



Metropolitan Transportation Authority

Finance Committee Meeting July 2023

Committee Members

N. Zuckerman, Chair

A. Albert

J. Barbas

N. Brown

S. Chu

D. Jones

B. Lopez

H. Mihaltses

J. Samuelsen

S. Soliman

L. Sorin

V. Tessitore

Finance Committee Meeting

**2 Broadway, 20th Floor Board Room
New York, NY 10004**

**Monday, 7/17/2023
2:00 - 3:15 PM ET**

1. SUMMARY OF ACTIONS

Summary of Actions - Page 4

2. PUBLIC COMMENTS PERIOD

3. APPROVAL OF MINUTES – JUNE 26, 2023

Finance Committee Minutes - Page 5

4. 2023 COMMITTEE WORK PLAN (No Changes)

Work Plan - Page 10

5. BUDGETS/CAPITAL

July Financial Plan (Presentation)

Operating Efficiencies Update (Presentation)

Finance Watch

Finance Watch - Page 17

6. MTA HEADQUARTERS & ALL-AGENCY ITEMS

Report and Information Item

**DRAFT MTA Financial Statements - 1st Quarter for the Three-Months Ended
March 2023 (Available in the Exhibit Book and MTA.Info)**

Procurements

MTAHQ Procurement Report - Page 18

MTAHQ Competitive Procurement - Page 22

MTAHQ Ratification - Page 25

7. METRO-NORTH RAILROAD & LONG ISLAND RAIL ROAD

LIRR Procurement - Page 28

8. NEW YORK CITY TRANSIT, and MTA BUS OPERATIONS

NYCT Procurement - Page 30

9. BRIDGES AND TUNNELS (No Items)

10. FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY (No Items)

11. MTA CONSOLIDATED REPORTS (To be distributed end of month)

12. REAL ESTATE AGENDA

Action Items

Real Estate Action Items - Page 32

Report and Information Items

Real Estate Info Items - Page 48

13. EXECUTIVE SESSION

FINANCE COMMITTEE

JULY 2023

<u>Action</u>		<u>Amount</u>	<u>Short Description</u>
N/A			
<u>Agency</u>	<u>Vendor Name</u>	<u>Total Amount</u>	<u>Summary of Action</u>
MTAHQ	CUNY	\$18,169,893	CUNY Internship Program Ratification of an ION
MTAHQ	Master Insurance Broker	\$4,717,298	Master Insurance Broker
<u>MTA Real Estate</u>	<u>Vendor Name</u>	<u>Amount</u>	<u>Short Description</u>
Modification to existing policy for licensing, leasing or acquisition of property right in support of MTA capital projects or ongoing operations	N/A	100,000	A policy permitting MTA Real Estate ("MTARE") to license, lease or acquire property rights in support of MTA capital projects or ongoing operations when it is reasonably estimated that MTA's aggregate obligation to pay compensation or reimbursement to the licensor or grantor will be less than \$15,000 (on a present value basis) over the term was adopted September 21, 2015. Approximately eight years later, instances have arisen where it was difficult to keep the compensation within the current \$15,000 limit. MTARE requests Board authorization to increase the compensation or reimbursement amount to \$100,000.
Gun Hill Road development – RFP conditional designation	Madison Capital HoldCo III LLC	See Comment	Long-term ground leasing and development of the Development Site pursuant to a triple net lease (the "Ground Lease") for a term of 99-years following completion of construction at the Development Site of a new multi-story warehouse and distribution facility comprising approximately 2,188,985 square feet of gross floor area (the "New Facility"), consistent with the existing M1-1 zoning of the Property, which will include an approximately 286,367 square foot facility (the "NYCT Facility") for future use by NYCT as an electric bus charging facility
Master agreement with Amtrak to facilitate the acquisition of permanent easements in the Bronx and Queens in support of the Penn Station Access project	National Railroad Passenger Corporation ("Amtrak")	Not to exceed \$28 million for all six Facilities. Should the size of the permanent easements change as designs advance to 100% design stage, the easement fee will be adjusted as appropriate	Authorization to enter into a master agreement to facilitate acquisition of permanent easements on Amtrak property for the Penn Station Access project ("PSA")
Acquisition of permanent easements with HD Development of Maryland, Inc. in Queens in support of the Penn Station Access project	HD Development of Maryland, Inc	1,955,000	Authorization to enter into a master agreement to facilitate acquisition of permanent easements in support of the Penn Station Access project
Authorization to acquire property interests by negotiated settlement or eminent domain for the Claremont Substation project, Bronx, NY	1049 Ogden Realty Company, LLC	To be determined via negotiation or condemnation	Acquisition of property for a new electrical substation for Claremont Substation

**Minutes of the
Metropolitan Transportation Authority
Finance Committee Meeting
2 Broadway, 20th Floor Board Room
New York, NY 10004
Monday June 26, 2023
2:00 PM**

The following Finance Committee Members were present (*attended remotely):

Hon. Neal Zuckerman, Chair
Hon. Andrew Albert
Hon. Jamey Barbas
Hon. Samuel Chu
Hon. David R. Jones
Hon. Blanca P. López*
Hon. Sherif Soliman
Hon. Lisa Sorin
Hon. Elizabeth Velez

The following Finance Committee Members were absent:

Hon. Norman E. Brown
Hon. Haeda B. Mihaltses
Hon. John Samuelsen
Hon. Vincent Tessitore, Jr.

The following Board Members were also present:

Hon. Gerard Bringmann

The following staff members attended:

Kevin Willens, Chief Financial Officer
Lisette Camilo, Chief Administrative Officer
Olga Chernat, Deputy Chief, Financial Services
Chantay D'Ambrosio, Director of Tenant Management
Paige Graves, General Counsel
David Keller, Acting Co-Deputy Chief, Management & Budget, Consolidated Analysis
Robert Paley, Senior Director, Transit-Oriented Development
Jaibala Patel, Deputy Chief Financial Officer
Steve Weiss, Acting Co-Deputy Chief, Management & Budget, Agency Analysis

To hear the content of public comments, details of Committee presentations, and Committee Members' comments and questions as well as any part of the Finance Committee meeting, please refer to the video recording of the meeting produced by the MTA, available and maintained on the MTA website:

<https://new.mta.info/transparency/board-and-committee-meetings/june-2023>

1. SUMMARY OF ACTIONS

Chair Zuckerman called to order the meeting of the Finance Committee.

2. PUBLIC COMMENTS

There were three public speakers (*attended remotely):

Jason Anthony, Amazon Labor Union*

Charlton D'Souza, Passengers United*

Andy Pollock, Passengers United*

3. APPROVAL OF MINUTES

The minutes of the meeting held on May 22, 2023, were approved as amended.

4. COMMITTEE WORK PLAN

There were no changes to the work plan.

5. BUDGETS/CAPITAL FINANCE

I. Budget Watch

David Keller, Acting Co-Deputy Chief, Management & Budget, Consolidated Analysis provided highlights of the BudgetWatch report. Mr. Keller reported results for operations through May and subsidies through June and measured against the Adopted Budget. Key take-aways were:

- Continued positive results for farebox and toll revenue, with ridership tracking the McKinsey ridership projections and favorable yield per trip.
- Expenses remain below budget.
- Debt service savings reflect management actions.
- Unfavorable subsidies reflect real estate transaction tax shortfalls, which are partially offset by other subsidies.

Farebox Revenue was \$19 million or 5% favorable in May, and through May was favorable by \$57M, or 3%. Farebox revenue through May, however, remains \$542M, or 28%, less than the first five months of 2019. Toll Revenue was \$14M favorable, or 7%, in May, and was \$59M, or 7%, favorable YTD, reflecting higher than forecasted traffic. Operating expenses were \$46M, or 3%, favorable in May; YTD, expenses were \$210M favorable, or 3%. Year-to-date, 31% is attributable to favorable payroll and health and welfare costs due to vacancies, including the additional overtime to cover for vacancies, and 18% is due to lower electric power expenses, with the remainder predominantly timing related. Overtime was \$29M, or 39%, unfavorable in May and was \$92M, or 25%, unfavorable YTD. Overruns were primarily due to vacancy and absentee coverage. At NYCT, where most of the unfavorable variance has occurred, about \$31 million of Transit's \$85 million YTD unfavorable variance is due to vacancies, which was offset by NYCT payroll savings of \$55 million YTD. Debt Service was \$119M favorable, or 59%, in May primarily due to the pre-payment of May debt service in April, which was mostly offset by the negative debt service variance recognized in April. YTD debt service was \$122M, or 10%, favorable due to refunding and interest pre-payment savings. Subsidies were \$125M unfavorable YTD through June, or 5%, primarily reflecting the real estate transaction taxes, which were unfavorable by \$187M, or 33%, and the For-Hire Vehicle Surcharge, which was unfavorable by \$16M, or 9%. Partially offsetting these were favorable results for the Payroll Mobility Tax (\$50M, 6%), the

Petroleum Business Tax (\$10M, 4%), and MMTOA (\$15M, 3%). The additional MMTOA reflects the May and June allotments of an additional \$75M included in the State 2024 Enacted Budget.

In summary, operating results through May and operating budget subsidies through June, the results are favorable by \$325M against the Budget, or 13%.

II. Finance Watch

Olga Chernat, Deputy Chief, Financial Services discussed an update on the schedule of the bond transaction discussed last month. The bonds are scheduled to price later this week and to close in early July. The bonds are expected to be structured with maturities in 5, 7 and 10 years. With this structure MTA is looking to take advantage of attractive rates in this part of the interest rate curve. As structured, the bonds are expected to have interest cost as measured by TIC of approximately 3.1%. For comparison, both short-term rates and the long-term bond rate are substantially higher. The TIC rate on the 30-year bonds is approximately 4.4% and short-term rates in the current market are also north of 4%.

6. MTA HEADQUARTERS AND ALL-AGENCY ITEMS

I. Action Item:

There was one action item for MTAHQ. Mr. Keller presented the item, requesting approval for the annual payment of the State assessment on the MTA and its constituent agencies for the Public Work Enforcement Fund – the PWEF. State Law requires State agencies and authorities to pay an assessment based upon one-tenth of the value of public work construction projects entered into, excluding rolling stock contracts. PWEF assessments are used to cover State Department of Labor expenses related to its enforcement of the State’s prevailing wage law. The State and the MTA have a procedural agreement, with payments made each year based on the estimated amount of public works contracts, with adjustments made for the prior year difference between that year’s projection and actual. The 2023 payment reflects the 2023 estimate of \$5.19 million, and a 2022 true-up adjustment of \$2.51 million. The result is a required PWEF payment of \$7,702,409.

The Committee voted to recommend the action item before the Board for approval.

II. Procurements:

Chief Administrative Officer Lisette Camilo reported one procurement action for MTAHQ for a total \$17.6 million. This action is an extension of a competitively solicited miscellaneous service contract with Cubic Transportation Systems, Inc. to provide in-depot maintenance services for the Bus CIS (Customer Information System) Hardware Subsystem, or BHS.

BHS is the hardware portion of the MTA’s vehicle location system. It provides real-time bus locations critical to many bus information systems such as Bus Time, Bus Trek, Fleetview, Transit Signal Priority, Digital Signs and OMNY. It is installed on more than 5,800 buses. Cubic is the sole manufacturer of spare parts for its BHS units in need of repair or replacement.

