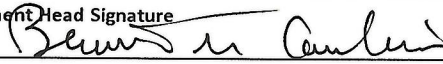
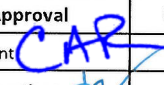




Staff Summary

<p>Subject Ninth Memorandum of Understanding (MOU) between MNR and City of Newburgh for Reimbursement of Ferry Landing/ Parking Lease</p> <p>Department Operations Planning and Analysis</p> <p>Department Head Name Ben Cornelius</p> <p>Department Head Signature </p> <p>Project Manager Name Donna Mason</p>	<p>Date December 9, 2022</p> <p>Vendor Name N/A</p> <p>Contract Number N/A</p> <p>Contract Manager Name N/A</p> <p>Table Of Contents Ref#</p>
--	--

Board Action					
Order	To	Date	Approval	Info	Other
	M-N Comm. Mtg.	12/19/22			
	MTA Board Mtg.	12/21/22			

Internal Approvals			
Order	Approval	Order	Approval
3	President 	2	General Counsel 
1	SVP Operations 		

Internal Approvals (cont.)							
Order	Approval	Order	Approval	Order	Approval	Order	Approval

PURPOSE: To obtain MTA Board approval for Metro-North to enter into a Ninth Memorandum of Understanding (Ninth MOU) with the City of Newburgh, New York (the City) for Metro-North to reimburse the City for lease payments for the parking and ferry landing facilities used by the Newburgh-Beacon ferry for the period January 1, 2023 through December 31, 2023.

DISCUSSION: In August 2004, Metro-North and the City entered into an agreement concerning the mooring, docking, and use of facilities in Newburgh to be used for the Newburgh-Beacon Ferry. Under that agreement, the City leases from a private landowner the land and facilities for a ferry dock and 250-space parking facility for ferry riders. At the same time, the City and the New York State Department of Transportation (NYSDOT) entered into a contract by which NYSDOT reimbursed the City for the rent payments under the lease; that contract expired and was not renewed by NYSDOT. Under an MOU dated May 26, 2015, between Metro-North and the City, Metro-North reimbursed the City for lease payments from May through December 2015, at the monthly rate of \$21,278. A second MOU dated January 26, 2016 extended this agreement under the same terms, as did a third MOU, dated January 5, 2017. In October 2017, a fourth MOU dated January 2, 2019, extended Metro-North's obligation to reimburse the lease payments under the existing terms through June 30, 2019. The City entered into a second new lease with another new owner ("Second New Lease") for the term July 1, 2019 - December 31, 2020, with rent payments of \$21,916 per month. The City and Metro-North entered into a Fifth MOU on July 30, 2019, whereby Metro-North agreed to reimburse the City for the rent payments made by the City under the Second New Lease. The Second New Lease was extended for the period January 1, 2021 through June 30, 2021 ("Second New Lease Extension") at the same rate of \$21,916 per month. The City and Metro-North entered into a Sixth MOU dated January 1, 2021 whereby Metro-North agreed to reimburse the City for the rent payments made by the City under the Second New Lease Extension. The Second New Lease was extended for the period July 1, 2021 through December 31, 2021 at the same rate of \$21,916 per month, and the City and Metro-North entered into a Seventh MOU dated June 8, 2021, whereby Metro-North agreed to reimburse the City for the rent payments made by the City under this lease extension. The City extended the lease for the period January 1, 2022 through December 31, 2022, at the same rate of \$21,916 per month. The City and

Staff Summary

Metro-North entered into an Eighth MOU dated December 14, 2021 whereby Metro-North agreed to reimburse the City for the rent payments made by the City under this extension at the same rate of \$21,916 per month.

The City has negotiated a Second New Lease Fourth Extension for the period January 1, 2023 through December 31, 2023 at the same rate of \$21,916 per month. Under the proposed Ninth MOU, Metro-North will reimburse the City for the same period of time as the Second New Lease Fourth Extension (January 1, 2023 through December 31, 2023) at the same rate of \$21,916 per month.

The Ninth MOU also provides that the City and Metro-North will continue to work together in a diligent, cooperative and time sensitive manner to identify and make available alternative locations for the Ferry Service and parking facility, should the current site not be available in the future, as well as work together to identify possible other sources of funding. The Ninth MOU has been authorized and executed by the City.

The City does not have the resources to shoulder the expense of the ferry facility property lease. If Metro-North does not reimburse the City for the expense of leasing the ferry facility lands, the lease will terminate and the Newburgh-Beacon Ferry service will be interrupted.

NYSDOT has committed to provide Metro-North with Congestion Mitigation/Air Quality (“CMAQ”) funds, which may be used as reimbursement for assistance payments made to the City by Metro-North to fund the lease extension through December 31, 2023. Metro-North’s acceptance of these funds for various connecting services-related projects, including the Newburgh-Beacon Ferry is being presented to the Board this month, December 2022. Of the CMAQ funds, \$263,000 will be used annually to fund the reimbursement to the City upon proof of payment of the monthly lease cost.

BUDGET IMPACT: Metro-North applies for reimbursement from NYSDOT as the payments are made to the City of Newburgh. There is a zero net impact on the operating budget.

ALTERNATIVE: If Metro-North does not enter into this Ninth MOU, then the City would terminate the lease agreement for the Newburgh-Beacon Ferry landing, parking facility, and mooring rights. The likely impact of this action would be interruption of the ferry service while a new site is identified, procured, and any required improvements are constructed.

RECOMMENDATION: That the MTA Board grant approval for MNR to enter into a Ninth Memorandum of Understanding with the City of Newburgh regarding reimbursement of lease expenses paid by the City for land used for the Newburgh-Beacon ferry landing and parking facility for the period January 1, 2023 through December 31, 2023.