at Annual Medal Award Ceremonies. On December 1, twenty-nine staff members were presented with medals in recognition of exemplary service.

#### **Howard S. Cullman Fellowship**

The second Howard S. Cullman Fellowship was awarded to Townsend Lucas, a member of the World Trade Department's staff who will make a year-long study of trade relations between

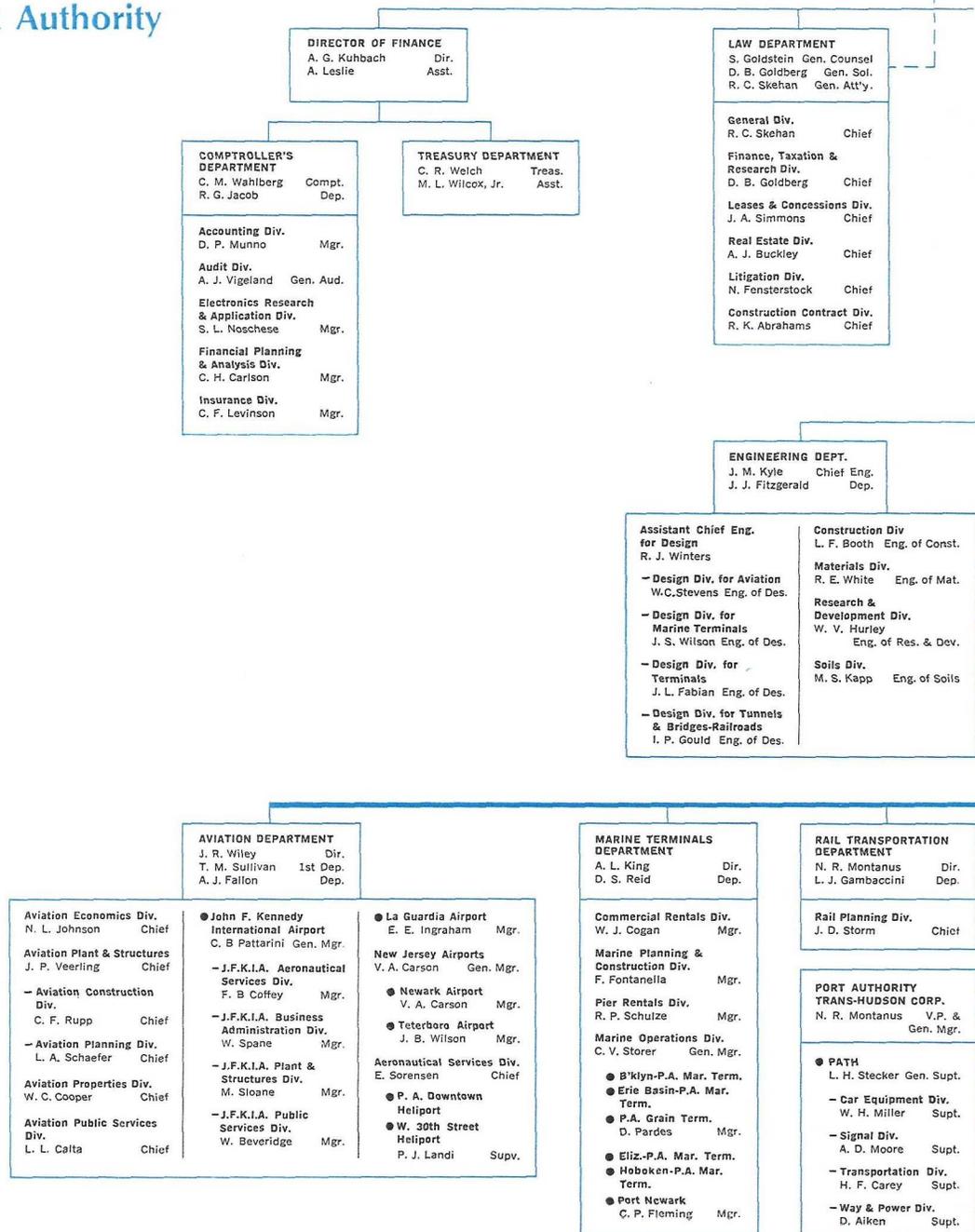
the newly independent countries of Africa and Europe and the United States. Mr. Lucas is visiting eighteen European and African countries to obtain information concerning the shifting patterns of trade and the future trade potential of the former colonial areas in West Africa. The findings of his studies will be used as a basis for exploring the feasibility of redirecting trade from these areas to the United States and particularly through the Port of New York.

The first recipient of the fellowship, George J. Tamaro, a member of the Engineering Department returned to the Port Authority following a year of study under the direction of the noted Italian engineer-architect Dr. Pier Luigi Nervi.

The fellowship was established in 1962 "to develop to the greatest extent the promise of unique qualifications and talent" of Port Authority employees. It was named in tribute to Honorary Chairman Howard S. Cullman on the thirty-fifth anniversary of his Port Authority service.

# The Port of New York Authority Organization Chart

December 31, 1964



**BOARD OF COMMISSIONERS**

S. Sloan Colt, Chairman  
James C. Kellogg, III, Vice Chairman  
Howard S. Cullman, Honorary Chairman  
John J. Clancy  
Charles W. Engelhard  
Alexander Halpern  
Donald V. Lowe  
Joseph A. Martino  
Bayard F. Pope  
Ben Regan  
W. Paul Stillman

**OFFICE OF THE EXECUTIVE DIRECTOR**

A. J. Tobin Executive Director  
M. E. Lukens Deputy

J.G. Carty Secy. of the P.A.  
M.C. Porth Asst.

A.G. Lorimer Chief Arch.

**PUBLIC RELATIONS DEPARTMENT**

L. K. Jaffe Dir.  
W. H. Goodman Asst.

**DIRECTOR OF ADMINISTRATION**

D. L. Kurshan

**COMMUNITY RELATIONS DEPARTMENT**

R. J. Banahan Dir.

**MEDICAL DEPARTMENT**

S. I. Kooperstein Dir.  
A. Schifrin Dep.

**ORGANIZATION & PROCEDURES DEPT.**

H. Sherman Dir.  
P. G. Stapleton Dep.

**PERSONNEL DEPARTMENT**

H. Sherman Act. Dir.  
W. E. McCarthy Dep.

**PURCHASE & ADMIN. SERVICES DEPARTMENT**

J. C. McGuire Dir.  
G. W. Baker Dep.

**Classification & Salary Div.**

E. G. Bradfield Mgr.

**Communications Div.**

E. F. Beaumont Mgr.

**Personnel Development & Training Div.**

P. R. Kelly Mgr.

**Personnel Relations Div.**

R. D. Borgeson Mgr.

**Selection & Placement Div.**

R. F. Thornton Mgr.

**Food Services Div.**

B. J. Fischer Mgr.

**Office Services Div.**

C. S. Gulotta Mgr.

**Purchase & Stores Div.**

C. H. Reilly Mgr.

**Special Services Div.**

D. H. Bagger Mgr.

**Visual & Reproduction Services Div.**

E. W. Meyers Mgr.

**OPERATIONS SERVICES DEPARTMENT**

D. N. Mandell Dir.  
P. L. Thomas Dep.

**Central Automotive Div.**

E. Holmgren Chief

**Central Maint. Engineering Div.**

I. B. Packman Gen. Supt.

**Inspection & Safety Div.**

V. W. Larkin Chief

**Operations Standards Div.**

J. R. Shelton Chief

**Police Div.**

W. A. O'Connor Supt.

**Traffic Engineering Div.**

L. E. Bender Chief

**PORT DEVELOPMENT DEPARTMENT**

R. H. Gilman Dir.  
H. B. Johnson Dep.

**Deputy Director for Transportation Policy**

F. W. Herring

**Central Planning Div.**

E. S. Olcott Chief

**Central Research & Statistics Div.**

W. B. Lovejoy Chief

**REAL ESTATE DEPARTMENT**

W. M. Schwarz Dir.  
W. W. Gordon Dep.

**Acquisition & Property Management Div.**

S. Anton Mgr.

**Commercial & Industrial Div.**

A. H. Britten Mgr.

**Planning & Analysis Div.**

G. N. Melinette Mgr.

**TERMINALS DEPARTMENT**

J. Rosen Dir.

**Planning & Analysis Div.**

W. L. Giordano Chief

**Properties Div.**

R. C. Meehan Chief

**Operations Div.**

V. T. Strom Gen. Mgr.

**Bus Terminal**

A. Rubbert Mgr.

**George Washington Br. Bus Station\***

L. C. Webb Mgr.

**Port Authority Building**

M. Weiss Act. Mgr.

**Truck Terminal, N. J.**

Truck Terminal, N. Y.