Cubic also handles on-bus replacement and product return for the BHS+, an in-house designed unit manufactured by alternate manufacturers that do not rely on Cubic for parts. The contract period will be two years plus two 1-year options for a total duration of four years.

The Committee voted to recommend the procurement item before the Board for approval.

7. METRO-NORTH RAILROAD/LIRR

There was one information item for Metro-North Railroad on behalf of the Connecticut Department of Transportation, which was approved by its respective committee, requesting to exercise an option to purchase six dual-mode locomotives.

8. NYCT/MTA BUS OPERATIONS

There were no items for NYCT/MTA Bus Operations.

9. BRIDGES AND TUNNELS

There were no items for Bridges and Tunnels.

10. FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY (FMTAC)

There were no items for FMTAC.

11. MTA CONSOLIDATED REPORTS

Chair Zuckerman stated MTA Consolidated Financial and Operational Reports were included in the Committee Book.

12. REAL ESTATE AGENDA

Chantay D'Ambrosio, the Director of Tenant Management reported there were five action items and eleven information items. Ms. D'Ambrosio noted although there were eight action items in the Finance Committee book, three items, listed in the book as b, f, and h, have been removed from this month's agenda.

A. Action Items:

MTAHQ

1. Lease amendment with Premium Brands LLC for retail space at 2 Broadway.
2. Amendment to the agreement with BP 347 Madison Developer LLC.
3. Modification to the Madison Avenue development agreement with Boston Properties.
4. Agreements with Amtrak to permit the construction of its Hudson Tunnel Concrete Casing under the LIRR Western Rail Yard.

Metro-North

5. Sale of development rights at 180 East 135th Street, Port Morris, Bronx.

The Committee voted to recommend all the real estate action items before the Board for approval.

B. Information Items:

NYCT

1. Lease agreement between NYCT and 2558 Grand Concourse, LLC for employee swing space in support of bus operations at 2558 Grand Concourse in the Bronx.
2. Amendment to the agreement between NYCT and A and H Laundry of Brooklyn, LLC for restroom access at 9814 4th Avenue in Brooklyn.
3. Permit agreement between NYCT and New York City Economic Development Corporation for utility removal work at 65 Commercial Street in Brooklyn.

4. Access agreement between NYCT and Woodside Landmark Realty, LLC for property required in connection with the Rehabilitation of Substation Roofs and Enclosures Project in Queens.
5. Access agreements between NYCT and Beige Family Realty Company, LLC for property required in connection with the Rehabilitation of Substation Roofs and Enclosures Project in Queens.

LIRR

6. License agreement between the LIRR and JPA Consolidated for three retail units at the Manhasset Station.
7. License agreement between the LIRR and JPA Consolidated for a retail unit at the Port Washington Station.
8. License agreement between the LIRR and JPA Consolidated for a retail unit at the Lynbrook Station.
9. Access agreement between the LIRR and Rose-Breslin Associates, LLC to facilitate site survey and other preliminary work in connection with the Yaphank Station Relocation Project in Brookhaven.

Metro-North

10. Short-term permit agreement between MNR and Dia Art Foundation for access and parking for an event at the Beacon Station.

SIRTOA

11. License agreement between SIR and Staten Island Chamber of Commerce for banner placement at 293 Bay Street in Staten Island.

13. ADJOURNMENT

Upon motion duly made and seconded the Committee voted to adjourn the meeting.

Respectfully submitted,
Joanne S. Feld
Deputy Director, Finance

DRAFT 2023 Finance Committee Work Plan

I. RECURRING AGENDA ITEMS

	<u>Responsibility</u>
Approval of Minutes	Board Secretary
Finance Committee Work Plan	MTA CFO
BudgetWatch	MTA OMB
FinanceWatch	MTA Finance
Procurements (if any)	Procurement
Action Items (if any)	Agency
MTA Consolidated Reports	MTA OMB
Real Estate Agenda	MTA Real Estate

II. SPECIFIC AGENDA ITEMS

September 2023

2024 Preliminary Budget/July Financial Plan 2024-2027 (materials previously distributed)	MTA OMB
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October 2023

2024 Preliminary Budget/July Financial Plan 2024-2027 (materials previously distributed)	MTA OMB
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Other:

DRAFT MTA Financial Statements 2 nd Quarter for the Six-Months Ended June 2023	MTA Comptroller
Annual Review of MTA's Derivative Portfolio - Including Fuel Hedge	MTA Finance
MTA 2023 Semi-Annual Investment Report	MTA Treasury

November 2023

2024 Final Proposed Budget/November Financial Plan 2024-2027 (Joint Session with MTA Board)	MTA OMB
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Other:

Station Maintenance Billing Update	MTA Comptroller
Review and Assessment of the Finance Committee Charter	MTA CFO

December 2023

Adoption of 2024 Budget and 2024-2027 Financial Plan	MTA OMB
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Action Items:

Authorization to Issue 2024 MTA and TBTA New Money Bonds, Bond Anticipation Notes, and Refunding Obligations; Reimbursement Resolutions for Federal Tax Purposes	MTA Finance
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Other:

Draft 2024 Finance Committee Work Plan	MTA OMB
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January 2024

Other:

Special Report: Finance Department 2023 Year-End Review MTA Finance

DRAFT MTA Financial Statements 3rd Quarter for the Nine-Months Ended September 2023 MTA Comptroller

February 2024

Action Items:

2023 TBTA Operating Surplus B&T/MTA

Mortgage Recording Tax – Escalation Payments to Dutchess, Orange and Rockland Counties MTA Treasury

Other:

February Financial Plan 2024-2027 MTA OMB

March 2024

Resolution to Authorize the Execution, Filing and Acceptance of Federal Funds MTA Grants Mgmt.

All-Agency Real Property Disposition Guidelines and All-Agency Personal Property Disposition Guidelines MTA Real Estate/MTA Corporate Compliance
All-Agency Annual Procurement Report MTA Procurement

Other:

MTA Prompt Payment Annual Report 2023 MTA Financial Operations

April 2024

Other:

Annual Report on Variable Rate Debt MTA Finance

May 2024

Action Items:

MTA Annual Investment Report MTA Treasury

Other:

DRAFT MTA Financial Statements Fiscal Year-End Twelve-Months Ended December 2023 MTA Comptroller

Station Maintenance Billings MTA Comptroller

Annual Pension Fund Report (Audit Committee Members to be invited) MTA CIO

Annual FMTAC Meeting MTA RIM

Annual FMTAC Report MTA RIM

June 2024

Action Item:

PWEF Assessment MTA Capital Program Funding/
MTA OMB

July 2024

2025 Preliminary Budget/July Financial Plan 2025-2028 (Joint Session with MTA Board) MTA OMB

Other:

DRAFT MTA Financial Statements 1st Quarter for the
Three-Months Ended March 2024

MTA Comptroller

III. DETAILS

July 2023

2024 Preliminary Budget/July Financial Plan 2024-2027 (JOINT Session with MTA Board)

The Chief Financial Officer and MTA Office of Management & Budget will present an updated forecast for 2023, a Preliminary Budget for 2024, and a Financial Plan for 2024-2027.

Other:

DRAFT MTA Financial Statements for the Three-Months Ended, March 2023

Included for information is a copy of the Independent Accountant's Review Report of MTA Financial Statements for the Three-Months ended, March 31, 2023.

September 2023

2024 Preliminary Budget/July Financial Plan 2024-2027

(materials previously distributed) Public comment will be accepted on the 2024 Preliminary Budget.

October 2023

2024 Preliminary Budget/July Financial Plan 2024-2027

(materials previously distributed) Public comment will be accepted on the 2024 Preliminary Budget.

Other:

DRAFT MTA Financial Statements for the Six-Months Ended, June 2023

Included for information is a copy of the Independent Accountant's Review Report of MTA Financial Statements for the Six-Months ended, June 30, 2023.

Annual Review of MTA's Derivative Portfolio – Including Fuel Hedge

The Finance Department will provide an update on MTA's portfolio of derivative contracts.

MTA 2023 Semi-Annual Investment Report

The MTA Treasury Division should be prepared to answer questions on this report.

November 2023

2024 Final Proposed Budget/November Financial Plan 2024-2027 (Joint Session with MTA Board)

The MTA Chief Financial Officer and MTA Office of Management & Budget will present an updated forecast for 2022, a Final Proposed Budget for 2023, and an updated Financial Plan for 2023-2026.

Other:

Station Maintenance Billing Update

The MTA Comptroller's Office will provide a report on the collection and audit status of station maintenance billings issued as of June 1, 2023.

Review and Assessment of the Finance Committee Charter

MTA Chief Financial Officer will present the most updated Finance Committee Charter to the Finance Committee members for them to review and assess its adequacy. The annual assessment is required under the current Committee Charter.

December 2023

Adoption of 2024 Budget and 2024-2027 Financial Plan

The Committee will recommend action to the Board on the Final Proposed Budget for 2023 and 2024-2027 Financial Plan.

Action Items:

Approval of Supplemental Resolutions Authorizing New Money Bonds, Refunding Bonds, Reimbursement for Federal Tax Purposes.

Board approval to allow for the issuance of new money bonds to fund existing approved bond financed capital projects under MTA and TBTA active bond resolutions; to allow for the refunding of fixed-rate bonds from time to time provided that such refundings comply with the Board approved refunding policy; and to allow for the reimbursement of capital expenditures at a later date from the proceeds of tax-exempt bond sales.

Other:

Draft 2024 Finance Committee Work Plan

The MTA Chief Financial Officer will present a proposed 2023 Finance Committee Work Plan that will address major issues, SBP and budget process issues, and reports required by statute.

January 2024

Other:

Special Report: Finance Department 2023 Year-End Review

The MTA Finance Department will present a report that summarizes financing activities for 2023.

DRAFT MTA Financial Statements for the Nine-Months Ended, September 2023

Included for information is a copy of the Independent Accountant's Review Report of MTA Financial Statements for the nine-months ended, September 30, 2023.

February 2024

Action Items:

2023 TBTA Operating Surplus

The MTA Comptroller should be prepared to answer questions on a staff summary requesting (1) transfer of TBTA 2023 Operating Surplus and Investment Income, (2) advances of TBTA 2023 Operating Surplus, and (3) the deduction from 2023 TBTA Operating Revenue, funds which shall be paid into the Necessary Reconstruction Reserve.

Mortgage Recording Tax – Escalation Payments to Dutchess, Orange and Rockland Counties

By State statute, Dutchess, Orange and Rockland Counties are entitled to a share of MTA's MRT-1 and MRT-2 tax receipts collected in these counties during the prior year. The amount may be no less than \$1.5 million for Dutchess and Orange Counties, and no less than \$2.0 million for Rockland County. If the annual amounts collected exceed 1989 collection levels (the statutorily determined base period), proportional upward "escalation" adjustments are mandated by statute. MTA Treasury and MTA Office of Management & Budget will be prepared to answer questions on the related Staff Summary authorizing the payments.

Other:

February Financial Plan 2024-2027

The MTA Office of Management & Budget will present, for information purposes, a revised 2024-2027 Financial Plan reflecting any technical adjustments from the Adopted Budget and the incorporation of certain "below-the-line" policy actions into the baseline.

March 2024

Action Items:

Resolution to Authorize the Execution, Filing and Acceptance of Federal Funds

The MTA Office of Grants Management will hold a public hearing in accordance with Federal law and then request the Board's approval of a resolution that would authorize the Chairman or a designated officer to execute the applications and accept grants of financial assistance from the Federal government.

