

**Torres Rojas, Genara**

FOI#12417

**From:** lbs4@columbia.edu  
**Sent:** Sunday, June 26, 2011 3:15 PM  
**To:** Van Duyne, Sheree  
**Cc:** Torres Rojas, Genara; Duffy, Daniel  
**Subject:** Freedom of Information Online Request Form

Information:

First Name: Lynne  
Last Name: Sagalyn  
Company: research  
Mailing Address 1: Columbia Business School  
Mailing Address 2: 3022 Broadway 816 Uris  
City: New York  
State: NY  
Zip Code: 10027  
Email Address: [lbs4@columbia.edu](mailto:lbs4@columbia.edu)  
Phone: 917-699-8130  
Required copies of the records: Yes

List of specific record(s):  
Memorandum of Understanding between the Port Authority and the LMDC, May 2002.

**THE PORT AUTHORITY OF NY & NJ**

Daniel D. Duffy  
FOI Administrator

July 21, 2011

Ms. Lynne Sagalyn  
Columbia Business School  
3022 Broadway, 816 Uris  
New York, NY 10027

Re: Freedom of Information Reference No. 12417

Dear Ms. Sagalyn:

This is a response to your June 26, 2011 request, which has been processed under the Port Authority's Freedom of Information Policy (the "Policy," copy enclosed) for a copy of the Memorandum of Understanding between the Port Authority and LMDC, May 2002.

Material responsive to your request and available under the Policy, which consists of 6 pages, is enclosed, for a \$1.50 photocopying charge for this material (25¢ per page). Payment should be made in cash, certified check or money order payable to "The Port Authority of New York & New Jersey" and should be sent to my attention at 225 Park Avenue South, 17<sup>th</sup> Floor, New York, NY 10003.

Please refer to the above FOI Reference number in any future correspondence relating to your request.

Sincerely,



Daniel D. Duffy  
FOI Administrator

Enclosure

225 Park Avenue South  
New York, NY 10003  
T: 212 435 3642 F: 212 435 7555

THIS COOPERATION AGREEMENT, made as of this 10<sup>th</sup> day of May, 2002 between THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY, a body corporate and politic created by Compact between the States of New Jersey and New York with the consent of the Congress of the United States, having its principal office at 225 Park Avenue South, New York, New York 10003, hereinafter referred to as the "Port Authority," and THE LOWER MANHATTAN DEVELOPMENT CORPORATION, a corporation organized and existing under the laws of the State of New York, with its principal offices located at One Liberty Plaza, New York, New York 10006, hereinafter referred to as "LMDC";

WITNESSETH:

WHEREAS, the destruction of the World Trade Center by terrorist attacks on September 11, 2001, has had a substantial, negative impact on New York City, and a devastating impact on Lower Manhattan, far beyond the physical loss of this Port Authority facility; and

WHEREAS, prior to September 11, 2001, the World Trade Center included nearly 10 million square feet of office space and 430,000 square feet of retail space; and

WHEREAS, the Port Authority received substantial net revenues from the World Trade Center which supported its capital programs providing facilities of transportation, commerce, and economic development in the States of New York and New Jersey; and

WHEREAS, the net revenues from the World Trade Center also assisted the Port Authority in meeting its obligations to the holders of its bonds; and

WHEREAS, the Port Authority remains responsible for the maintenance of revenues sufficient to meet its obligations, including those to the holders of its bonds, whether in connection with the World Trade Center or otherwise and for effectuating the projects contained in its capital plan; and

WHEREAS, the Port Authority has begun work to re-establish Port Authority Trans-Hudson ("PATH") rail service between New Jersey and Downtown New York; and

WHEREAS, planning has begun on a permanent PATH system terminal in the area of the World Trade Center, including the possibility of an intermodal terminal with connections to New York City subways and other mass transit; and

WHEREAS, the Port Authority is beginning the planning process for the future redevelopment of the World Trade Center site and is ready to cooperate with the LMDC in comprehensive planning to improve the accessibility of the regional transportation network to Lower Manhattan; and

WHEREAS, LMDC was created by Governor George E. Pataki of the State of New York and ex-Mayor Rudolph W. Giuliani of the City of New York to plan and coordinate the development of Lower Manhattan. It has been designated by both the City and the State as

the lead agency for the effort to redevelop the area of Lower Manhattan south of Houston Street; and

WHEREAS, LMDC has begun a comprehensive planning process involving the draft stages of a preliminary blueprint and guidelines and an extensive outreach campaign with the ultimate goal of providing an overall plan for the development of lower Manhattan; and