A. F. Moncure Act. Mgr.

**TUNNELS & BRIDGES DEPARTMENT**

C. H. Taylor Dir.  
J. D. Maynard Dep.

**Project Engineering Div.**

H. A. Hazen Mgr.

**Research Div.**

R. S. Foote Mgr.

**Tunnel & Bridge Operations Div.**

A. P. Tate Gen. Mgr.

**George Washington Br.**

E. Black Mgr.

**Holland Tunnel**

L. J. Lewis Mgr.

**Lincoln Tunnel**

B. M. Mayer Mgr.

**Bayonne Bridge**

Goethels Bridge

Outerbridge Crossing  
J. L. Sterbenz Mgr.

**WORLD TRADE DEPARTMENT**

G. F. Tozzoli Dir.  
R. C. Sullivan Dep.

**DIRECTOR, WORLD TRADE CENTER**

R. C. Sullivan

**Planning Div.**

M. P. Levy Chief

**Rentals and Development Div.**

L. E. Scriven Chief

**DIRECTOR, TRANSPORTATION SECTION, WORLD'S FAIR**

F. D. Miller

**DIRECTOR, PORT COMMERCE**

C. B. O'Hara

**Port Promotion Div.**

R. F. Unrath Mgr.

**Traffic Management Div.**

D. W. Binns Mgr.

**Trade Development Div.**

G. G. Gorman Gen. Mgr.

**Trade Development Offices**

**U. S. Offices**

Chicago D. E. Howland Mgr.

Clev. H. F. Lemmon

Eastern (New York) G. Gundersen

Pittsburgh J. L. Gifford

Washington T. D. Tuomey

**Overseas Offices**

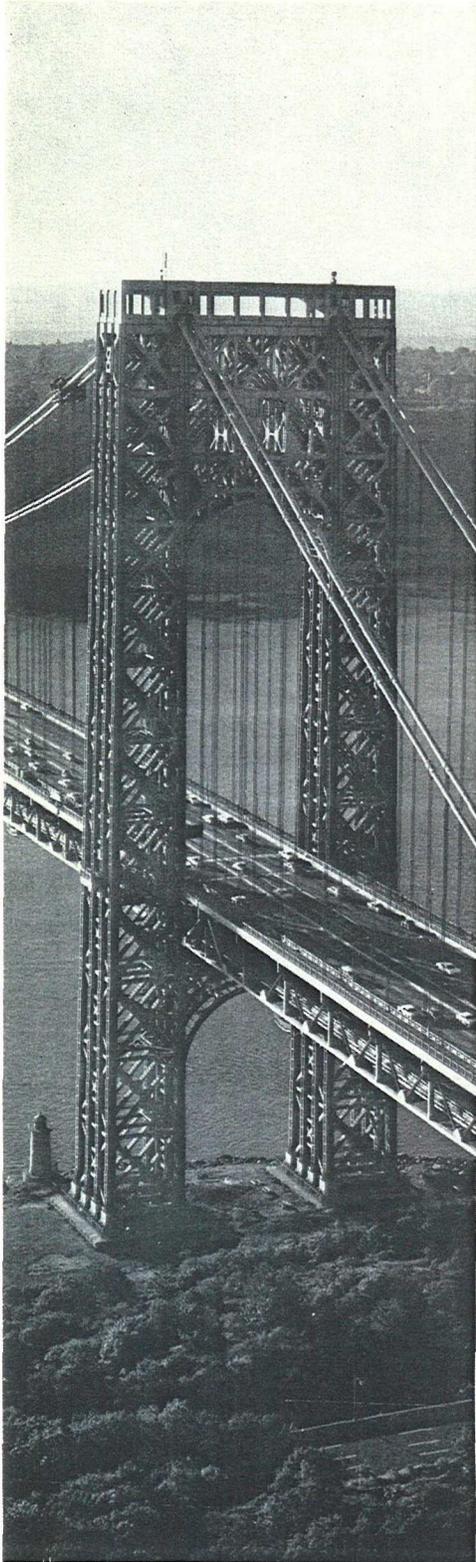
Caribbean (San Juan) C. R. Arce

Continental (Zurich) H. C. Klingman

London A. G. Bralower

South American (Rio De Janeiro) J. N. Mercal

\*A part of the George Washington Bridge, operated by the Terminals Department for the Tunnels and Bridges Department



**THE PORT  
OF NEW YORK  
AUTHORITY**

**10000**

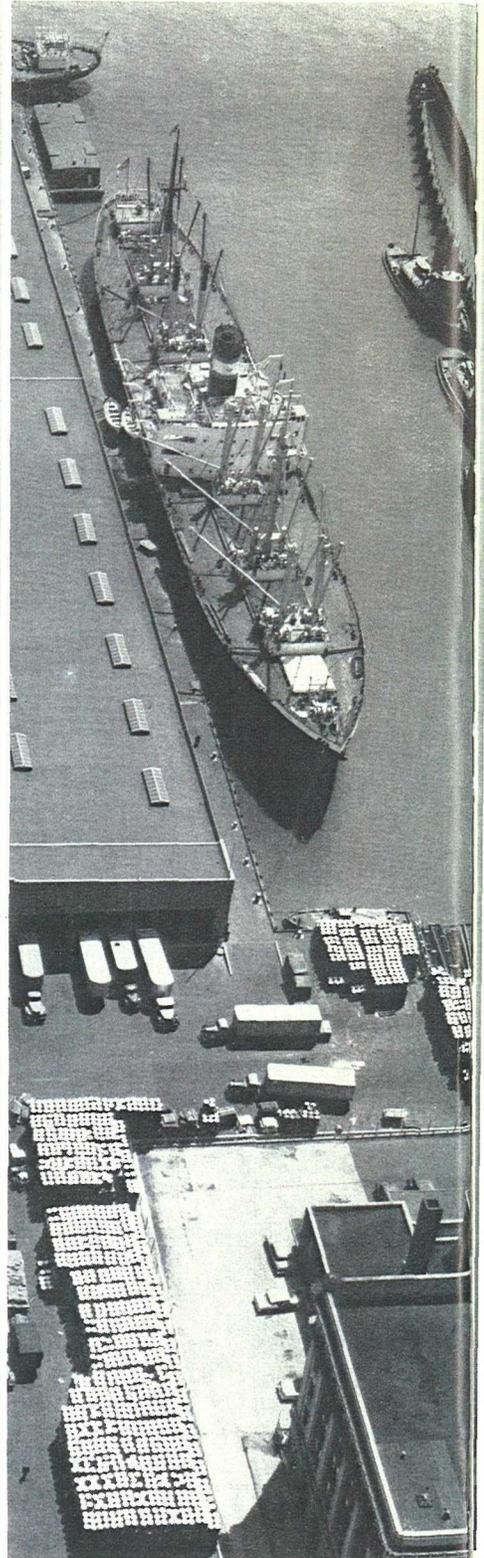
CONSOLIDATED BOND  
TWENTY-SIXTH SERIES  
— 3½% —  
DUE MAY 1, 1995

INTEREST PAYABLE  
MAY 1 AND NOVEMBER 1

PRINCIPAL AND INTEREST  
PAYABLE AT THE CORPORATE TRUST OFFICE OF  
FIRST NATIONAL CITY BANK  
PAYING AGENT OF THE AUTHORITY  
IN THE  
STATE OF NEW YORK

FIRST NATIONAL CITY BANK  
REGISTRAR OF THE AUTHORITY  
IN THE  
STATE OF NEW YORK

NEW YORK CITY & HUDSON BANKNOTE COMPANY



# Annual Report 1964



## Financial 1964

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Basic Policies  
and Financial Structure 72

Combined Operations  
in Brief 73

Financial Position  
at Year End 74

Operation of Funded Debt 76

Facts for Bondholders 78

Notes to Financial  
Statements 82

Funded Debt Amortization 89

A Ten-Year Comparison 90

## Basic Policies and Financial Structure

The States of New Jersey and New York directed the Port Authority "...to proceed with the development of the Port of New York...as rapidly as may be economically practicable." The Authority, however, was not given the power to levy taxes or assessments or to pledge the credit of either state or any municipality.

In order to finance—on a self-supporting basis and without cost to the general taxpayer—essential land, sea and air terminals and transportation facilities, it therefore has been necessary for the bi-state agency to develop sufficient revenue potential and to utilize modern efficient business methods to build a strong credit base and a sound financial structure.

To achieve the continuing objectives of strength and stability in its financial structure and command the confidence of investors, it is necessary for the Port Authority to meet certain legal and fundamental financial standards.

First, the statutes establishing the General Reserve Fund provide for the pooling of revenues to the end that older facilities with established earning power aid new projects during developmental loss periods until they reach their anticipated point of self support.

Second, the Port Authority policy is to maintain, at year's end, a combined amount in all reserve funds at least equal to the next two years'

debt service and to retire funded debt as rapidly as this policy and sound financial management permit. Acceleration of debt retirement before mandatory dates may legally be accomplished out of the reserve fund only to the extent that the reserve funds exceed the next two years' debt service.

Third, bonds for an additional facility cannot be issued with a pledge of the General Reserve Fund unless the Port Authority Commissioners certify that the pledge will not materially impair the sound credit standing of the Authority, the investment status of the Authority's bonds, or the ability of the Authority to fulfill its commitments and undertakings.