All-Agency Real Property Disposition Guidelines and All-Agency Personal Property Disposition Guidelines

Board approval of above guidelines as required annually by Public Authorities Law Sections 2895-2897. MTA Real Estate and MTA Corporate Compliance should be prepared to answer questions regarding these guidelines.

All-Agency Annual Procurement Report

The Agencies and the MTA Procurement Division should be prepared to answer questions on this State-required report.

Other:

MTA Annual Prompt Payment Status Report

The Deputy Chief of Financial Operations should be prepared to discuss a report, to be included in the Agenda materials, that reviews MTA-wide success in meeting mandated prompt-payment deadlines (including the interest penalties incurred as a result of late payment).

April 2024

Other:

Annual Report on Variable Rate Debt

The MTA Finance Department will present a report that summarizes the performance of the MTA's various variable-rate debt programs, including a discussion of the savings (compared to long-term rates) achieved through variable rate debt and a discussion on the current policy and limits on the use of variable rate debt.

May 2024

Action Item:

MTA Annual Investment Report

The MTA Treasury Division should be prepared to answer questions on this State-required report.

Other:

DRAFT MTA Financial Statements for the Twelve-Months Ended, December 2023

Included for information is a copy of the Independent Accountant's Audit Report of MTA Financial Statements for the Twelve-Months ended, December 31, 2023.

Station Maintenance Billings

Under the Public Authorities Law, the Board is required to certify to the City and the counties in the Metropolitan Transportation District the total costs to MTA for operating and maintaining Commuter Railroad passenger stations. The City and county assessments are both now determined through a formula.

Annual Pension Fund Report

The Chair of the MTA DB & MaBSTOA Pension & Deferred Compensation/Chief Investment Officer, representatives of the various pension fund boards, and their pension consultants should be prepared to answer questions on a report, to be included in the Agenda materials, that reviews the 2023 investment performance and other experience of the various MTA pension funds. Among other matters, this report should (i) make recommendations on appropriate investment-earnings assumptions in light of the experience of the past three years; (ii) discuss the implications for asset allocations in light of such recommendations; (iii) discuss the effect on (under) funding of the systems in light of such performance and recommendation; (iv) provide appropriate comparisons with other public pension systems; and (v) solicit the opinions of the Board Operating Committees on these recommendations in light of their effects on Agency budgets.

Annual Meeting of the First Mutual Transportation Assurance Company

The MTA's Captive Insurance Company will hold its statutorily required annual meeting in which it will review the prior year's operations as well as submit its financial statements and actuarial report for final approval. The MTA Risk and Insurance Management Divisions, along with the FMTAC's outside investment managers, should be prepared to answer questions on reports.

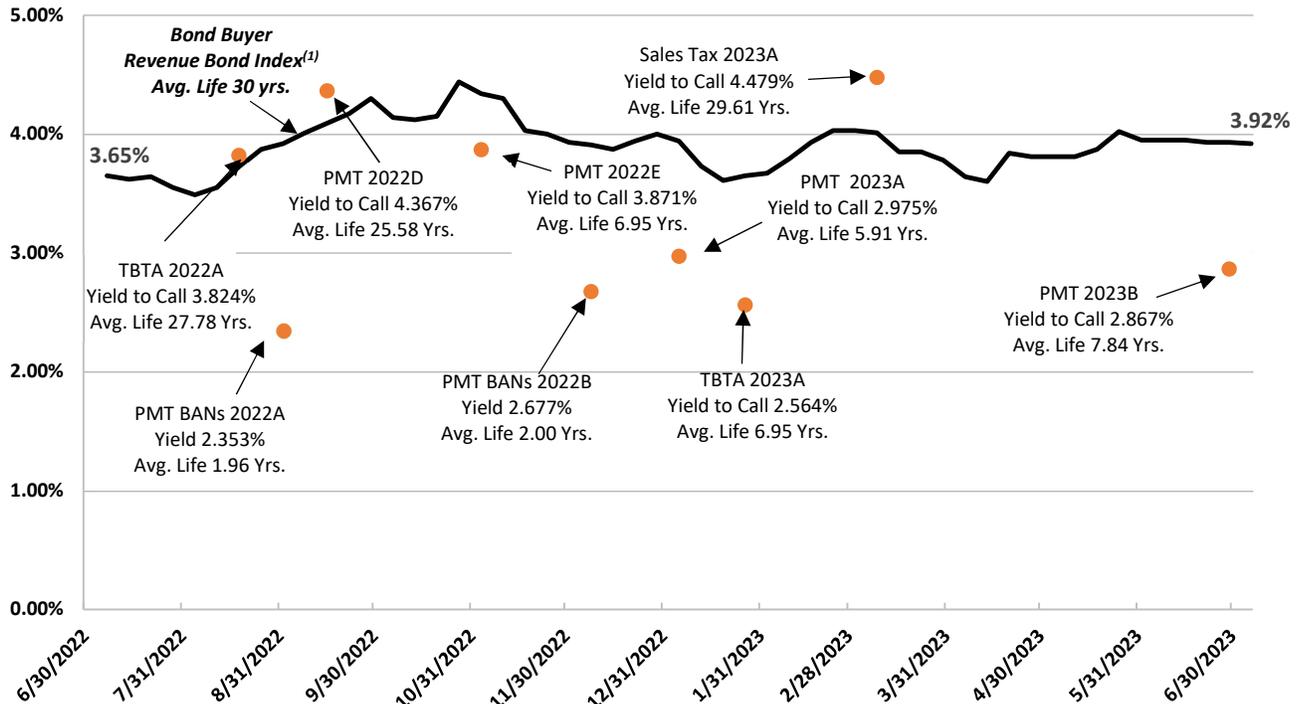
June 2024

Action Item:

PWEF Assessment

The MTA Office of Management & Budget, assisted by MTA Capital Program Funding, should prepare the usual annual staff summary authorizing the payment of this assessment to the State. The State levies an assessment of the value of construction-contract awards to cover its cost of enforcing prevailing-wage legislation.

MTA Fixed Rate Bond & Note Tracker



⁽¹⁾ Bond Buyer Revenue Bond Index (RBI) is the average yield on 25 revenue bonds with 30-year maturities that have an average rating equivalent to A1 for Moody's and A+ for S&P.

New Money and Refunding Transaction

\$600,000,000 Triborough Bridge and Tunnel Authority Payroll Mobility Tax Senior Lien Green Bonds, Series 2023B (Climate Bond Certified)

On July 6, 2023, MTA issued \$600 million of Triborough Bridge and Tunnel Authority Payroll Mobility Tax Senior Lien Green Bonds, Series 2023B. Proceeds from the transaction were used to finance approved transit and commuter projects and to refinance \$193.565 million MTA Transportation Revenue Variable Rate Bonds, Subseries 2015E-2. This transaction was led by book-running senior manager Ramirez & Co., Inc.(MBE) together with special co-senior managers: Loop Capital Markets(MBE); Academy Securities(SDVOB); and Stern Brothers & Co.(WBE). Orrick, Herrington & Sutcliffe LLP and Bryant Rabbino LLP(MBE) served as co-bond counsel and Public Resources Advisory Group and Sycamore Advisors, LLC(WBE) served as co-financial advisors.

TBTA PMT 2023B

Par Amount	\$600.000 million
Rate Mode/Tax Exemption	Fixed/Tax-Exempt
All-in TIC	2.999%
Average Life	7.837 years
Final Maturity	11/15/2033
State Bond Issuance Fee⁽¹⁾	\$0
Underwriter's Discount⁽²⁾	\$2,537,490/ \$4.23 per bond
Cost of Issuance⁽²⁾	\$896,741/ \$1.49 per bond
Ratings (S&P/Fitch/Kroll)	AA+/AA+/AA+

⁽¹⁾ MTA received a waiver from making this payment from the State Division of the Budget for this transaction.

⁽²⁾ Underwriter's Discount is comprised of underwriter's compensation and reimbursement of expenses. Cost of Issuance includes legal, advisory and rating agencies fees.



MTA Headquarters Procurements

Lisette Camilo, Chief Administrative Officer/Interim Chief Procurement Officer

PROCUREMENTS

The Procurement Agenda this month includes 2 actions for a proposed estimated expenditure of \$22.9M.

Subject	Request for Authorization to Award Various Procurements				
Department	MTA Procurement				
Department Head Name	Lisette Camilo				
Department Head Signature					
Project Manager Name	Rose Davis				
Board Action					
Order	To	Date	Approval	Info	Other
1	Committee	07/17/23			
2	Board	07/19/23			

July 13, 2023			
Department			
Department Head Name			
Department Head Signature			
Internal Approvals			
	Approval		Approval
	CAO		
	Legal		
	CFO		

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

PURPOSE

To obtain approval of the Board to award various contracts and purchase orders, and to inform the MTA Headquarters Committee of these procurement actions.

DISCUSSION

MTA Headquarters proposes to award Noncompetitive procurements in the following categories: None

MTA Headquarters proposes to award Competitive procurements in the following categories:

<u>Procurements Requiring Majority Vote:</u>	<u># of Actions</u>	<u>\$ Amount</u>
Schedule F: Personal Service Contracts	2	\$ 4.7 M
SUBTOTAL	2	\$ 4.7 M

MTA Headquarters proposes to award Ratifications in the following categories:

<u>Schedules Requiring Two-Thirds Vote:</u>	<u># of Actions</u>	<u>\$ Amount</u>
Schedule D: Ratification of Completed Procurement Actions	1	\$ 18.2 M
SUBTOTAL	1	\$ 18.2 M
TOTAL	3	\$ 22.9 M

COMPETITIVE BIDDING REQUIREMENTS: The procurement actions in Schedules A, B, C, and D are subject to the competitive bidding requirements of PAL 1209 or 1265-a relating to contracts for the purchase of goods or public work. Procurement actions in the remaining Schedules are not subject to these requirements.

BUDGET IMPACT: The purchases/contracts will result in obligating funds in the amounts listed. Funds are available in the current operating/capital budgets for this purpose.

RECOMMENDATION: That the purchases/contracts be approved as proposed. (Items are included in the resolution of approval at the beginning of the Procurement Section.)

BOARD RESOLUTION

WHEREAS, in accordance with Sections 1265-a and 1209 of the Public Authorities Law and the All-Agency General Contract Procurement Guidelines, the Board authorizes the award of certain noncompetitive purchase and public work contracts, and the solicitation and award of requests for proposals regarding purchase and public work contracts; and

WHEREAS, in accordance with the All-Agency Service Contract Procurement Guidelines and General Contract Procurement Guidelines the Board authorizes the award of certain noncompetitive miscellaneous service and miscellaneous procurement contracts, certain change orders to purchase, public work, and miscellaneous service and miscellaneous procurement contracts, and

WHEREAS, in accordance with Section 2879 of the Public Authorities Law and the All-Agency Service Contract Procurement Guidelines, the Board authorizes the award of certain service contracts and certain change orders to service contracts.

NOW, the Board resolves as follows:

1. As to each purchase and public work contract set forth in annexed Schedule A, the Board declares competitive bidding to be impractical or inappropriate for the reasons specified therein and authorizes the execution of each such contract.

2. As to each request for proposals (for purchase and public work contracts) set forth in Schedule B for which authorization to solicit proposals is requested, for the reasons specified therein, the Board declares competitive bidding to be impractical or inappropriate, declares it is in the public interest to solicit competitive request for proposals, and authorizes the solicitation of such proposals.