WHEREAS, the Port Authority has a longstanding policy of cooperating with other government agencies in the performance of their official duties; and

WHEREAS, the Port Authority and LMDC are committed to working together and in cooperation with other governmental agencies, the World Trade Center net lessees, and other stakeholders, to develop and coordinate long-term plans for the development of Lower Manhattan, including the World Trade Center site, and transportation improvements related to that development; and

WHEREAS, LMDC and the Port Authority have cooperated and coordinated their activities with respect to a number of projects in Lower Manhattan, including the rebuilding of the Con Edison substation on the 7 World Trade Center site, the safety fence that will be built to surround the World Trade Center site at the end of the recovery effort, and the temporary memorial for World Trade Center victims of the terrorist attacks of September 11, 2001; and

WHEREAS, LMDC has overall responsibility to coordinate and plan the restoration and development of Lower Manhattan; and

WHEREAS, LMDC is to coordinate a variety of outreach and communication efforts to assure the maximum amount of broad-based input from community boards and advisory boards, civic groups, and the media; and

WHEREAS, the Port Authority and LMDC desire to set forth the terms and conditions pursuant to which they shall cooperate in planning for World Trade Center site redevelopment and Lower Manhattan transportation improvements;

NOW, THEREFORE, in consideration of the covenants and mutual agreements of the parties to this Cooperation Agreement, the Port Authority and LMDC hereby agree as follows:

#### SECTION A – DEFINITIONS

As used in this Cooperation Agreement:

- (1) "Act" shall mean chapter 209, Laws of New York 1962 (as amended); chapter 8, Laws of New Jersey 1962 (as amended).

- (2) "Impact Area" shall mean the "Hudson tubes - World Trade Center area" as defined in the Act (referred to herein as the "World Trade Center site") and Lower Manhattan south of Houston Street.
- (3) "Qualified Project" shall mean any contract or project jointly agreed to by the Port Authority and LMDC concerning redevelopment of the Impact Area meeting the purposes of the Act.

#### SECTION B - AGREEMENT TO COOPERATE

The Port Authority and LMDC agree to cooperate and use their best efforts to prepare joint conceptual development plans and preliminary engineering designs for Impact Area redevelopment and Lower Manhattan transportation improvements, including a conceptual plan within LMDC's geographic area (Lower Manhattan south of Houston Street), with a particular focus on the World Trade Center site and adjacent areas. The plans would include identification and analysis of Impact Area urban planning issues and transportation systems and interconnections. The Port Authority may retain consultants on its own behalf, in conjunction with LMDC or at the request of LMDC. LMDC may retain consultants on its own behalf and with its own monies but shall endeavor to coordinate the retention and utilization of such consultants with the Port Authority. The initial Port Authority authorization for funds under this Cooperation Agreement is not to exceed \$3 million. Funds provided by the Port Authority may be used for any Qualified Project, as mutually agreed upon by the Port Authority and LMDC.

#### SECTION C - PAYMENTS BY THE PORT AUTHORITY TO LMDC

Subject to prior agreement between the parties, the Port Authority will agree to reimburse LMDC for costs incurred by LMDC or the costs of consultants for Qualified Projects, within the amounts authorized by the Board of Commissioners of the Port Authority for such purposes, upon presentation of certified bills by LMDC.

#### SECTION D - REPORTING REQUIREMENTS

At the reasonable request of the other party, each of the parties shall provide reports, schedules, studies, proposals, drawings, and other documentation with respect to the conceptual plans and preliminary engineering designs developed under this Cooperation Agreement or the utilization of the funds provided, and any other information that may reasonably be requested.

#### SECTION E - NO LIABILITY

Neither party shall have liability of any kind for any agreement, contract, or project utilizing funds provided by that party to the other and entered into or carried out by the receiving party under or in connection with this Cooperation Agreement. Without limiting the generality of the foregoing, the Port Authority shall have no responsibility for the design, effectuation, maintenance, ongoing operation, or any other aspect (including any environmental

matter) of any LMDC project or contract, nor shall LMDC have responsibility for the design, effectuation, maintenance, ongoing operation, or any other aspect (including any environmental matter) of any Port Authority or Port Authority Trans-Hudson Corporation project or contract.

Between LMDC and the Port Authority, LMDC shall be responsible for, and shall at its own expense defend itself against, any and all suits, claims, losses, demands, or damages of whatsoever kind or nature, arising out of or in connection with any act or omission of LMDC, its employees, agents, or contractors, in the performance of the obligations assumed by LMDC pursuant to this Cooperation Agreement. LMDC hereby releases, agrees to indemnify and holds harmless the Port Authority, its successors, and assigns from any and all liabilities, claims, losses, costs, expenses, and demands of any kind or nature whatsoever, arising under state or federal law, out of or in connection with LMDC's performance of the obligations assumed by LMDC pursuant to this Cooperation Agreement.