Fourth, sound management practices, advanced engineering techniques and judicious planning are utilized to bring new projects to their anticipated point of self-support as soon as possible.

Adherence to these requirements and policies has resulted in a sound financial structure which has been recognized by individual investors and financial institutions throughout the United States. Over the years, as a result, a total of almost one and a half billion dollars of Port of New York Authority bonds, have been purchased by investors, exclusive of the amounts which have been refunded by later bond issues.

## Combined Operations in Brief

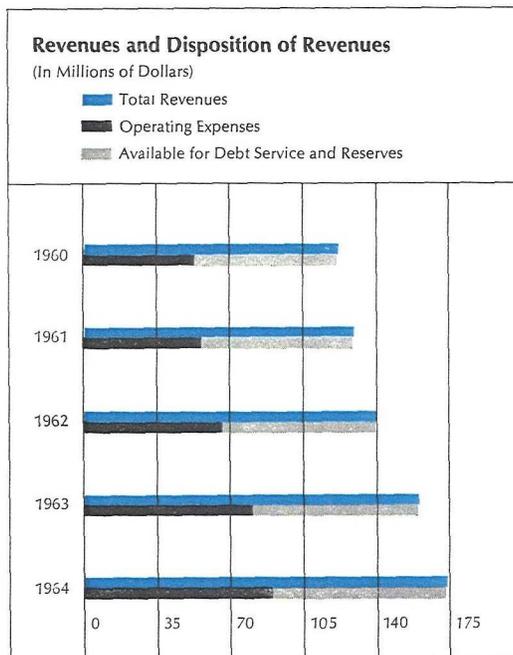
Gross operating revenues for the year 1964 were \$167,256,000, compared with \$154,025,000 for the year 1963. This represented an increase of 8.5 percent which is due to continued growth in activity at Port Authority facilities. Operating, administrative, and development expenses increased to \$89,177,000. Thus, net operating revenues before debt service totaled \$78,079,000, an increase of \$3,851,000 or 5.1 percent over the comparable figure in 1963. Investment income of \$5,123,000 on securities held in reserve and operating funds, augmented by an upward adjustment of \$106,000 in the value of our security portfolio, brought the amount of net revenues available for debt service up to \$83,309,000.

Long-term debt amortization and interest totaled \$40,139,000. In addition, \$33,000,000 of

short-term Consolidated Notes were retired at maturity and bonds with a par value of \$3,529,000 were retired in anticipation of future years' debt service at an amortized cost of \$3,147,000.

Reserve funds totaled \$97,252,000 at year's end, an increase of \$7,022,000 over the comparable figure of the prior year. They continue to meet the requirements of the applicable statutes of New Jersey and New York and of Port Authority bond resolutions, as well as the Port Authority policy of maintaining reserves of at least the next two years' debt service.

The Authority's financial affairs are administered by A. Gerdes Kuhbach, Director of Finance; Charles R. Welch, Treasurer; and Carl M. Wahlberg, Comptroller.



### Highlights

	1964	1963
Gross Operating Revenues	\$ 167,200,000	\$ 154,000,000
Net Operating Revenues ..	78,000,000	74,200,000
Debt Retired .....	56,300,000	56,100,000
Interest on Debt .....	20,200,000	18,700,000
Cumulative Invested in Facilities .....	1,402,700,000	1,327,900,000
Funded Debt Outstanding	806,100,000	739,400,000
General Reserve Fund ....	80,600,000	73,900,000
Special Reserve Funds ....	16,600,000	16,200,000

## Financial Position at Year End

### Highlights

Total assets of the Authority on December 31, 1964 were \$1,674,994,000, represented by the cumulative amount invested in facilities and construction, operating and reserve funds. This is an increase of \$134,731,000 or 8.7 percent over last year, the substantial portion of which is the \$74,766,000 increase of construction completed or in progress.

The year-end cumulative investment in the Port Authority's twenty-three facilities rose to \$1,402,722,000. The facilities participating most substantially in this \$74,766,000 increase over last year are:

LaGuardia Airport .....	\$22,800,000
John F. Kennedy	
International Airport .....	16,600,000
Staten Island Bridges .....	8,600,000
Newark Airport .....	6,600,000
Elizabeth-Port Authority	
Marine Terminal .....	6,300,000
Port Newark .....	4,200,000
Port Authority Trans-Hudson .....	3,500,000

Cumulative investment in each facility through 1964 is shown in the adjoining tabulation, and additional details are discussed in the Chapters dealing with specific facilities.

Funded debt at the year-end was \$806,109,000. The increase of \$66,612,000 over last year is the net result of the issuance of Consolidated Bonds and Notes in the total amount of \$140,000,000, the retirement of \$56,388,000 of debt through income and reserves, and the refunding of notes in the amount of \$17,000,000.

The combined total of "Debt retired through income" and the "Reserve Funds" amounted to \$810,090,000 at the close of 1964. This is 57 percent of the total amount invested in facilities, a slight increase over 1963.

### Reserve Funds

Total reserve funds at the year-end were \$97,252,000, reflecting a net increase of \$7,022,000. The General Reserve Fund was

### Cumulative Invested

**In Facilities** December 31, 1964

(In Millions)

#### Tunnels and Bridges

George Washington Bridge .....	\$ 206.9
Lincoln Tunnel .....	188.3
Holland Tunnel .....	60.4
Bayonne Bridge .....	17.4
Goethals Bridge .....	12.7
Outerbridge Crossing .....	14.6
	<u>500.5</u>

#### Air Terminals

John F. Kennedy International Airport ...	366.5
LaGuardia Airport .....	101.6
Newark Airport .....	49.9
Teterboro Airport .....	10.5
Heliports .....	.7
	<u>529.5</u>

#### Marine Terminals

Brooklyn-Port Authority	
Marine Terminal .....	94.3
Port Newark .....	84.4
Elizabeth-Port Authority	
Marine Terminal .....	48.8
Hoboken-Port Authority	
Marine Terminal .....	18.0
Erie Basin-Port Authority	
Marine Terminal .....	11.7
Port Authority Grain Terminal and	
Columbia Street Pier .....	3.7
	<u>261.2</u>

#### Inland Terminals

Port Authority Bus Terminal .....	48.0
Port Authority Building .....	22.8
New York Truck Terminal .....	9.9
Newark Truck Terminal .....	8.1
	<u>88.9</u>

#### Rail Transportation

Port Authority Trans-Hudson .....	22.4
	<u><u>\$1,402.7</u></u>

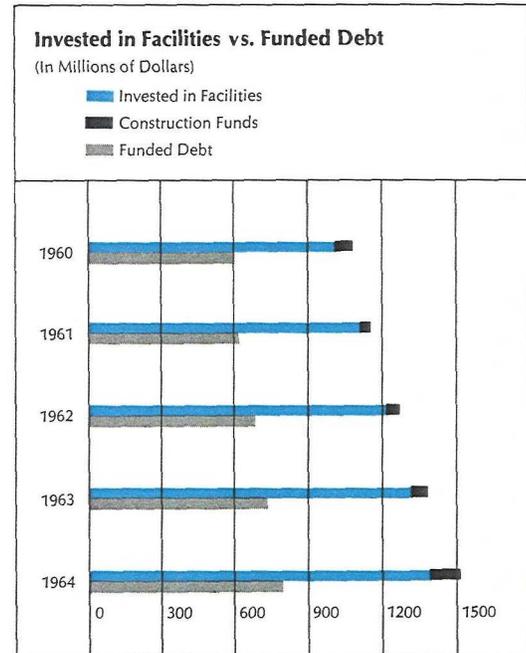
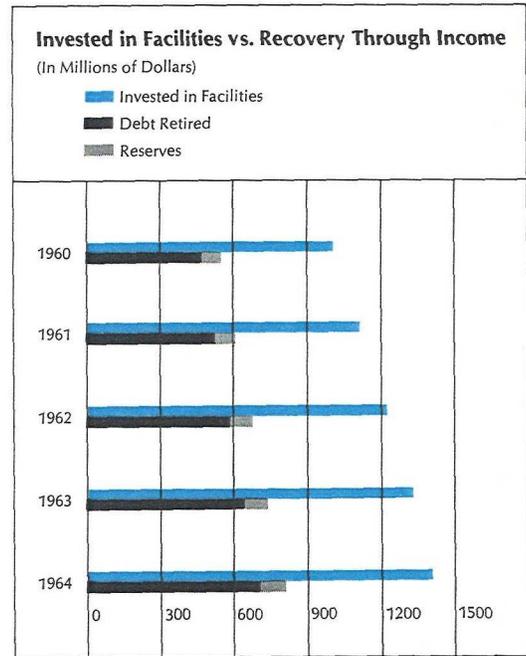
\$80,610,000, which equaled the statutory requirement of 10 percent of outstanding debt. In addition, the Special Reserve Fund totaled \$10,352,000, the Air Terminal Reserve Fund \$5,413,000, and the Marine Terminal Reserve Fund \$875,000. These reserve balances continue to meet all requirements of the various statutes of New York and New Jersey affecting the Port Authority and of the Authority's covenants with bondholders. The combined balances meet the long-established policy of maintaining reserves of at least the next two years' mandatory debt service. The total reserves, at the year-end, exceeded the next two years' debt service by \$319,000.