3. As to each request for proposals (for purchase and public work contracts) set forth in Schedule C for which a recommendation is made to award the contract, the Board authorizes the execution of said contract.

4. As to each action set forth in Schedule D, the Board declares competitive bidding impractical or inappropriate for the reasons specified therein and ratifies each action for which ratification is requested.

5. The Board authorizes the execution of each of the following for which Board authorization is required: (i) the miscellaneous procurement contracts set forth in Schedule E; (ii) the personal service contracts set forth in Schedule F; (iii) the miscellaneous service contracts set forth in Schedule G; (iv) the modifications to personal/miscellaneous service contracts set forth in Schedule H; (v) the contract modifications to purchase and public work contracts set forth in Schedule I; and (vi) the modifications to miscellaneous procurement contracts set forth in Schedule J.

6. The Board ratifies each action taken set forth in Schedule K for which ratification is requested.

Item Number 1-2			
Department, Department Head Name: Finance, Kevin Willens			
Internal Approvals			
Order	Approval	Order	Approval
1	Procurement	6	
2	Risk and Insurance Management		
3	DDCR		
4	Legal		
5	CFO		

SUMMARY INFORMATION	
Vendor Names: Alliant Insurance Services, Inc. Willis Towers Watson Northeast Inc.	Contract Nos. 900000000004407 900000000004408
Description Insurance Broker Services	
Total Amount: \$4,717,298	
Scope A (Alliant): \$3,415,894 Scope B (Willis): \$1,301,404	
Contract Term (including Options, if any) Five years with two 1-year options	
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

Purpose

To obtain Board approval to award a competitively negotiated personal services contract to Alliant Insurance Services, Inc. (“Alliant”) for casualty brokerage and captive management services (Scope A); and to Willis Towers Watson Northeast Inc. (“WTW”) for property brokerage and forensic accounting services (Scope B) in support of the MTA’s All-Agency Risk Management Program for a term of five years with two 1-year Options in the not-to-exceed amounts of \$3,415,894 and \$1,301,404 for Scope A and Scope B, respectively.

Discussion

The MTA Risk and Insurance Management Department (“RIM”) is responsible for acquiring insurance and the administration of insured and self-insured programs of the MTA Agencies, as well as programs insured by First Mutual Transportation Assurance Company (“FMTAC”), the MTA’s wholly owned captive insurance company. The utilization of an insurance broker is necessary for RIM to place specialty coverages as well as other insurance programs on behalf of the Agencies. Those coverages include the All-Agency Excess Liability and Property Programs, Paratransit and Non-Revenue Automobile, Environmental, Fiduciary Liability, and Crime programs, as well as the commuter rails’ Station Liability and Force Account programs. In addition to the acquisition of insurance, services under this contract will include forensic accounting for disasters declared by the Federal Emergency Management Agency and/or property claims, coverage monitoring, policy review, claims services, risk management information system services, safety and loss control services, and captive manager services.

The current master broker services contract expires July 31, 2023. This competitive Request for Proposal (“RFP”) was publicly advertised and letters informing potential proposers of the availability of the RFP package were emailed to 40 firms. Alliant; Aon Risk Services Northeast Inc. (“Aon”); the incumbent Marsh USA LLC (“Marsh”); and WTW submitted proposals for both Scope A and Scope B. The Selection Committee (“SC”) was made up of representatives from RIM, Office of the Controller and the Department of Diversity and Civil Rights. Firms were evaluated based on their (1) critical analysis of the MTA’s insurance programs and recommendations for marketing, placing and renewal of insurance; (2) proposed cost of services; (3) proposed staff’s qualifications; (4) understanding of the MTA’s objectives and expectations; (5) responsiveness to the RFP and willingness to accept the MTA’s terms and conditions; (6) qualifications and past experience in handling transportation industry-related risks; (7) ability to identify and perform value-added services; and (8) diversity practices.

In accordance with the evaluation criteria, the SC unanimously recommended that Alliant, Marsh, and WTW be invited to oral presentations.

Following oral presentations, the SC was unanimous in inviting Alliant and WTW, but not Marsh, to negotiations for both Scope A and Scope B based on the short-listed proposers’ understanding of the MTA’s objectives and expectations, the quality of their proposed staff, the firms’ experience in working with other public sector and transportation clients and willingness to accept the MTA’s terms and conditions.

Staff Summary

Negotiations with Alliant and WTW focused on clarifying their respective initial cost proposals, reducing their proposed costs, and reaching agreements on any remaining exceptions to the MTA’s terms and conditions. The table below shows a summary of the initial base years price proposals.

	Scope A	Scope B
Alliant	\$2,422,771	\$1,857,030
WTW	\$7,557,581	\$1,025,405

Following negotiations, Alliant and WTW submitted their Best and Final Offers (“BAFOs”), which are summarized in the table below.

	Alliant		WTW	
	Scope A	Scope B	Scope A	Scope B
Base	\$2,417,005	\$1,818,081	\$2,887,033	\$922,306
Option	\$998,889	\$754,088	\$1,200,803	\$379,098
Total	\$3,415,894	\$2,572,169	\$4,087,836	\$1,301,404

Based on the BAFO submissions and in accordance with the evaluation criteria, the SC recommended that Alliant be awarded Scope A (\$3,415,894), and WTW be awarded Scope B (\$1,301,404). The awards to Alliant and WTW are expected to yield savings totaling an estimated \$4,500,162 over the base and option years compared to the broker fees paid to the incumbent, Marsh, under the current expiring agreement.

Additionally, cost mitigations were negotiated to cap the value of earned premium commissions by Alliant and WTW for insurance that is purchased offshore for Scope A at 5 percent (capped at \$125,000) and, for Scope B, 7.5 percent (capped at \$450,000). For Scope B, there is a 50/50 shared commission structure implemented between FMTAC and WTW on an annual basis for property and terrorism reinsurance placed through the broker’s affiliates in global markets, with FMTAC receiving the entire commission after the cap is reached.

The selected firms distinguished themselves with the respective qualifications, knowledge and experience of their proposed staff, analytical platforms, and tools to reduce the MTA’s insurance premiums, clear understanding of the MTA’s objectives and expectations, and expertise in the public/transportation industry.

Alliant and WTW have certified compliance with the MTA-approved cybersecurity terms and conditions and requirements.

Both Alliant and WTW have certified that pursuant to EO 16, they are not doing business in Russia.

D/M/WBE Information

The MTA Department of Diversity and Civil Rights has assigned goals of 15 percent MBE, 15 percent WBE, and 6 percent SDVOB. Alliant Insurance Services, Inc. and Willis Towers Watson Northeast Inc. have submitted MWBE/SDVOB utilization plans, which are currently under review. Alliant Insurance Services, Inc. and Willis Towers Watson Northeast Inc. have not recently completed any contracts with MWDBE/SDVOB goals; therefore, no assessment of their MWDBE performance is available at this time.

Impact on Funding

The total not-to-exceed costs of \$4,717,298 will be funded through the Risk and Insurance Management Department. Insurance premiums and brokerage commissions will not be paid from these agreements and are not included in the aforementioned total amount.

Alternatives

Do not contract for Master Broker Services. This alternative is not feasible. Failure to have these services will prohibit the MTA from accessing the commercial insurance marketplace needed for acquiring and maintaining insurance programs as well as other ancillary services that are utilized to protect the assets of the MTA and its Agencies.

Perform services in-house. This alternative is not feasible. The MTA does not have the staff to access the US and foreign commercial insurance marketplace without the involvement of an insurance broker.

JULY 2023

LIST OF RATIFICATIONS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote:

D. Ratification of Completed Procurement Actions

(Staff Summaries required for items estimated to be greater than \$1,000,000.)

3. **The Research Foundation of the** **\$18,169,893** *Staff Summary Attached*
City of New York
60 months
Contract# 15860

Ratification of the declaration of an Immediate Operating Need to administer a pilot internship program retroactively for a period of five years.

Schedule D: Ratification of Completed Procurement Actions



RF CUNY has certified that pursuant to EO 16, it is not doing business in Russia.

RF CUNY has acknowledged and certified its compliance with MTA cybersecurity requirements and MTA cybersecurity terms and conditions.

Impact on Funding

This procurement action will utilize Operating Funds.

Staff Summary

Item Number 1				SUMMARY INFORMATION	
Department, Department Head Name: Procurement & Logistics, Richard Mack				Vendor Name Loram Maintenance of Way, Inc.	
				Contract No. 403042	
Internal Approvals				Description Joint Agency Rail Grinding Services for LIRR/MNR/NYCT	
Order	Approval	Order	Approval	Total Amount: Five-Year Estimated Total for LIRR, MNR, NYCT = \$56,223,940 2-year base = \$22,489,576 Three 1-year Options = \$33,734,364	
1	VP, General Counsel & Secretary			Contract Term (including Options, if any) Two-year base with three 1-year Options	
2	VP–Maintenance of Way			Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
3	SVP Operations			Renewal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
4	Interim - President			Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive	
				Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
				Funding Source <input type="checkbox"/> Operating <input type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	

Purpose

Long Island Rail Road (“LIRR”), on behalf of itself, Metro-North Railroad (“MNR”), and NYC Transit, seeks MTA Board approval, to award a contract to Loram Maintenance of Way, Inc. (“Loram”) for Rail Grinding Services. The contract is for a two-year base term with three 1-year options. This procurement was competitively solicited through a Request for Proposals (“RFPs”). Loram will provide rail grinding services (equipment and personnel) at various points along the agencies right of way in the estimated quantity award amount of \$56,223,940 (two-year base; \$22,489,576, plus three 1-year Options which total \$33,734,364) subject to an adjustment based on a price index formula, as set forth in the contract terms and conditions.

Discussion

Rail grinding services are needed to optimize wheel-rail interface and maximize wheel-rail life span. This process is the most effective practice to control the effects of rolling contact fatigue on the running rail by restoring the rail profile to maximize the value of the rail. The benefits of a rail grinding program include (1) reduction of broken rails; (2) extension of rail life; (3) extended track components life, and (4) improved ride quality and passenger comfort.

Rail grinding also serves as a maintenance function to control the propagation of rail defects, which lead to broken rails. The grinding services provide an assessment of the rail throughout the system, allowing the operating agencies to optimize the grinding program to target areas of the track system in need of grinding. Rail grinding improves the safety and stability of the rails and reduces the need to perform premature rail replacement. Loram is required to furnish all operating and supervisory personnel, equipment, material, machinery, vehicles, and transportation necessary to perform the work included under this contract along the rights-of-way of LIRR, MNR, and NYC Transit.

A Joint-Agency procurement process was conducted for this contract. MTA Procurement Operations, for the lead agency, LIRR, performed an extensive outreach to the track maintenance industry and published the advertisement for the procurement of these services on January 11, 2023, in the New York State Contract Reporter, the *New York Daily News*, and on the MTA website. Online advertisements were placed in three leading maintenance of way periodicals: *Railway Age*, *Railway Track and Structures*, and *Progressive Railroading*. The RFP was also sent directly to a list of firms known to perform this type of work in the industry, including Vossloh Track Material, Inc. (“Vossloh”); Delta Railroad Construction (“Delta”); RailWorks Maintenance of Way (“RailWorks”), Plasser American Corporation (“Plasser”); and Loram.