Between LMDC and the Port Authority, the Port Authority shall be liable for, and shall at its own expense defend itself against, any and all suits, claims, losses, demands, or damages of whatsoever kind or nature, arising out of or in connection with any act or omission of the Port Authority, its employees, agents, or contractors in the performance of the obligations assumed by the Port Authority pursuant to this Cooperation Agreement. The Port Authority hereby releases, agrees to indemnify, and holds harmless LMDC, its successors, and assigns from any and all liabilities, claims, losses, costs, expenses, and demands of any kind or nature whatsoever, arising under state or federal law, out of or in connection with the Port Authority's performance of the obligations assumed by the Port Authority pursuant to this Cooperation Agreement.

#### SECTION F – GENERAL

1. Either party may, upon reasonable notice, during regular business hours, examine all records of the other party relating to any project or contracts financed pursuant to the terms and conditions of this Cooperation Agreement and any expenditure of funds.

2. The parties to this Cooperation Agreement shall consult with each other prior to issuing or permitting to be issued any press release, advertisement, or literature of any kind, which refers to actions under this Cooperation Agreement or the plans, studies, or concepts developed hereunder.

3. All disagreements under this Cooperation Agreement shall be submitted to the Executive Director of the Port Authority and the President and Executive Director of LMDC for their review and decision, which decision shall be binding upon the parties. In the event that the Executive Director of the Port Authority and the President and Executive Director of LMDC shall disagree, then either party may seek all legal or equitable remedies in the Supreme Court of the State of New York to the extent permitted by law.

4. Notices and any communications under this Cooperation Agreement shall be in writing and sent certified mail, return receipt requested, and shall be directed to the

individuals indicated below or their designees, or to such other address as the party receiving such notice shall have previously specified by notice to the party sending such notice:

(1) if to the Port Authority:

The Port Authority of New York and New Jersey  
225 Park Avenue South  
New York, New York 10003

Attn: Chief Engineer

(2) if to LMDC:

Lower Manhattan Development Corporation  
One Liberty Plaza  
New York, New York 10006

Attn: Executive Vice President and General Counsel

5. No provision of this Cooperation Agreement shall be understood or construed to create any rights on behalf of any party other than the Port Authority and LMDC. Neither this Cooperation Agreement nor any rights or duties may be assigned or delegated by either party hereto without the written consent of the other party and any such purported assignment or delegation shall be null and void and of no force or effect.

6. No Commissioner, Director, officer, agent, or employee of the Port Authority or LMDC, respectively, shall be held personally liable by LMDC or the Port Authority, respectively, under any provision of this Cooperation Agreement or because of its execution or attempted execution or because of any breach or alleged breach hereof.

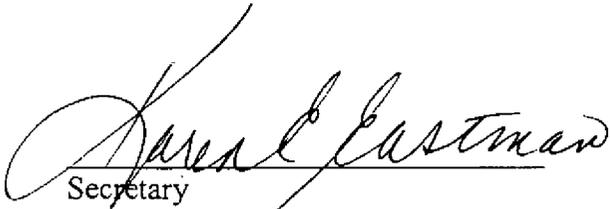
7. If any provision of this Cooperation Agreement shall be such as to destroy its mutuality or to render it invalid or illegal, then, if it shall not appear to have been so material that without it this Cooperation Agreement would not have been made by the parties, it shall not be deemed to form a part hereof but the balance of this Cooperation Agreement shall remain in full force and effect.

8. The entire agreement between the parties is contained herein and no change in or modification, termination, or discharge of this Cooperation Agreement shall be effective unless in writing and signed by the party to be charged therewith.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed, sealed, and attested.

ATTEST:

THE PORT AUTHORITY OF NEW YORK  
AND NEW JERSEY

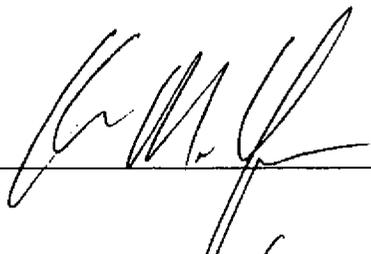
  
Secretary

By:   
Joseph J. Seymour  
Executive Director

DATE: 5/2/02

ATTEST:

LOWER MANHATTAN  
DEVELOPMENT CORPORATION

  
\_\_\_\_\_

By:   
Louis R. Tomson  
President and Executive Director

DATE: 5/10/2002