Reserve funds are required by bond covenants to be maintained in cash or invested in certain government securities. At year-end \$96,279,000 was invested in these securities as set forth in Statement D, "Analysis of Reserve Funds." Income from invested funds during 1964 was \$3,659,000, as compared with \$3,607,000 for 1963.

The policy of adjusting the value of security holdings at year-end to the lower of aggregate market value or aggregate amortized cost resulted in a small upward adjustment of \$89,000 to the value of securities held in reserve funds.

### Investment Income

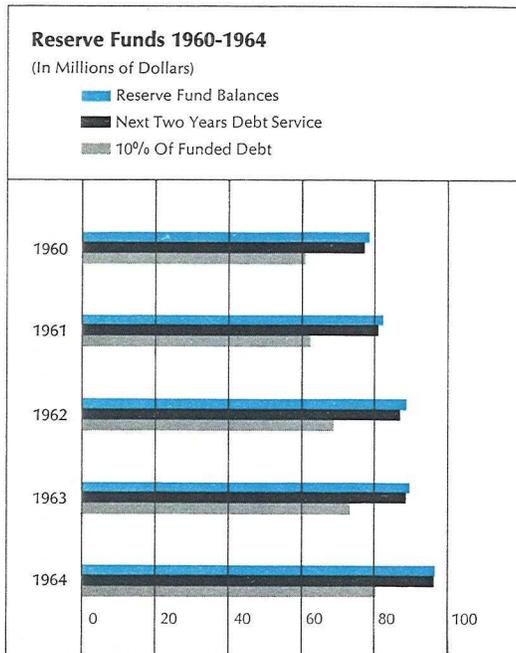
The prime objective of the security investment program has always been the prudent investment of available funds so as to assure maximum earnings while, at the same time, providing optimum security. The Authority's investment portfolio averaged almost \$260,000,000 during 1964. Of this, \$107,000,000, principally reserve funds, was invested primarily in U.S. Treasury long-term securities which returned a net income of \$4,186,000, an average earning rate of 3.90 percent. Construction funds awaiting disbursement and current revenues were invested in U.S. Treasury short-term securities and bank time deposits. The net income from these short-



## Operation of Funded Debt

term investments totaled \$6,180,000, an average return of 4.06 percent.

Distribution of investment income was \$3,659,000 to reserve funds and \$1,464,000 to operating funds. The balance, \$5,243,000, was allocated to capital funds, thus reducing the interest costs during the construction period.



### Summary of Reserve Funds

December 31 (In Millions)

	1964	1963	Increase (Decrease)
General Reserve .....	\$80.6	\$73.9	\$6.7
Special Reserve .....	10.3	10.7	(.4)
Air Terminal Reserve .....	5.4	4.4	1.0
Marine Terminal Reserve ..	.8	1.0	(.2)
	<u>\$97.2</u>	<u>\$90.2</u>	<u>\$7.0</u>

### Debt Issued

At the close of 1964, funded debt totaled \$806,109,000, a net increase over last year of \$66,612,000. Consolidated Bonds and Notes issued during the year totaled \$140,000,000.

On January 9, 1964, \$50,000,000 of Consolidated Notes, Series P, 2 percent due December 28, 1964, were sold at competitive bidding which resulted in an average net interest cost of 2.069 percent to the Authority. The following institutions purchased the notes at various net interest rates:

Institution	Amount Purchased
Mellon National Bank & Trust Company	\$31,000,000
Salomon Brothers & Hutzler .....	10,000,000
First National City Bank .....	5,000,000
The Chase Manhattan Bank .....	3,000,000
Brown Brothers Harriman & Company ..	1,000,000

A \$30,000,000 issue of Consolidated Bonds, Twenty-fifth Series, due serially February 1, 1965 through 1984 was sold on February 26, 1964 to a syndicate headed by Halsey, Stuart & Co., Inc., Drexel & Co., Glore, Forgan & Co., and Ladenburg, Thalmann & Co. and Associates on their bid of 100.002 percent of par for a combination of coupons which resulted in a net interest cost to the Authority of 3.127 percent. The second bid, submitted by a syndicate headed by Blyth & Co., Inc., and Associates, would have resulted in a net interest cost of 3.156 percent.

The third sale of the year, on June 4, was \$35,000,000 of Consolidated Bonds, Twenty-sixth Series, 3½ percent, due May 1, 1995. The syndicate headed by Harriman Ripley & Co., Incorporated, Blyth & Co., Inc., and Associates purchased the issue on their bid of 99.169 percent of par resulting in a net interest cost of 3.536 percent. Halsey, Stuart & Co., Inc. and Associates submitted the second bid which would have resulted in a net interest cost of 3.539 percent.

The final sale of the year, on November 19, was \$25,000,000 of Consolidated Bonds, Twenty-seventh Series, 3¾ percent, due December 1,

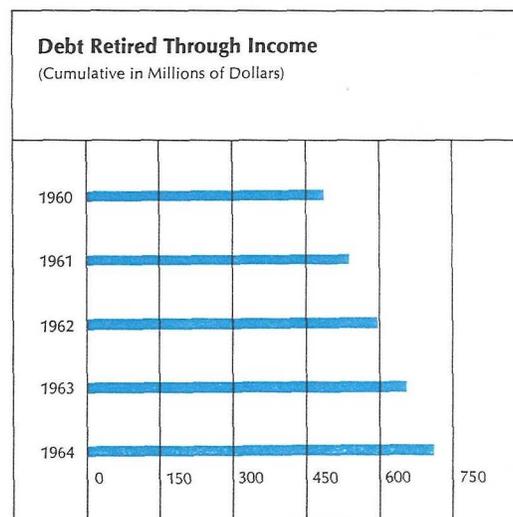
1995. The Chase Manhattan Bank purchased the issue on their bid of 98.767 percent of par. The resulting net interest to the Authority was 3.429 percent. White, Weld & Co., and Associates submitted the second bid with a net interest cost of 3.518 percent.

### Debt Retired

Debt retired during the year amounted to \$56,388,000 par value of bonds and notes. Not included are \$17,000,000 Consolidated Notes, Series P, which were refunded as shown in Statement I. The following bonds with a par value of \$19,859,000 were retired through mandatory sinking fund and maturity payments:

Series	Par Value
<b>General and Refunding Bonds</b>	
Eighth Series .....	\$ 384,000
Fifteenth Series .....	3,600,000
<b>Air Terminal Bonds</b>	
First Series .....	1,174,000
Second Series .....	1,233,000
Third Series .....	352,000
<b>Marine Terminal Bonds</b>	
First Series .....	269,000
Second Series .....	111,000
<b>Consolidated Bonds</b>	
Third Series .....	1,000,000
Sixth Series .....	496,000
Seventh Series .....	500,000
Eighth Series .....	1,000,000
Ninth Series .....	1,800,000
Eleventh Series .....	2,000,000
Thirteenth Series .....	1,250,000
Fourteenth Series .....	440,000
Fifteenth Series .....	1,250,000
Sixteenth Series .....	200,000
Seventeenth Series .....	1,500,000
Eighteenth Series .....	1,050,000
Nineteenth Series .....	250,000
	<u>\$19,859,000</u>

In addition to the above, the following bonds, with a par value of \$3,529,000 were retired in anticipation of future requirements:



Series	Par Value
<b>General and Refunding</b>	
Eighth Series .....	\$ 1,286,000
Ninth Series .....	415,000
Tenth Series .....	190,000
Eleventh Series .....	280,000
<b>Air Terminal</b>	
First Series .....	19,000
Second Series .....	2,000
Third Series .....	2,000
<b>Marine Terminal</b>	
First Series .....	141,000
Second Series .....	245,000
<b>Consolidated</b>	
Second Series .....	297,000
Fifth Series .....	352,000
Nineteenth Series .....	300,000
	<u>\$ 3,529,000</u>

The difference between the total book value of these bonds previously purchased in the open market and their call value represents a savings of \$533,500.

The above retirements, together with \$33,000,000 of Consolidated Notes, Series P, accounted for the \$56,388,000 of debt retirements out of income and reserves during 1964.