On March 13, 2023, a proposal was received from Loram. Four other contractors submitted No Proposal Response Forms, indicating the following reasons:

- Vossloh: currently does not have the manpower available to meet MTA’s grinding needs
- Delta: currently does not have the technical resources to meet the contractual requirements
- RailWorks: unable to meet the MTA’s track and tunnel clearance restrictions
- Plasser: currently does not have the technical resources to meet the contractual requirements

On March 29, 2023, the MTA Selection Committee (“SC”), comprised of representatives from LIRR, MNR, and NYC Transit Maintenance of Way user groups, evaluated Loram’s proposal utilizing the criteria set forth in the RFP, which included: the contractor’s technical approach, qualifications, and experience in meeting the requirements of all three agencies. After a thorough evaluation and discussions of the proposal submitted for each agency, the SC unanimously determined that Loram (the incumbent) was technically qualified to perform the work. Loram’s proposal demonstrated successful experience in performing rail grinding services for all three agencies with significant resources. The SC made the recommendation to proceed with the procurement process. LIRR then entered into negotiations with Loram, addressing various cost-savings initiatives.

The agencies combined year-one estimate of \$11,266,000 (LIRR: \$2 million; MNR: \$866,000; NYC Transit: \$8.4 million) is based on previous program usage. Loram submitted hourly fixed rates for all the work to be completed in 2023. Its initial cost proposal (Year 1) for all three agencies was \$11,359,280 (LIRR: \$2,290,668; MNR: \$896,532; NYC Transit: \$8,172,080). Through negotiations, LIRR was able to secure a final price of \$11,244,788. This represents a 1 percent, (\$114,492) reduction in price from its initial offer. The total amount for all five years (two-year base with three 1-year options) is \$56,223,940. This reflects an approximate amount, as all rates for subsequent years (2024 + option years) will be adjusted in accordance with the price index formula, as set forth in the contract terms and conditions. Loram’s proposed pricing is consistent with that provided to the MTA in its most recent agreements with LIRR, MNR, and NYC Transit. Based on the aforementioned, the negotiated pricing is considered fair and reasonable, and the proposal from Loram provides the best value to the MTA.

The SC unanimously recommended award to Loram based on their qualifications, price, and significant resources; and ability to provide best value to the MTA.

In order to streamline processes and realize cost savings, the Agencies will make changes to their operations to maximize actual rail-grinding time in the form of better coordination with Loram. All three agencies have made the decision to explore alternatives to rail grinding. This may include rail milling services, which may be a cost-efficient supplement to rail grinding where practical.

This contract has been evaluated to determine the necessity and appropriate scope, of cybersecurity requirements, including any requirements under federal, state, and local law and regulations. Any applicable cybersecurity requirements, to the extent required, will be included in the contract terms and conditions.

Loram has certified that pursuant to EO 16, it is not doing business in Russia.

D/M/WBE Information

The MTA Department of Diversity and Civil Rights (“DDCR”) has established a zero percent DBE goal for this contract. Loram Maintenance of Way, Inc. has not completed any MTA contracts with goals; therefore, no assessment of their MWDBE/SDVOB is available at this time.

Impact on Funding

Funding for this project is included in the LIRR and MNR Capital Program Budget. NYC Transit will be utilizing Operating funds for their portion of the contract.

Alternatives

None available. Currently, the Agencies do not possess the resources to perform the services associated with this contract. Additionally, all three agencies require this work, as Rail Grinding is a vital safety requirement to stop and reduce deformation due to use and friction on the railroad tracks by removing deformations and corrosion on the railway.

Recommendations

It is recommended that the MTA Board approve the award of Contract 403042 to Loram in the amount of \$56,223,940 for Rail Grinding Services.

Schedule I: Modifications to Purchase and Public Work Contracts



Item Number:

Vendor Name (Location) New Flyer of America, Inc. (St. Cloud, Minnesota)
Description: Furnish and Deliver 60 Low-Floor 40-foot All-Electric Buses
Contract Term (including Options, if any) 93 Months from Notice of Award (inclusive of delivery of the buses and provision of warranty support)
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> n/a
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification
Funding Source <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:
Requesting Department: Department of Buses, Frank Annicaro

Contract Number B40676R	AWO/Mod. # 1
Original Amount:	\$ 63,531,289
Option Amount:	\$ 0
Total Amount:	\$ 63,531,289
Prior Modifications:	\$ 0
Prior Budgetary Increases:	\$ 0
Current Amount:	\$ 63,531,289
This Request:	\$ 4,793,372
% of This Request to Current Amount:	7.54%
% of Modifications (including This Request) to Original Amount:	7.54%

Discussion:

NYC Transit is seeking Board approval to memorialize the modification to a competitively negotiated purchase contract with New Flyer of America, Inc. (“New Flyer”) in the total amount of \$4,793,372. The contractor was directed to execute this modification in November 2022. The changes covered by this modification include an extension to the delivery schedule to allow New Flyer time, as required by NYC Transit, to develop, test and install an early warning detection system for thermal events on each bus prior to delivery.

The base contract was approved by the Board in November 2021 and awarded to New Flyer in December 2021 in the amount of \$63,531,289. Delivery of the pilot buses was originally scheduled for September 2022, and delivery of the production buses was scheduled to begin in June 2023 and be completed in September 2023.

The schedule was revised by four months due to a force majeure, resulting from a disruption to a sub-supplier of the battery manufacturer, that occurred in January 2022. Subsequently, nine additional weeks were added to the schedule at the request of NYC Transit in April 2022, to accommodate additional testing requirements. These adjustments resulted in a revised schedule for the production buses to be delivered between November 2023 and June 2024 and were made with no additional cost to NYC Transit.

Following a thermal event in late July 2022 on an all-electric bus in Connecticut, NYC Transit, Department of Buses met with New Flyer to discuss the need for an early warning detection system for thermal events related to the high-voltage battery storage system to be installed on the 60 all-electric buses scheduled for delivery. It should be noted that no such system was commercially available at the time of award from any all-electric bus manufacturer in the United States. The parties agreed that such a system was necessary and needed to be developed immediately; New Flyer agreed to develop the new system and retrofit all 60 of the buses purchased under this contract at no cost. NYC Transit requested that the delivery of the buses be delayed until the new system was fully developed and tested rather than have the buses retrofit with the new system after delivery. New Flyer indicated that given the high rate of inflation, moving the delivery out would have a significant cost impact. Given the safety sensitive nature of the new system, Department of Buses demanded that the delivery be delayed. At the conclusion of the negotiations in November 2022, it was agreed that (1) the delivery schedule would be pushed out and elongated, per NYC Transit’s direction; (2) NYC Transit would compensate New Flyer at a rate of \$79,890 per bus for the schedule adjustment (no additional compensation would be provided in the event it took New Flyer longer to develop, test and install the new system); and (3) New Flyer would develop the required early warning detection system and install it on all the buses prior to delivery at no additional cost to NYC Transit. Delivery of the production buses is now scheduled to begin in March 2024 and be completed in September 2024.

The final pricing for this modification was agreed upon at the time of negotiation and has been reviewed and found to be fair and reasonable.

7/6/2023

Schedule I: Modifications to Purchase and Public Work Contracts



The contract resulting from this procurement is being evaluated to determine the necessity and appropriate scope of cybersecurity requirements, including any requirements under federal, state, and local law and regulations. Any applicable cybersecurity requirements, to the extent required, shall be included prior to award.

New Flyer has certified that pursuant to EO 16, it is not doing business in Russia.

Impact on Funding

This procurement action will utilize Capital funding.

JULY 2023
MTA REAL ESTATE
FINANCE COMMITTEE AGENDA ITEMS

1. ACTION ITEMS

METROPOLITAN TRANSPORTATION AUTHORITY

- a. Modification to the existing policy for licensing, leasing or acquisition of property rights in support of MTA capital projects or ongoing operations

MTA NEW YORK CITY TRANSIT

- b. Gun Hill Road development – RFP conditional designation

MTA METRO-NORTH RAILROAD

- c. Master agreement with Amtrak to facilitate the acquisition of permanent easements in the Bronx and Queens in support of the Penn Station Access project
- d. Acquisition of permanent easements from HD Development of Maryland, Inc. in Queens in support of the Penn Station Access project
- e. Authorization to acquire property interests by negotiated settlement or eminent domain for the Claremont Substation project, Bronx, NY

2. INFORMATION ITEMS

- a. Grand Central Terminal Annual Report
- b. License renewal between Metro-North and Spatz Properties LLC for automobile parking in Harrison, NY
- c. One day permit agreement between Metro-North and Bike New York for parking at the Poughkeepsie Station
- d. Report on agreements entered into directly by the Real Estate Department pursuant to Board policy

<u>Legal Name</u>	<u>Popular Name</u>	<u>Abbreviation</u>
<u>New York City Transit Authority</u>	<u>MTA New York City Transit</u>	<u>NYC Transit</u>
<u>The Long Island Rail Road Company</u>	<u>MTA Long Island Rail Road</u>	<u>LIRR</u>
<u>Metro-North Commuter Railroad Company</u>	<u>MTA Metro-North Railroad</u>	<u>MNR</u>
<u>Triborough Bridge and Tunnel Authority</u>	<u>MTA Bridges and Tunnels</u>	<u>MTA B&T</u>
<u>MTA Construction and Development Company</u>	<u>MTA Construction and Development</u>	<u>MTA C&D</u>
<u>MTA Bus Company</u>	<u>MTA Bus Company</u>	<u>MTA Bus</u>

Staten Island Rapid Transit Operating Authority is a subsidiary of the Metropolitan Transportation Authority. Its popular name is MTA Staten Island Railway (abbreviated as SIR).

Manhattan and Bronx Surface Transit Operating Authority is a subsidiary of the New York City Transit Authority (abbreviated as MaBSTOA).

METROPOLITAN TRANSPORTATION AUTHORITY

Staff Summary



Subject MODIFICATION TO EXISTING REAL ESTATE POLICY
Department REAL ESTATE
Department Head Name DAVID FLORIO
Department Head Signature
Project Manager Name ARTURO ESPINOZA

Date JULY 19, 2023
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	07/17/23	X		
2	Board	07/19/23	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Legal		
2	Chief Administrative Officer		
3	Chief Financial Officer		

AGENCY: All-agency

COMMENTS:

A policy permitting MTA Real Estate (“MTARE”) to license, lease, or acquire property rights in support of MTA capital projects or ongoing operations without Board approval was adopted on September 21, 2015. The policy allowed MTARE to directly conclude transactions when it is reasonably estimated that MTA’s aggregate obligation to pay compensation or reimbursement to the licensor or grantor will be less than \$15,000 (on a present value basis) over the term.

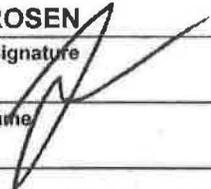
Approximately eight years later, instances have arisen where it was difficult to keep the compensation within the current \$15,000 limit. MTARE requests Board authorization to increase the compensation amount to \$100,000.

BE IT RESOLVED that the Board hereby authorizes the Chief Real Estate Transactions and Operations Officer of the MTA to negotiate and enter into agreements with third parties on behalf of MTA and its agencies for the acquisition of property rights through lease, license, or other form of acquisition without prior Board approval, subject to the following conditions:

1. Such acquisition shall be in support of MTA capital projects or ongoing operations.
2. It shall be reasonably estimated that the MTA’s aggregate compensation or cost reimbursement to the licensor or grantor shall be less than \$100,000 (on a present value basis) over the term.
3. Prior to the execution of any such agreement, (i) it will be approved by the MTA Legal Department and (ii) the MTA will comply with the applicable requirements of the State Environmental Quality Review Act (SEQRA).
4. MTARE will notify the Board of the terms of the agreement subsequent to the execution of the agreement.