## Facts for Bondholders

### Consolidated Bonds

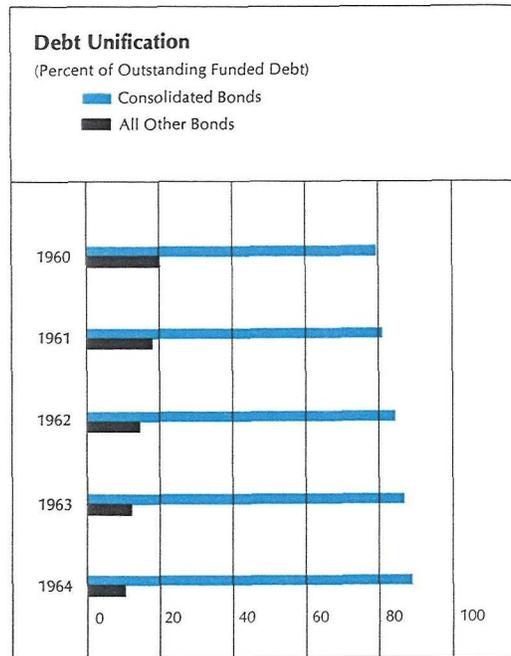
Consolidated Bonds are secured by the General Reserve Fund on an equal basis with other outstanding issues of Port Authority bonds. This pledge presently constitutes the prime security for Consolidated Bonds. As each of the older classes of bonds—General and Refunding, Air Terminal and Marine Terminal Bonds—is retired, and since the Authority has agreed that it will not issue any additional bonds of these classes, Consolidated Bonds will have a first lien on the net revenues of those facilities presently pledged for such prior issues of bonds.

Consolidated Bonds, the only medium of current financing, represented 89 percent of the outstanding funded debt of \$806,109,000 at year's end. Progress in unifying the debt structure as older prior lien bonds are retired is shown on the adjoining chart.

On December 31, 1964, outstanding Consolidated Bonds totaled \$719,749,000. Over the years, the Authority has issued a total of \$1,106,150,000 Consolidated Bonds, exclusive of refundings. Of this amount \$251,120,000 has been allocated to "Consolidated Bond Facilities," namely, Brooklyn-Port Authority Marine Terminal, Hoboken-Port Authority Marine Terminal, Erie Basin-Port Authority Marine Terminal, Elizabeth-Port Authority Marine Terminal, the two Port Authority Heliports and the Hudson Tubes. The remaining \$855,029,000 of Consolidated Bond proceeds was allocated to facilities of other bond groups.

At present, the net revenues from the "Consolidated Bond Facilities" listed above are the only revenues upon which all Consolidated Bonds have a prior lien. This will continue until the older classes of bonds are retired. During the transition period pending retirement of these older bond classes, the facilities whose net revenues are not yet subject to a first lien in favor of Consolidated Bonds are being improved out of the proceeds of Consolidated Bonds.

The debt service on all the Consolidated Bonds cannot, of course, be met from the net



**Net Operating Revenues**  
(In Millions)

	1964	1963	1962	1961	1960
<b>Consolidated Bonds</b>					
Revenues .....	\$21.4	\$18.8	\$10.9	\$ 7.3	\$ 6.7
Operating Expenses .....	17.8	16.1	6.7	3.2	2.7
Net Operating Revenues .....	3.6	2.6	4.1	4.1	4.0
<b>General and Refunding Bonds</b>					
Revenues .....	\$73.2	\$68.0	\$62.7	\$59.2	\$59.9
Operating Expenses .....	35.7	31.5	28.7	25.2	25.2
Net Operating Revenues .....	37.5	36.5	33.9	34.0	34.6
<b>Air Terminal Bonds</b>					
Revenues .....	\$65.3	\$59.9	\$55.2	\$50.7	\$43.1
Operating Expenses .....	32.6	29.1	27.6	24.8	22.2
Net Operating Revenues .....	32.6	30.8	27.6	25.8	20.9
<b>Marine Terminal Bonds</b>					
Revenues .....	\$ 7.2	\$ 7.2	\$ 6.1	\$ 5.8	\$ 5.6
Operating Expenses .....	2.9	3.0	2.5	2.6	2.4
Net Operating Revenues .....	4.3	4.2	3.6	3.2	3.1

revenues of "Consolidated Bond Facilities." It is therefore, met from the pooled revenues of all facilities through the medium of the General Reserve Fund. At year-end 1964, after meeting all debt service from income and reserves, the General Reserve Fund totaled \$80,610,000. The General Reserve Fund, of course, secures the other bonds on an equal basis with Consolidated Bonds, but in the case of such other bonds pledged revenues were sufficient to meet debt service.

#### **General and Refunding Bonds**

General and Refunding Bonds have a first lien on the net revenues of the Port Authority's two tunnels and four bridges, four inland terminals, and the grain terminal. The 1964 operations of these facilities, after operating expenses and adjusted financial income, produced net revenues of \$38,505,000 available for debt service and transfer to reserves. Debt service totaled \$4,516,000 and, at year's end, of the remaining revenues, \$33,013,000 were transferred to the General Reserve Fund toward maintaining it at its statutory amount of 10 percent of the outstanding debt and \$974,000, to the Special Reserve Fund which is pledged as additional security for this class of bonds.

General and Refunding Bonds outstanding at year-end totaled \$27,035,000, a decrease of \$6,155,000 from the previous year-end total. Meanwhile, the total invested in this group of facilities increased \$13,439,000 to \$593,248,000 at the end of 1964.

Since 1952, Consolidated Bond proceeds totaling \$307,227,000 have been allocated to these facilities. The debt service on these bonds, however, cannot be charged directly against the associated revenues but must be charged against revenues of facilities related solely to Consolidated Bonds.

#### **Air Terminal Bonds**

These bonds have a first lien on the net revenues of the four airports. In 1964, net revenues available for debt service and reserves totaled \$33,080,000. After paying \$4,188,000 for debt service, of the remaining revenues, \$28,062,000 were transferred to the General Reserve Fund toward maintaining it at its statutory amount of 10 percent of the outstanding funded debt, and \$828,000 to the Air Terminal Reserve Fund which is pledged as additional security for this class of bonds.

With the retirement of \$2,782,000 of Air Terminal Bonds during the year, outstanding Air Terminal Bonds at year's end decreased to \$53,548,000. As a result of the investment of an additional \$46,200,000 during 1964, the total Port Authority investment in airports rose to \$528,823,000.

The proceeds of Consolidated Bonds allocated for capital construction at these facilities reached \$475,601,000 at December 31, 1964, compared with \$439,570,000 at the end of 1963.

#### **Marine Terminal Bonds**

These bonds have a first lien on the net revenues of Port Newark which, in 1964, totaled \$4,348,000. After the payment of \$527,000 for debt service, \$3,711,000 was transferred to the General Reserve Fund toward maintaining it at its statutory amount of 10 percent of the outstanding funded debt and \$109,000 to the Marine Terminal Reserve Fund which is pledged as additional security for this class of bonds.

At the end of 1964, Port Authority investment in Port Newark totaled \$84,429,000, an increase of \$4,205,000 over the 1963 year-end total, while the outstanding Marine Terminal Bonds decreased by \$766,000 to \$5,777,000.

At year-end, \$72,200,000 of Consolidated Bond proceeds had been allocated for the development of this facility.

PRICE WATERHOUSE & CO.

60 BROAD STREET  
NEW YORK 10004

February 23, 1965

The Port of New York Authority  
New York, N. Y.

In our opinion, the accompanying statements present fairly the financial position of The Port of New York Authority at December 31, 1964 and the results of its operations for the year, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year. Our examination of these statements was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

*Price Waterhouse & Co.*

## STATEMENT A Revenues and Reserves

	Year Ended December 31,	
	1964	1963
	(In Thousands)	
Gross Operating Revenues .....	\$167,256	\$154,025
Operating Expenses.....	89,177	79,797
Net Operating Revenues .....	<u>78,079</u>	<u>74,228</u>
<i>Financial Income</i>		
Income on Investments—net .....	5,123	4,824
Security valuation adjustment .....	106	(2,967)
	<u>83,309</u>	<u>76,085</u>
<i>Debt Service</i>		
Interest on funded debt .....	20,291	18,752
Serial maturities and sinking fund requirements .....	19,848	20,264
Short-term note maturities .....	33,000	33,000
Debt retirement acceleration .....	3,147	2,590
Total Debt Service .....	<u>76,286</u>	<u>74,607</u>
<i>Net Increase in Reserves</i> .....	7,022	1,478
Reserve balances—beginning of year .....	90,229	88,751
Reserve Balances—End of Year .....	<u>\$ 97,252</u>	<u>\$ 90,229</u>

## STATEMENT B Financial Position

	December 31, 1964			December 31, 1963	
	Capital Funds (Statement E)	Reserve Funds (Statement D)	General Operating Funds	Combined Total	Combined Total
	(In Thousands)				
<b>Assets</b>					
Invested in Facilities .....	\$1,402,722	\$ —	\$ —	\$1,402,722	\$1,327,956
Investment in Securities (Statement G) .....	98,807	96,279	6,790	201,877	145,237
Cash .....	36,003	972	2,474	39,450	37,110
Other Assets .....	957	—	29,986	30,943	29,959
Total Assets.....	<u>1,538,491</u>	<u>97,252</u>	<u>39,250</u>	<u>1,674,994</u>	<u>1,540,263</u>
<b>Liabilities</b>					
Funded Debt (Statement I) .....	806,109	—	—	806,109	739,497
Debt Retired Through Income (Statement F) .....	712,837	—	—	712,837	654,914
Reserves.....	—	97,252	—	97,252	90,229
Accounts Payable and Other Liabilities.....	19,544	—	27,552	47,097	45,997
Provision for Self-Insurance .....	—	—	6,780	6,780	6,038
Deferred Credits to Income .....	—	—	4,916	4,916	3,586
Total Liabilities .....	<u>\$1,538,491</u>	<u>\$97,252</u>	<u>\$39,250</u>	<u>\$1,674,994</u>	<u>\$1,540,263</u>

See Notes to Financial Statements

## Notes to Financial Statements

December 31, 1964

### Note A—Accounting Principles:

1. The Port of New York Authority, created in 1921 by compact between the States of New York and New Jersey with the consent of Congress, has no stockholders or equity holders; all revenues or other cash received must be disbursed for specific purposes in accordance with provisions of various statutes and agreements with holders of its bonds and others. The accounts of the Authority are maintained in accordance with generally accepted accounting principles appropriate in the circumstances.

2. The Authority's bond resolutions provide that operating expenses shall not include any allowance for depreciation. However, recovery of facility costs is accomplished through deductions from revenues and reserves of amounts equal to payments to sinking funds and other principal payments on funded debt. These deductions are credited at par to the account "debt retired through income."

3. The amount "invested in facilities" consists primarily of expenditures, including the expenditure of federal and state grants, to acquire, construct, place in operation and improve the facilities of the Port Authority and includes net discount and expense incurred in connection with bonds and notes issued for construction purposes as well as net interest expense during the period of construction.

4. The statement of combined total revenues and reserves is presented for general information purposes only and the amounts stated do not represent revenues applicable to any particular type of bonds. Debt service on each type of bonds is secured, first, by revenues of certain facilities as set forth in the various bond resolutions and, secondly, by the General Reserve Fund. The amount and disposition of revenues applicable to each type of bonds are set forth in Statement C and the amount and disposition of revenues applicable to the reserve funds are shown in Statement D.

5. The long-term and short-term securities are stated at the lower of their respective aggregate amortized cost or market values.

6. Pursuant to bi-state legislation, the Authority is authorized and empowered, upon the election of either state, to purchase and lease railroad cars to commuter railroads of the electing state, and to borrow money for such purpose or for the repayment of advances from the electing state. By resolution dated April 12, 1962, the Authority established an issue of New York State Guaranteed Commuter Car Bonds. Such Car Bonds are secured by the net revenues of the Authority arising out of the lease of commuter railroad cars. Car Bonds are not secured by any other revenues, reserves or assets of the Authority, are not general obligations of the Authority and are not secured by the full faith and credit of the Authority. In the event that lease revenues are not sufficient to provide for scheduled payment of principal and interest, the punctual payment of such debt service is fully and unconditionally guaranteed by the electing state. Accordingly, the financial position of this program is presented separately in Statement J, and the assets and liabilities of the program are not included in any of the other accompanying financial statements of the Authority.

### Note B—Commitments:

At December 31, 1964, the Authority was committed under various contracts to the completion over the next two or three years of approximately \$79,000,000 of structures. Cash and securities in the capital funds at that date were primarily for these commitments.

### Note C—Leases:

The New York Air Terminals and the Newark Air and Marine Terminals are leased from the Cities of New York and Newark, respectively. In each case, these leases expire (a)

upon the payment by the Authority of all of its funded debt issued in connection with such air and marine terminals or (b) in the year 1997 (New York) and 1998 (Newark), whichever occurs sooner.

The Hoboken-Port Authority Marine Terminal is leased from the City of Hoboken under a lease which will expire in the year 2002, unless a fifty-year extension is executed on or before that date.

A parcel of property at the Brooklyn-Port Authority Marine Terminal is leased from the City of New York under a lease which will expire in the year 2011.

### Note D—Funded Debt:

On January 12, 1965, the Authority issued \$40,000,000 Consolidated Notes, Series Q, due December 28, 1965 at an average net interest cost of 2.291 per cent.

On February 5, 1965, the Authority issued \$25,000,000 Consolidated Bonds, Twenty-eighth Series, 3 $\frac{3}{8}$  per cent, due in 1996.

### Note E—General:

Pursuant to legislative and judicial authorizations, the Authority on September 1, 1962 acquired by condemnation the former Hudson & Manhattan Railroad through the Port Authority Trans-Hudson Corporation, a subsidiary of the Port of New York Authority established for that purpose. The accounts of the subsidiary corporation are consolidated in the accompanying Port Authority financial statements as a facility whose net revenues are first pledged for Consolidated Bonds. That portion of the total acquisition cost which will be accounted for by condemnation awards for the property is dependent upon future judicial determination. The Port Authority Trans-Hudson Corporation capital accounts include \$16,602,286, representing sums advanced therefor to condemnees to December 31, 1964. This amount is subject to increase or decrease in accordance with the ultimate awards.

**STATEMENT C Operating Funds Revenues** Year Ended December 31, 1964

	Related to				Combined Total
	General and Refunding Bonds	Air Terminal Bonds	Marine Terminal Bonds	Consolidated Bonds	
	(In Thousands)				
Gross Operating Revenues .....	\$73,274	\$65,320	\$7,236	\$ 21,425	<b>\$167,256</b>
Operating Expenses .....	35,747	32,690	2,931	17,806	<b>89,177</b>
Net Operating Revenues .....	37,526	32,629	4,304	3,618	<b>78,079</b>
<b>Financial Income</b>					
Income on investments—net .....	969	444	43	6	<b>1,464</b>
Security valuation adjustment .....	9	5	—	1	<b>17</b>
Net Revenues .....	38,505	33,080	4,348	3,626	<b>79,560</b>
<b>Debt Service</b>					
Interest on funded debt .....	537	1,499	157	18,096	<b>20,291</b>
Serial maturities and sinking fund requirements .....	3,979	2,689	370	12,809	<b>19,848</b>
Short-term note maturities .....	—	—	—	33,000	<b>33,000</b>
Total Debt Service .....	4,516	4,188	527	63,906	<b>73,139</b>
Transfers to and (from) Reserves .....	33,988	28,891	3,821	(60,280)	<b>6,421</b>
<b>Analysis of Transfers</b>					
From General Reserve—to cover net deficit To General Reserve— to bring to 10% of funded debt .....	—	—	—	(60,280)	<b>(60,280)</b>
To Special Reserves .....	33,013	28,062	3,711	—	<b>64,787</b>
Net Transfers .....	974	828	109	—	<b>1,913</b>
Net Transfers .....	<u>\$33,988</u>	<u>\$28,891</u>	<u>\$3,821</u>	<u>\$ (60,280)</u>	<u>\$ 6,421</u>

**STATEMENT D Analysis of Reserve Funds** Year Ended December 31, 1964

	General Reserve Fund	Special Reserve Fund	Air Terminal Reserve Fund	Marine Terminal Reserve Fund	Combined Total
	(In Thousands)				
Balance—January 1, 1964 .....	\$73,949	\$10,780	\$4,423	\$1,075	<b>\$90,229</b>
Income on investments—net .....	2,999	437	179	43	<b>3,659</b>
Security valuation adjustment .....	73	10	4	1	<b>89</b>
	77,022	11,228	4,607	1,120	<b>93,978</b>
Appropriations for:					
Debt retirement acceleration— payments to sinking funds .....	918	1,851	22	354	<b>3,147</b>
Total .....	76,103	9,377	4,584	766	<b>90,831</b>
Transfers (to) and from Operating Funds:					
Deficit related to Consolidated Bonds .....	(60,280)	—	—	—	<b>(60,280)</b>
Revenues related to:					
General and Refunding Bonds .....	33,013	974	—	—	<b>33,988</b>
Air Terminal Bonds .....	28,062	—	828	—	<b>28,891</b>
Marine Terminal Bonds .....	3,711	—	—	109	<b>3,821</b>
Net transfers .....	4,507	974	828	109	<b>6,421</b>
Balance—December 31, 1964 .....	<u>\$80,610</u>	<u>\$10,352</u>	<u>\$5,413</u>	<u>\$ 875</u>	<u>\$97,252</u>
Represented by:					
Investment in securities .....	\$79,804	\$10,248	\$5,359	\$ 866	<b>\$96,279</b>
Cash .....	806	103	54	8	<b>972</b>