Policy # 34

Staff Summary

Subject
Department REAL ESTATE
Department Head Name JEFFREY B. ROSEN
Department Head Signature 
Project Manager Name

Date SEPTEMBER 21, 2015
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	9/21/15	X		
2	Board	9/24/15	X		

Internal Approvals			
Order	Approval	Order	Approval
			Legal RB
3	Chief of Staff 		
2	Chief Financial Officer 		

AGENCY: All-agency

PURPOSE: To obtain Board approval of a new policy to regulate the process MTA Real Estate ("MTARE") follows to enter into certain agreements as set forth below and in the attached resolution

COMMENTS:

In an effort to streamline and expedite the process by which MTA Real Estate ("MTARE") enters into real estate agreements, the MTA Board has approved a number of policies and procedures permitting agreements with third parties without prior Board approval.

MTARE is hereby proposing to add a new policy, as described below. Board approval of this policy will permit MTARE to execute certain transactions under circumstances where the compensation (including reimbursement of cost) to be paid by the MTA is under \$15,000.

More specifically, MTARE requests Board authorization to:

License, lease or acquire property rights, without prior Board approval, in support of MTA capital projects or ongoing operations when it is reasonably estimated that MTA's aggregate obligation to pay compensation or reimbursement to the licensor or grantor will be less than \$15,000 (on a present value basis) over the term.

Prior to the execution of any such agreement, (i) it will be approved by the MTA Legal Department and (ii) MTA will comply with the applicable requirements of the State Environmental Quality Review Act (SEQRA).

The policy also requires MTARE to notify the Board of the terms of the agreement subsequent to the execution of the agreement.

FOR REFERENCE PURPOSES ONLY

RESOLUTION

**BOARD OF THE
METROPOLITAN TRANSPORTATION AUTHORITY**

WHEREAS, the Real Estate Department (“RED”) of the Metropolitan Transportation Authority (“MTA”) is tasked with acquiring various real property rights and entering into leases, licenses, permits and other like agreements on behalf of itself and its operating agencies, and

WHEREAS, RED seeks to enter into such agreements as efficiently as possible while keeping the MTA Board apprised of its activities, and has therefore requested that the Board approve a new policy that will permit RED to execute certain transactions quickly under circumstances in which the estimated compensation and reimbursement costs are low:

NOW THEREFORE, BE IT RESOLVED that the Board of MTA hereby authorizes the MTA Director of Real Estate to negotiate and enter into agreements with third parties on behalf of MTA and its agencies for the acquisition of property rights through lease, license or other form of acquisition without prior Board approval, subject to the following conditions :

1. Such acquisition shall be in support of MTA capital projects or ongoing operations.
2. It shall be reasonably estimated that MTA’s aggregate obligation to pay compensation or cost reimbursement to the licensor or grantor shall be less than \$15,000 (on a present value basis) or more over the term.
3. Prior to the execution of any such agreement, (i) it will be approved by the MTA Legal Department and (ii) MTA will comply with the applicable requirements of the State Environmental Quality Review Act (SEQRA).
4. RED will notify the Board of the terms of the agreement subsequent to the execution of the agreement.

FOR REFERENCE PURPOSES ONLY

MTA NEW YORK CITY TRANSIT

Staff Summary

Subject GUN HILL ROAD DEVELOPMENT - RFP CONDITIONAL DESIGNATION
Department TRANSIT ORIENTED DEVELOPMENT
Department Head Name ROBERT PALEY
Department Head Signature
Project Manager Name NICHOLAS ROBERTS

Date JULY 19, 2023
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	07/17/23	X		
2	Board	07/19/23	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Legal		
2	Chief Development Officer		
3	Chief Financial Officer		

AGENCY/LESSOR: Metropolitan Transportation Authority (“MTA”) and MTA New York City Transit (“NYCT”)

DEVELOPER/LESSEE: Madison Capital HoldCo III LLC, a Delaware limited liability company doing business as Madison Capital, or an affiliate thereof in which Richard Wagman holds a controlling interest

LOCATION: Approximately 550,000 square feet of land (the “Development Site”) comprising the southern portion of the property located at 1824 Allerton Avenue, The Bronx, New York – Block 4804, Lot 100 (the “Property”)

ACTIVITY: Long-term ground leasing and development of the Development Site pursuant to a triple net lease (the “Ground Lease”) for a term of 99-years following completion of construction at the Development Site of a new multi-story warehouse and distribution facility comprising approximately 2,188,985 square feet of gross floor area (the “New Facility”), consistent with the existing M1-1 zoning of the Property, which will include an approximately 286,367 square foot facility (the “NYCT Facility”) for future use by NYCT as an electric bus charging facility, on the material terms set forth below

ACTION REQUESTED: Authorization to conditionally designate Madison Capital as the successful proposer to the RFP (described below) and negotiate and enter into a disposition and land development agreement with respect to the ground leasing and development of the Development Site by Madison Capital (the “LDDA”), including the terms and forms of the Ground Lease and any separate agreement for the construction and development of the NYCT Facility by Madison Capital (the “Development Agreement”) to the extent such terms are not included within the Ground Lease and such other material transaction documents necessary or desirable for the ground leasing and development of the Development Site, the utilization of the Property’s unused development rights at the Development Site, and the construction by Madison Capital of the NYCT Facility for NYCT’s use (collectively, the “Transaction Documents”), as more fully described below. Prior to entering into the LDDA, further MTA Board action will be sought to authorize and approve the execution and delivery of the LDDA, the consummation of the transactions thereunder and the execution and delivery of the Transaction Documents in accordance therewith.

FINANCE COMMITTEE MEETING

Gun Hill Road Development – RFP Conditional Designation (cont'd)

COMPENSATION:

- (a) Base Rent: \$53,885,768 (net present value, discounted at 6%). The initial annual Base Rent of \$2,000,000 will escalate by 15% every 5 years during the term of the Ground Lease, and will be subject to additional CPI-based rent resets every 25 years following the rent commencement date during the term of the Ground Lease.
- (b) In-Kind Compensation: Developer will construct at its own expense within the New Facility the core and shell (with the required mechanical, electrical and plumbing systems in place) of the NYCT Facility, sized to accommodate 223 standard sized MTA buses, at an estimated cost of \$94,000,000.
- (c) Additional Compensation: The Developer will pay to MTA as additional rent under the Ground Lease (i) PILOT payments (i.e., payments in lieu of taxes) in an amount equal to the real estate taxes that would otherwise be payable by Madison Capital if the Property were not exempt from the imposition of real estate taxes, subject to an abatement that will mirror or replicate the abatement that would otherwise be available to Madison Capital in connection with the construction of the New Facility under the New York City Industrial & Commercial Abatement Program (ICAP) or such other available program as determined by MTA at the time the portion of the New Facility (other than the NYCT Facility) is put in service; and (ii) PILOST payments (i.e., payments in lieu of sales tax), in an amount equal to the sales taxes that Madison Capital would otherwise incur with respect to its construction costs but for MTA's/NYCT's exemption from such sales tax with respect to permanent improvements.

COMMENTS:

The Development Site comprises the southern portion of the 30+ acre Property owned in fee by NYCT. The northern portion of the Property is improved with NYCT's Gun Hill Bus Depot (the "Bus Depot"). The Property is bounded by the New England Thruway to the east, the intersection of the Hutchinson River Parkway and the New England Thruway to the south, and East Gun Hill Road to the west. In March 2022, TOD issued a request for proposals ("RFP") for a developer to redevelop the Development Site into a large-scale industrial / last mile distribution facility. The RFP made available approximately 1,048,327 square feet of zoning floor area ("ZFA") for the development of the Development Site, based on a combination of the Development Site's 550,000 square feet of available ZFA and the excess or unused ZFA associated with the Bus Depot. The RFP required respondents to propose projects consistent with the Property's "as-of-right" zoning designation. The RFP further required respondents to incorporate into their projects and construct at their own cost and expense the core and shell (with the required mechanical, electrical and plumbing systems in place) of the NYCT Facility, sized to accommodate 223 standard sized MTA buses.

TOD received "RFP Responses" from the following RFP respondents (collectively, the "RFP Respondents"):

- Madison Capital
- The Related Companies ("Related")
- The Davis Company
- Savanna
- Wildflower
- City Auto World
- Bronx Film, LLC ("Bronx Film")

An RFP selection committee was formed to vet the RFP Responses (the "Selection Committee"). The Selection Committee was comprised of TOD and NYCT representatives and based its analysis of the RFP Responses on the following "RFP Criteria":

- NYCT Facility design and feasibility

FINANCE COMMITTEE MEETING

Gun Hill Road Development – RFP Conditional Designation (cont'd)

- Ground rent proposal and feasibility
- Completeness and quality of overall response

The Selection Committee determined that the Bronx Film, City Auto World, Wildflower, and Savanna proposals were not competitive due to either their NYCT Facility design and/or ground rent proposal, and that Madison Capital, Related, and the Davis Companies should be shortlisted and invited for interviews (the “Shortlisted Respondents”). Following interviews with the Shortlisted Respondents, the Selection Committee designated Madison Capital and Related as the “RFP Finalists” as their responses to the RFP best combined thoughtful and (feasible) designs for the NYCT Facility with competitive ground rent proposals. The Selection Committee also determined that RFP Finalists had meaningfully more experience than the other RFP Respondents in delivering complex, large-scale projects in New York City involving public-private partnerships, including with the MTA. As such, the Selection Committee determined that Madison Capital and Related were the RFP Respondents best able to meet the RFP’s objectives and that TOD should commence targeted negotiations with both firms.

Through the fall of 2022, TOD negotiated extensively with the RFP Finalists, culminating in a request for Best and Final Offers (“BAFOs”) in December 2022. In advance of the BAFOs, Madison Capital made material improvements to its design for the NYCT Facility, including adding second points of ingress and egress and improving access from an adjacent New England Thruway service road, and Related made its ground rent proposal more competitive by improving the Base Rent and rent reset terms. At the conclusion of the BAFO process, the proposals submitted by Madison Capital and Related were valued at \$148M and \$129M, respectively, as detailed below:

BAFOs	Ground Rent ¹	NYCT Facility ²	Total Value
Madison Capital	\$54M	\$94M	\$148M
Related	\$29M	\$100M	\$129M

¹ Projected ground rent over 99-year lease term following completion of construction, discounted at 6%

² The proposers’ projected costs to build the NYCT Facility, per the scope and delivery definition provided by TOD/NYCT in the RFP

Having determined that the Madison Capital BAFO provided the highest economic value and that its improved NYCT Facility design satisfactorily addressed NYCT’s existing and future needs at the Bus Depot, TOD recommended that Madison Capital be conditionally designated the successful RFP proposer with the concurrence of senior leadership at MTA Construction & Development (“C&D”) and NYCT (Buses).

Based on the foregoing, TOD recommends the ground lease and development transaction as outlined above and requests the authorization of the Board to undertake the following actions:

- (1) Conditionally designate Madison Capital as the selected RFP proposer under the RFP; and
- (2) Negotiate and enter into the LDDA with Madison Capital on the above-described terms and conditions and such other terms and conditions as the Chief Development Officer or such officer’s designee deems appropriate or necessary, including the forms of the Ground Lease, the separate Development Agreement (if applicable) and the other material Transaction Documents to be attached thereto; provided that prior to entering into the LDDA, TOD will seek further Board authorization to consummate the transactions contemplated by the LDDA, including execution and delivery of the Ground Lease and the other Transaction Documents.

MTA METRO-NORTH RAILROAD

Staff Summary

Subject ACQUISITION OF PERMANENT EASEMENTS FROM AMTRAK IN BRONX & QUEENS IN SUPPORT OF THE PENN STATION ACCESS PROJECT
Department REAL ESTATE
Department Head Name DAVID FLORIO
Department Head Signature
Project Manager Name ANGELA SZU

Date JULY 19, 2023
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	07/17/23	X		
2	Board	07/19/23	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Legal		
2	Chief Administrative Officer		
3	Chief Financial Officer		

AGENCY: MTA Metro-North Railroad (“Metro-North”)

GRANTOR: National Railroad Passenger Corporation (“Amtrak”)

LOCATIONS: Properties for four stations in the Bronx and two substations in Queens (“Facility” or “Facilities”):

- (1) Hunts Point Station (Bronx Block 2734, Lot 30 and Block 2741, Lots 1 & 66)
- (2) Parkchester-Van Nest Station (Bronx Block 4042 Lot 1)
- (3) Morris Park Station (Bronx Block 4226, Lot 1)
- (4) Co-op City Station (Bronx Block 4411, Lot 1 and Block 5131, Lot 1)
- (5) 48th Street (HG-01) DC Substation (Queens Block 119 Lot 32)
- (6) Gate (HG-02) DC Substation (Queens Block 1017, Lot 75, Block 1024 Lot 66, and Block 1113, Lot 36)

EASEMENT AREAS WITHIN THE LOCATIONS: Permanent easements (per 30% Design stage) at each Facility’s location are:

- (1) Hunts Point Station: 36,305± square feet
- (2) Parkchester-Van Nest Station: 51,375± square feet
- (3) Morris Park Station: 46,315± square feet
- (4) Co-op City Station: 43,361± square feet
- (5) 48th Street (HG-01) DC Substation: 10,550± square feet
- (6) Gate (HG-02) DC Substation: 53,584± square feet

ACTIVITY: Authorization to enter into a master agreement to facilitate acquisition of permanent easements on Amtrak property for the Penn Station Access Project (“PSA”)

COMPENSATION: Not to exceed \$28 million for all six Facilities. Should the size of the permanent easements change as designs advance to 100% design stage, the easement fee will be adjusted as appropriate on a pro-rata basis. If the total exceeds \$28 million, additional Board approval will be required.

ACTION REQUESTED: Authorization to enter into a master easement agreement

Staff Summary

FINANCE COMMITTEE MEETING

Acquisition of permanent easements from Amtrak in Bronx & Queens in support of the Penn Station Access project (Cont'd.)

COMMENTS:

PSA will be a new Metro-North link to Penn Station that will provide one-seat passenger rail service for Metro-North's New Haven Line customers. The new Metro-North service will run through the Bronx via Amtrak's Hell Gate Line, enter Queens via the Hell Gate Bridge, and connect to the LIRR Mainline at Harold Interlocking, from which it will access Penn Station. An upgrade to the power systems will be needed at various sites along the new Metro-North service corridor to provide adequate power for the expected increase in train traffic due to PSA. PSA's infrastructure improvements include construction of four new Metro-North stations in the Bronx, two new substations in the Bronx, two new substations in Queens, and other right-of-way augmentations.

In connection with PSA, a number of permanent easement acquisitions from Amtrak will be required for the four new Metro-North stations in the Bronx (Hunts Point, Parkchester-Van Nest, Morris Park, and Co-op City). The permanent easements will provide areas for platforms, stairways, walkways, and other station elements such as those required for Americans with Disabilities Act compliance. Permanent easement acquisitions from Amtrak will also be required for the two new 48th Street and Gate DC electrical substations in Queens.

Per the Design-Build Phase and Cost Share Agreement, approved by the MTA Board in December 2021, the MTA and Amtrak agreed to an alternate framework of enabling property right transfers upon the execution of a master easement agreement. Per the Cost Share Agreement, Amtrak agreed to grant to the MTA any permanent real estate interests required for PSA and MTA agreed to negotiate fair market value for any easements granted by Amtrak, with the fair market value of the Amtrak easements to be based on a mutually agreed to appraised values.

The easement fee for any Amtrak real estate interests granted will be credited toward the Amtrak Share of Joint Project Costs in lieu of direct payments by MTA to Amtrak. This alternate framework does not require agreement on total easement fee for all Facilities to be reached upfront, but instead allows for negotiation of the easement fee for each Facility to be sequenced and prioritized by PSA Design-Builder's construction phasing plan. This approach was driven by the need to enable MTA Real Estate to acquire critical property interests and rights from Amtrak in time to support the accelerated nature of the Design-Build project delivery method.

MTA Real Estate is in active negotiations with Amtrak to determine the easement fee for each property. After the master easement agreement is executed between Amtrak and the MTA, the MTA will continue to negotiate the easement fees, which are based on appraisals that are subject to review by another independent appraiser, until agreement on the total easement fee for all Facilities is reached. The total easement fee for all properties is expected to be \$28 million or less based on appraisals obtained to date for the permanent easements established at the 30% Design stage.

Since PSA has adopted the Design-Build project delivery method, changes to permanent easements established at the 30% Design stage are likely. Therefore, the master easement agreement will have a mechanism to adjust the easement fee for each Facility should the 30% Design stage permanent easements need to be revised or should additional permanent easements be required as designs advance to the 100% stage.

After negotiations with Amtrak have concluded, MTA Real Estate will inform the MTA Board what the easement fee is determined to be for each property as well as any adjustments to the easement fee resulting from any design refinements.

Based on the foregoing, MTA Real Estate requests authorization for the MTA to enter into a master easement agreement with Amtrak to acquire the aforesaid interests on the above-described terms and conditions.

Staff Summary

Subject ACQUISITION OF PERMANENT EASEMENTS FROM HD DEVELOPMENT OF MARYLAND, INC IN QUEENS IN SUPPORT OF THE PENN STATION ACCESS PROJECT
Department REAL ESTATE
Department Head Name DAVID FLORIO
Department Head Signature
Project Manager Name ANGELA SZU

Date JULY 19, 2023
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	07/17/23	X		
2	Board	07/19/23	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Legal		
2	Chief Administrative Officer		
3	Chief Financial Officer		

AGENCY: MTA Metro-North Railroad (“Metro-North”)
GRANTOR: HD Development of Maryland, Inc., c/o Home Depot U.S.A., Inc. (“Home Depot”)
LOCATION: 50-02 Northern Boulevard, Queens, NY 11101 (Queens Block 120 Lot 50) (the “Property”)
ACTIVITY: Acquisition of permanent easements in support of the Penn Station Access Project
ACTION REQUESTED: Authorization to acquire permanent easements
TERM: Permanent
EASEMENT AREA: 11,343± square feet (exclusive) and 9,444± square feet (non-exclusive access)
COMPENSATION: \$1,955,000

COMMENTS:

Penn Station Access (“PSA”) is a new Metro-North link to Penn Station that will provide one-seat passenger rail service to Penn Station for MNR’s New Haven Line customers. In October 2021, the MTA Board authorized MTA Real Estate to proceed with property interest acquisitions in support of PSA by negotiated agreement or condemnation, with the terms of any negotiated agreement subject to further MTA Board approval.

The above-described permanent exclusive and non-exclusive easements are required for the new 48th Street DC electrical substation in Queens, which is needed to support the additional power demands associated with additional train traffic on the railroad right-of-way due to PSA. The substation improvements will be constructed within the exclusive easement areas, and the access easement is needed to ensure perpetual access for maintenance and should the substation need to be reconstructed, re-built or rehabilitated in the future.

In July 2022, MTA Real Estate extended a formal offer of \$1,930,000 to the Property owner upon completion of an independent appraisal of the required easements. After a period of good faith negotiations, MTA Real Estate has reached a negotiated price of \$1,955,000 for both easements, which is \$25,000 higher (approximately 1% increase) than the MTA’s original offer. Based on the recommendation of legal counsel, the negotiated compensation is supported by MTA’s appraisal as well as the change in market conditions relative to its effective date of valuation of February 15, 2022.

Staff Summary

FINANCE COMMITTEE MEETING

Acquisition of permanent easements from HD Development of Maryland, INC in Queens in support of the Penn Station Access project (Cont'd.)

Page 2 of 2

Based on the foregoing, MTA Real Estate requests authorization to acquire the permanent easements from HD Development of Maryland, Inc. on the above-described terms and conditions.

Subject ACQUISITION OF PROPERTY FOR THE CLAREMONT SUBSTATION PROJECT
Department REAL ESTATE
Department Head Name DAVID FLORIO
Department Head Signature
Project Manager Name JASON ORTIZ

Date JULY 19, 2023
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	07/17/23	X		
2	Board	07/19/23	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Legal		
2	Chief Administrative Officer		
3	Chief Financial Officer		

AGENCY: MTA Metro-North Railroad (“Metro-North”)
SELLER: 1049 Ogden Realty Company, LLC
LOCATION: 3876-3880 Park Avenue, Bronx, NY 10457 (Block 2904, Lot 10)
ACTIVITY: Acquisition of property for a new electrical substation for Claremont Substation project
ACTION REQUESTED: Authorization to acquire property through negotiated agreement or eminent domain
COMPENSATION: To be determined via negotiation or condemnation

COMMENTS:

In connection with the Claremont Substation project, MTA Real Estate is seeking to acquire a property located at 3876-3880 Park Avenue, Bronx, NY 10457 (the “Property”). The Property currently contains approximately 7,405 square feet and contains a vacant three-story industrial building. Once acquired, the MTA will demolish the existing building to construct a new electrical substation in support of Metro-North operations on the Harlem Line. The Property satisfies the location and size requirements for construction of a substation, is free of occupants, and is currently listed for sale.

The MTA will endeavor to acquire the Property through a negotiated agreement. However, MTA Real Estate may not be able to reach agreement with the Seller and may be compelled to acquire the Property by eminent domain as no viable alternative sites have been identified. Thus, MTA Board approval is being sought for the MTA to begin taking steps to satisfy the requirements of Eminent Domain Procedure Law in order to preserve the MTA’s rights and lessen the potential for future delays to the Project and ensure the timely acquisition of the Property. If a negotiated agreement to acquire the Property is reached prior to the filing of condemnation papers with the court, the terms of any such agreement will be presented to the Finance Committee and MTA Board for further approval.

Based on the foregoing, MTA Real Estate requests authorization to proceed with the acquisition, by negotiated agreement or condemnation on the above-described terms and conditions.

INFORMATION ITEMS



G R A N D C E N T R A L

**RETAIL DEVELOPMENT
AT
GRAND CENTRAL TERMINAL
2022 ANNUAL REPORT**

July 2023

GENERAL SUMMARY

2022 started with Covid-19 Omicron, another pandemic surge that extended the public restrictions, social distancing, and work-from-home policies that directly impacted retail. As the Omicron surge subsided and the City and State began rolling back restrictions, commerce and pedestrian traffic through the city's main transportation centers began to increase. Though tourism increased as people became more comfortable with traveling again, MTA ridership has persistently hovered below pre-Covid numbers. This reduction of regular commuters has made recovery to 2019 retail revenue levels more difficult to achieve.