See Notes to Financial Statements

STATEMENT E Capital Funds Assets & Liabilities December 31, 1964

	Related to facilities whose net revenues are first pledged for				Combined Total
	General and Refunding Bonds	Air Terminal Bonds	Marine Terminal Bonds	Consolidated Bonds	
	(In Thousands)				
<b>Assets</b>					
<i>Invested in Facilities</i>					
Completed construction—owned .....	\$578,089	\$ 10,553	\$ —	\$144,213	\$ 732,857
Completed construction—leased .....	—	462,788	80,970	23,863	567,622
Construction in progress .....	15,158	55,479	3,458	28,145	102,243
	<u>593,248</u>	<u>528,822</u>	<u>84,429</u>	<u>196,222</u>	<u>1,402,722</u>
<i>Investment in Securities</i> .....	19,059	36,666	457	42,623	98,807
<i>Cash</i> .....	6,944	13,361	166	15,531	36,003
<i>Other Assets</i> .....	741	82	2	131	957
<i>Total Assets</i> .....	<u>619,994</u>	<u>578,932</u>	<u>85,056</u>	<u>254,507</u>	<u>1,538,491</u>
<b>Liabilities</b>					
<i>Funded Debt (Statement I)</i> .....	27,035	53,548	5,777	719,749	806,109
<i>Interfund Accounts</i> .....	304,727	475,851	74,450	(855,029)	—
<i>Debt Retired Through Income (Statement F)</i> .....	284,870	37,343	4,223	386,401	712,837
<i>Accounts Payable and Other Liabilities</i> .....	3,362	12,188	606	3,387	19,544
<i>Total Liabilities</i> .....	<u>\$619,994</u>	<u>\$578,932</u>	<u>\$85,056</u>	<u>\$254,507</u>	<u>\$1,538,491</u>

STATEMENT F Debt Retired Through Income Year Ended December 31, 1964

	December 31, 1964
	(In Thousands)
<i>Debt Retired Through Income</i>	
Balance at January 1, 1964 .....	\$623,227
Net revenues and reserves applied to retirement of debt as detailed in Statement I .....	<u>56,388</u>
Total .....	679,615
<i>Contributed by Federal and State Agencies in Aid of Construction</i>	
Balance at January 1, 1964 .....	38,856
Amounts received under Federal Airport Act .....	1,044
Amounts received under Federal Highway Act .....	<u>490</u>
Total .....	40,391
<i>Appropriated Reserves Invested in Facilities</i>	
Balance at January 1 and December 31, 1964 .....	<u>8,468</u>
	728,474
<i>Less:</i>	
<i>Cost of Refunding and Consolidating Debt</i>	
Balance at January 1 and December 31, 1964 .....	<u>15,636</u>
Total .....	<u>\$712,837</u>

See Notes to Financial Statements

STATEMENT G Investment in Securities December 31, 1964

	Principal Amount	Quoted Market Value (In Thousands)	Amortized Cost
<i>Short Term</i>			
United States Treasury Securities:			
Notes:			
4% due 5/15/66 .....	\$ 2,000	\$ 1,999	\$ 2,000
Bills:			
Due 1/31/65 .....	65	64	64
Due 3/22/65 .....	16,000	15,872	15,870
Due 4/30/65 .....	10,000	9,876	9,878
Due 5/27/65 .....	5,000	4,922	4,924
Due 5/31/65 .....	17,000	16,732	16,740
Due 6/22/65 .....	50,000	49,085	49,053
Security valuation allowance at December 31, 1964 .....			—
Total Short Term .....	<u>100,065</u>	<u>98,553</u>	<u>98,532</u>
<i>Long Term</i>			
United States Treasury Securities:			
Bonds:			
3 <sup>7</sup> / <sub>8</sub> % due 11/15/68 .....	13,000	12,914	12,957
2 <sup>1</sup> / <sub>2</sub> % due 12/15/69-64 .....	10,000	9,390	9,980
2 <sup>1</sup> / <sub>2</sub> % due 12/15/72-67 .....	1	1	1
4% due 8/15/73 .....	100	98	98
4 <sup>1</sup> / <sub>4</sub> % due 5/15/74 .....	500	502	503
3 <sup>7</sup> / <sub>8</sub> % due 11/15/74 .....	12,000	11,692	11,980
4% due 2/15/80 .....	16,900	16,540	16,898
3 <sup>1</sup> / <sub>2</sub> % due 11/15/80 .....	1,000	920	997
3 <sup>1</sup> / <sub>4</sub> % due 6/15/83-78 .....	1,200	1,058	1,237
4 <sup>1</sup> / <sub>4</sub> % due 5/15/85-75 .....	10,350	10,369	10,509
3 <sup>1</sup> / <sub>2</sub> % due 2/15/90 .....	13,250	11,800	12,832
4 <sup>1</sup> / <sub>8</sub> % due 5/15/94-89 .....	16,000	15,770	16,076
3% due 2/15/95 .....	600	512	600
3 <sup>1</sup> / <sub>2</sub> % due 11/15/98 .....	7,978	7,045	7,956
The Port of New York Authority Bonds:			
Consolidated:			
1st Series, 3% due 11/1/82 .....	417	405	411
4th Series, 2 <sup>3</sup> / <sub>4</sub> % due 4/1/85 .....	429	379	401
6th Series, 3% due 5/1/86 .....	814	773	802
7th Series, 3.40% due 9/1/86 .....	553	559	561
8th Series, 3.40% due 2/1/87 .....	1,023	1,035	1,050
12th Series, 3 <sup>3</sup> / <sub>8</sub> % due 5/1/88 .....	512	518	514
14th Series, 3 <sup>5</sup> / <sub>8</sub> % due 2/1/89 .....	255	260	262
Security valuation allowance at December 31, 1964 .....			(4,083)
Total Long Term .....	<u>\$106,882</u>	<u>\$102,550</u>	<u>102,550</u>
Accrued Interest Receivable .....			794
Total Investment in Securities .....			<u>\$201,877</u>

See Notes to Financial Statements

STATEMENT H Analysis of Sinking Funds Year Ended December 31, 1964

	1964
	(In Thousands)
Sinking Fund balances—January 1 .....	<u>\$ —</u>
Additions to Sinking Funds:	
Obligatory payments from operating accounts:	
General and Refunding Bonds .....	379
Air Terminal Bonds .....	2,689
Marine Terminal Bonds .....	370
Consolidated Bonds .....	2,959
Appropriation from General Reserve Fund for retirement in anticipation of future requirements ...	918
Appropriation from Special Reserve Fund for retirement in anticipation of future requirements ....	1,851
Appropriation from Air Terminal Reserve Fund for retirement in anticipation of future requirements	22
Appropriation from Marine Terminal Reserve Fund for retirement in anticipation of future requirements .....	354
Adjustment of cost of Port Authority Bonds to redemption price .....	533
Total additions .....	<u>10,079</u>
Deductions from Sinking Funds:	
Mandatory retirements:	
General and Refunding Bonds, Eighth Series .....	384
Air Terminal Bonds:	
First Series .....	1,197
Second Series .....	1,245
Third Series .....	359
Marine Terminal Bonds:	
First Series .....	271
Second Series .....	113
Consolidated Bonds:	
Sixth Series .....	505
Seventh Series .....	510
Eighth Series .....	1,030
Fourteenth Series .....	453
Sixteenth Series .....	206
Nineteenth Series .....	257
Retirements in anticipation of future sinking fund requirements:	
General & Refunding Bonds:	
Eighth Series .....	1,286
Ninth Series .....	415
Tenth Series .....	190
Eleventh Series .....	280
Air Terminal Bonds:	
First Series .....	19
Second Series .....	2
Third Series .....	2
Marine Terminal Bonds:	
First Series .....	142
Second Series .....	247
Consolidated Bonds:	
Second Series .....	297
Fifth Series .....	355
Nineteenth Series .....	309
Total deductions .....	<u>10,079</u>
Sinking Fund balances—December 31 .....	<u>\$ —</u>

See Notes to Financial Statements



STATEMENT J The Port of New York Authority  
 New York State Commuter Car Program  
 Assets and Liabilities

	December 31, 1964			December 31, 1963
	Related to cars			
	leased to The New York Central Railroad Company	leased to The Long Island Rail Road Company	Combined Total	Combined Total
	(In Thousands)			
<i>Assets</i>				
Invested in commuter cars .....	\$ 8,125	\$5,462	<b>\$13,587</b>	\$13,712
Investment in U.S. Government Securities .....	6,021	144	<b>6,165</b>	399
Cash .....	448	1	<b>449</b>	8
Other assets .....	79	1	<b>81</b>	11
Total Assets .....	<u>14,674</u>	<u>5,610</u>	<u><b>20,285</b></u>	<u>14,132</u>
<i>Liabilities</i>				
State Guaranteed Commuter Car Bonds .....	13,590	2,460	<b>16,050</b>	11,590
Debt retired through income .....	660	3,015	<b>3,675</b>	2,135
Accounts payable and other liabilities .....	424	135	<b>560</b>	407
Total Liabilities .....	<u>\$14,674</u>	<u>\$5,610</u>	<u><b>\$20,285</b></u>	<u>\$14,132</u>

NOTE: At December 31, 1964, about \$6,000,000 of the Investment in U.S. Government Securities and Cash was committed for the purchase of Commuter Cars to be leased to the New York Central Railroad.

See note A-6 to Financial Statements

## Funded Debt Amortization 1965-1995 (In Thousands)

Year	Debt Service Total All Issues			Amortization			
	Total	Interest	Amortization	Consolidated Bonds	General and Refunding Bonds	Air Terminal Bonds	Marine Terminal Bonds
	Par Value: \$806,109						
1965	\$ 47,541	\$ 26,013	\$ 21,528	\$ 18,079		\$ 3,314	\$ 135
1966	49,392	25,360	24,032	19,339	980	3,428	285
1967	49,539	24,588	24,951	19,876	1,167	3,511	397
1968	50,267	23,810	26,457	21,251	1,190	3,597	419
1969	50,651	22,975	27,676	22,354	1,214	3,679	429
1970	50,870	22,099	28,771	23,084	1,476	3,772	439
1971	50,801	21,193	29,608	23,269	2,017	3,873	449
1972	51,535	20,261	31,274	24,472	2,382	3,960	460
1973	51,419	19,280	32,139	25,161	2,442	4,065	471
1974	50,857	18,264	32,593	26,793	1,144	4,174	482
1975	51,126	17,204	33,922	27,981	1,161	4,286	494
1976	49,339	16,138	33,201	27,117	1,177	4,401	506
1977	48,502	15,077	33,425	27,194	1,193	4,520	518
1978	49,047	13,947	35,100	31,207	1,211	2,531	151
1979	47,559	12,773	34,786	32,737	1,228	667	154
1980	45,374	11,660	33,714	32,467	1,247		
1981	43,442	10,584	32,858	31,594	1,264		
1982	40,129	9,585	30,544	29,262	1,282		
1983	40,406	8,586	31,820	30,520	1,300		
1984	40,380	7,532	32,848	31,530	1,318		
1985	38,278	6,461	31,817	31,175	642		
1986	37,942	5,342	32,600	32,600			
1987	32,571	4,221	28,350	28,350			
1988	23,791	3,366	20,425	20,425			
1989	20,715	2,665	18,050	18,050			
1990	16,686	2,136	14,550	14,550			
1991	16,189	1,639	14,550	14,550			
1992	13,705	1,155	12,550	12,550			
1993	13,242	692	12,550	12,550			
1994	7,462	312	7,150	7,150			
1995	3,977	77	3,900	3,900			
Total	<u>\$1,182,734</u>	<u>\$ 374,995</u>	<u>\$ 807,739</u>	<u>\$ 721,137</u>	<u>\$ 27,035</u>	<u>\$ 53,778</u>	<u>\$ 5,789</u>

Notes: Includes all mandatory payments (including sinking fund requirements and serial maturities) whether payable from revenues or other sources, upon the assumptions that: (1)—the presently outstanding bonds will not be retired prior to maturity except in accordance with the mandatory retirement provisions of the resolutions establishing the series of which such bonds form a part; (2)—the amortization payment will be made each year on the latest permissible date on which such payment is required to be made; (3)—such payments will be in the amount scheduled to be made for such year. Interest shown under "Debt Service Total All Issues" is computed on the same assumptions as amortization.

## A Ten-Year Comparison (In Thousands)

	1964	1963	1962	1961
<b>Net Revenues (A)</b>				
Gross Operating Revenues .....	\$ 167,256	\$ 154,025	\$ 135,059	\$ 123,200
Operating Expenses .....	89,177	79,797	65,742	56,000
Net Operating Revenues .....	\$ 78,079	\$ 74,228	\$ 69,317	\$ 67,200
Other Income (B) .....	5,123	4,824	4,806	4,300
Net Revenues .....	\$ 83,202	\$ 79,053	\$ 74,123	\$ 71,500
Interest on Funded Debt .....	20,291	18,752	16,280	14,800
Net Revenues after Interest .....	\$ 62,911	\$ 60,301	\$ 57,843	\$ 56,700
<b>Times, Interest Earned</b> .....	4.10	4.22	4.55	4.00
Mandatory Redemption Payments .....	19,848	20,264	20,777	19,000
Net Revenues after Debt Service (C) .....	\$ 43,062	\$ 40,036	\$ 37,066	\$ 37,700
<b>Times, Debt Service Earned</b> .....	2.07	2.03	2.00	2.00
<b>Net Changes in Reserves:</b>				
Transferred from Revenues (above) .....	\$ 43,062	\$ 40,036	\$ 37,066	\$ 37,700
Short Term Note Maturities .....	(33,000)	(33,000)	(31,000)	(32,000)
Long Term Debt Retirement Acceleration .....	(3,147)	(2,590)	(2,038)	(4,000)
Adjustment of Securities to Market Value (D) .....	106	(2,967)	2,310	(1,900)
Net Change .....	\$ 7,022	\$ 1,478	\$ 6,338	\$ 3,300
<b>Reserves—At Year End</b>				
General Reserve .....	\$ 80,610	\$ 73,949	\$ 68,761	\$ 62,600
G & R Special Reserve .....	10,352	10,780	12,955	13,300
Air Terminal Reserve .....	5,413	4,423	5,825	5,300
Marine Terminal Reserve .....	875	1,075	1,209	1,100
Total .....	\$ 97,252	\$ 90,229	\$ 88,751	\$ 82,400
<b>Funded Debt—At Year End</b>				
General and Refunding Bonds .....	\$ 27,035	\$ 33,190	\$ 38,761	\$ 46,000
Air Terminal Bonds .....	53,548	56,330	59,898	62,800
Marine Terminal Bonds .....	5,777	6,543	6,913	7,200
Consolidated Bonds .....	719,749	643,434	582,041	509,900
Other .....	—	—	—	—
Total .....	\$ 806,109	\$ 739,497	\$ 687,613	\$ 626,000
<b>Invested in Facilities—At Year End</b>	\$1,402,722	\$1,327,956	\$1,224,227	\$1,116,100
<b>Debt Retirement Through Revenues and Reserves</b>				
Annually .....	\$ 56,388	\$ 56,116	\$ 54,480	\$ 51,700
Cumulative .....	679,615	623,227	567,111	512,600

1960                  1959                  1958                  1957                  1956                  1955

\$ 115,370	\$105,662	\$ 93,183	\$ 84,753	\$ 76,712	\$ 68,615
52,688	45,605	42,513	39,579	37,094	30,496
\$ 62,682	\$ 60,056	\$ 50,669	\$ 45,173	\$ 39,617	\$ 38,118
4,689	3,600	2,677	2,217	1,590	1,190
\$ 67,371	\$ 63,656	\$ 53,346	\$ 47,390	\$ 41,207	\$ 39,308
13,291	11,228	9,159	6,146	5,076	4,646
\$ 54,080	\$ 52,428	\$ 44,187	\$ 41,244	\$ 36,131	\$ 34,662
5.07	5.67	5.82	7.71	8.12	8.46
17,449	16,718	11,633	10,118	8,692	9,634
\$ 36,631	\$ 35,710	\$ 32,554	\$ 31,126	\$ 27,439	\$ 25,028
<u>2.19</u>	<u>2.28</u>	<u>2.57</u>	<u>2.91</u>	<u>2.99</u>	<u>2.75</u>
\$ 36,631	\$ 35,710	\$ 32,554	\$ 31,126	\$ 27,439	\$ 25,028
(35,000)	(24,000)	(19,000)	(13,500)	(19,000)	(19,400)
(1,021)	(925)	(796)	(2,070)	(1,355)	(2,798)
6,598	(3,610)	(3,913)	3,095	(2,500)	(1,216)
\$ 7,208	\$ 7,175	\$ 8,845	\$ 18,651	\$ 4,584	\$ 1,614
\$ 61,082	\$ 57,480	\$ 50,799	\$ 42,067	\$ 32,485	\$ 27,995
12,512	10,535	10,573	10,795	4,265	4,469
4,468	3,087	2,642	2,368	301	49
1,001	753	666	606	135	88
\$ 79,065	\$ 71,857	\$ 64,682	\$ 55,837	\$ 37,186	\$ 32,602
\$ 51,782	\$ 58,566	\$ 64,893	\$ 70,594	\$ 78,116	\$ 84,825
64,512	65,895	66,326	66,748	67,162	67,384
7,630	7,976	8,312	8,642	8,876	8,969
486,903	442,372	368,468	274,692	170,694	117,776
—0—	—0—	—0—	—0—	—0—	1,000
\$ 610,827	\$574,809	\$507,999	\$420,676	\$324,848	\$279,954
\$1,012,540	\$920,249	\$816,700	\$725,394	\$616,298	\$531,733
\$ 53,982	\$ 42,190	\$ 31,677	\$ 26,472	\$ 29,106	\$ 32,216
460,897	406,915	364,725	333,048	306,576	277,470

(A) These combined totals are presented for general information purposes only; the net revenues of the various facilities for the years listed were pledged in support of particular issues of bonds without availability for other bonds or for expenses of facilities financed by other bonds, except, under limited circumstances, through the medium of certain reserve funds.

(B) Other Income includes income from investment of reserves and net operating revenues and other miscellaneous items.

(C) Net deficits of the facilities whose net revenues are first pledged to Consolidated Bonds were met by payments from Reserves; they are not shown in this Schedule as "Deductions from Reserves," but rather reduce the annual amounts otherwise available for reserves to produce the annual amounts shown above as "Net Revenues after Debt Service."

(D) Investments are carried at their aggregate amortized cost or market value, whichever is lower; this item represents annual adjustments to reflect that basis.

*Credits:*

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