As MNR neared 70% week-day average ridership and pedestrian patterns at Grand Central Terminal improved gradually throughout the year, the increase in traffic did not necessarily result in a proportionate increase in sales for GCT tenants. In addition to sales that generally lagged behind pre-Covid numbers, inflationary demands drove up tenants' costs of goods and labor shortages impacted tenants' abilities to maintain or increase operating hours. The Board approved Temporary Rent Adjustment Agreement (TRAA) rent relief program was successful in aligning tenant occupancy costs with sales expectations and has played an influential role in tenants' ability to stabilize and recover.

Throughout 2022, GCT continued implementing three-year licenses at competitive rents to both incumbent and prospective tenants. Granting short-term licenses in lieu of long-term leases provided for more flexibility in negotiating new deals, keeps existing tenants open in place, and helps in establishing a higher baseline for soliciting long term deals in the future. The market has been receptive to this approach, and twelve new deals were signed in 2022 with another eight under negotiation at year's end.

There was an 85% year-over-year increase in comparative sales that indicates a healthy rebound for over 2021 sales figures but still remains well below 2019 pre-Covid levels. And while the high cost of both labor and goods has had an impact on the profit margins realized by the tenants, the increased comparative sales are an encouraging sign. However, with the TRAA in effect, vacancies yet to backfill, and 2022 rent commencement dates landing in Q3/Q4, the total gross revenue for 2022 remained stagnant at \$19M.

It is expected that GCT will realize a significant increase in gross revenue in 2023 as additional deals are executed, vacancies decrease, and percentage rent payments go up along with rising sales. As we move forward in shaping the retail recovery at GCT, our goal is to complete the transition away from Covid-era encumbrances and return to full vibrancy.

RETAIL CAPITAL PROJECTS

During 2022, MTA Real Estate and Metro-North continued a pre-existing project to upgrade the duct and ventilation infrastructure supporting the food uses in the Dining Concourse. Originally designed and constructed in the late 1990's as part of the Terminals restoration, the ventilation system requires a material state of good repair (SGR) effort to update its functionality and compliance with updated New York State fire/life safety code.

The phase of this SGR effort noted below is the creation of platforms within the duct risers up to the Terminal's roof. This will facilitate a better cleaning rigor for the ducts to increase effectiveness and prevent fire.

<u>Description</u>	<u>Amount</u>
GCT Grease Duct Platform Project	\$1,185,515
Total Capital Projects	\$ 1,185,515

Looking ahead into Phase II of this project, using access made possible by installation of the platforms, a thorough survey and evaluation of the kitchen exhaust duct system will be able to be performed to assess the integrity of the ductwork and determine if repair work is required to maintain a state-of-good-repair status.

LEASING ACTIVITY

While the end of 2021 had shown some promise in recovering from the store closures of 2020, leasing activity slowed a bit in 2022 with uncertainty rebounding during the early 2022 Omicron surge. Nonetheless, GCT opened 10 new retail units in 2022, and negotiated deals with five new tenants for anticipated 2023 openings. GCT did, however, take a hit with 2 stores closing and a third, Rite-Aid, announcing its plans to close its GCT location in early 2024.

TRANSACTIONS ENTERED INTO DURING 2022:

Leases Signed	
No leases were signed in 2022	
Licenses Signed	
Karma & Luck	March 3, 2022
Leather Spa	March 3, 2022
Luke's Lobster	March 30, 2022
City Winery	May 11, 2022
Zaro's (main concourse)	June 13, 2022
Zaro's (dining concourse)	June 13, 2022
Bien Cuit	August 10, 2022
Damselfly	August 24, 2022
Lululemon	September 23, 2022
Moleskine (sub-lease)	September 13, 2022
Stroopwafel	September 23, 2022
Hornblower (Walks) Tours	October 28, 2022
Leases in Negotiation	
None	
Licenses in Negotiation	
Veselka	<u>(signed February 3, 2023)</u>
Frankie's Dogs	<u>(signed May 11, 2023)</u>
PIQ	<u>(signed March 24, 2023)</u>
Banana Republic	
Starbucks	
Pescatore Seafood	
Eli's Bread	
Eli's Farm to Table	

TENANT SALES PERFORMANCE – 2022

Total Gross Sales measures the cumulative receipts of all tenants during an entire year. Put another way, it is the sum total of all consumer purchases made in GCT for that year. This data is used to evaluate the overall the health of the entire program and can be impacted by a high vacancy rate or influenced by sluggish leasing activity.

Total Gross Sales		
	2022	2021
42 nd St. Retail	4,199,628	2,213,952
Main Concourse	6,019,377	991,549
Shuttle Passage	15,556,062	8,828,769
42 nd St. Passage	4,741,872	3,624,700
Graybar Passage	8,569,094	5,759,639
Lexington Passage	10,216,881	7,255,965
Biltmore	1,519,654	1,107,810
Grand Central Market	11,737,212	8,639,059
Dining Concourse	24,220,497	10,777,216
Restaurants	23,798,759	8,269,885
Total	\$111,032,548	\$ 57,468,544
		93%

The total reported retail sales for 2022 equaled \$111,032,548, an overall increase of \$53,564,004 or 93% from 2021. This increase in sales is indicative of an overall uptick in MNR ridership and return-to-normal consumer activities but is also a reflection of inflationary influences on the overall price of goods. Additionally, 10 new retail tenants opened in 2022, contributing to the overall increase in Total Gross Sales.

All-in-all, however, the Total Gross Sales of 2022 were still 45% below the 2019 threshold of \$200,243,578. Heading into 2023, new store openings and continued improvement in market conditions should start to close this gap.

Comparative Sales measures the transaction values of retailers by comparing year-over-year sales of businesses open for two full consecutive years. Comparable sales data provides a picture of how locations are performing and is an indicator of strong or weak retail activity.

Comparative Sales 2022/2021			
	2022	2021	%
42nd St. Retail	3,725,329	2,213,952	68%
Main Concourse	4,971,156	991,549	401%
Shuttle Passage	14,401,997	8,828,769	63%
42nd St. Passage	4,741,872	3,624,700	31%
Graybar Passage	8,569,095	5,759,638	49%
Lexington Passage	10,216,881	7,094,218	44%
Biltmore	1,289,899	911,746	41%
Grand Central Market	11,287,497	8,639,059	31%
Dining Concourse	22,867,641	10,777,216	112%
Restaurants	23,798,759	8,269,885	188%
Total	\$105,870,126	\$57,110,733	85%

Average Comparative Sales Per Square Foot			
	2022	2021	
42nd Street Retail	\$ 586	\$348	68%
Main Concourse	\$1,593	\$397	401%
Shuttle Passage	\$1,413	\$867	63%
42nd St. Passage	\$1,301	\$994	31%
Graybar Passage	\$3,127	\$2,740	49%
Lexington Passage	\$1,694	\$1,176	44%
Biltmore	\$3,042	\$2,150	41%
Grand Central Market	\$2,325	\$1,779	31%
Dining Concourse	\$2,767	\$1,304	112%
Restaurants	\$ 759	\$264	188%
All GCT	\$1,387	\$748	85%
All GCT, excluding balcony/restaurants: Oyster Bar, Cipriani Dolci, and The Campbell Apartment.	\$1,823	\$1,085	68%

Total reported comparative sales for 2022 equaled \$105,870,126, an increase of \$48,759,393 or 85% from 2021. This large increase can be attributed to a few things -- a) the re-opening of several existing businesses that had been closed during due to Covid-related restrictions; b)

substantial increase in pedestrian and ridership traffic throughout the building as the Covid regulatory precautions were eased and; c) a particularly robust media attention surrounding the holiday season.

In relative perspective, though, comparative sales for 2019 would be calculated at \$149M, or 30% more than that of 2022. So, while 2022 can certainly be viewed positively as a rebuilding year, we still need to work diligently on drawing attention to Grand Central as a retail venue and focus on opening up the remaining vacancies.

MARKETING

A distinguished and robust GCT marketing program helps to actively shape the discussion that surrounds GCT, speaking as a singular voice for all that GCT represents and delivering on a transformative promise whereby visitors feel connected to the importance of the property and retail partners believe in their contribution to GCT's continuing success.

Emerging from the pandemic, and with the loss of key personnel, GCT pivoted tactics and engaged a third-party marketing firm to help strengthen the GCT Retail marketing program, support retail tenants in optimizing their GCT business presence, promote GCT as a multi-faceted destination with wide-ranging and convenient retail options, and to promote GCT as a premier NYC public space.

NEW TENANT MARKETING & COMMUNICATIONS

Ten (10) new retail tenants came online in 2022 and each new tenant was onboarded by the GCT Marketing team via the following marketing activities:

- Welcome meetings with tenant retail marketing teams (local and/or corporate)
- Dedicated directory page on the GCT website
- Addition to the GCT maps and digital directories
- Custom e-blast newsletter feature announcing GCT retail location
- Social media features with photos and videos of GCT retail location
- Kiosk posters throughout the terminal
- Support from the GCT PR firm in pitching new GCT retail location to press

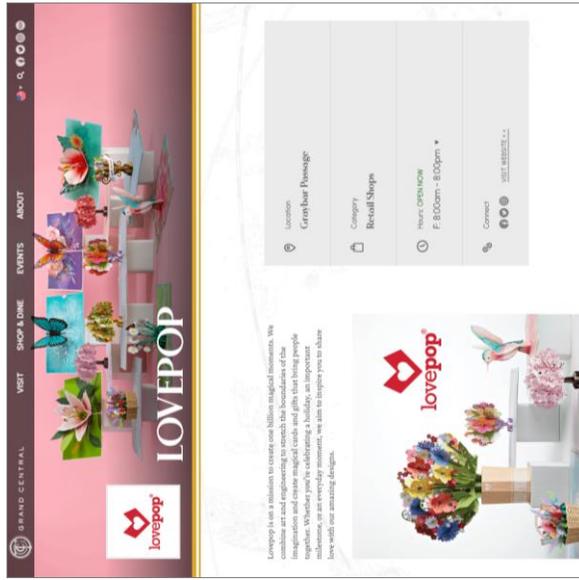
ADVERTISING

Throughout the year, new tenants and special events were promoted via paid social media promotions on Facebook and Instagram.

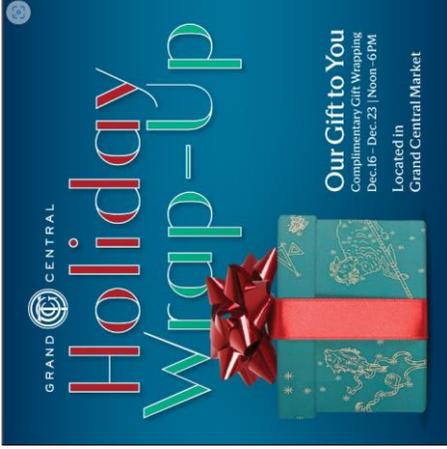
Advertising was placed strategically for tenants throughout the holiday season via two campaigns promoting Grand Central Market and general shopping at Grand Central. These ads included paid social media on Facebook and Instagram to target geographies along with digital advertising via the Hearst network of newspaper and magazine sites.

TERMINAL SIGNAGE

Many GCT branded posters and temporary signs were updated to provide new messaging and QR codes in time for the holiday season, and advertising kiosk posters for tenant and marketing promotions and events were created, displayed, and refreshed throughout the year.

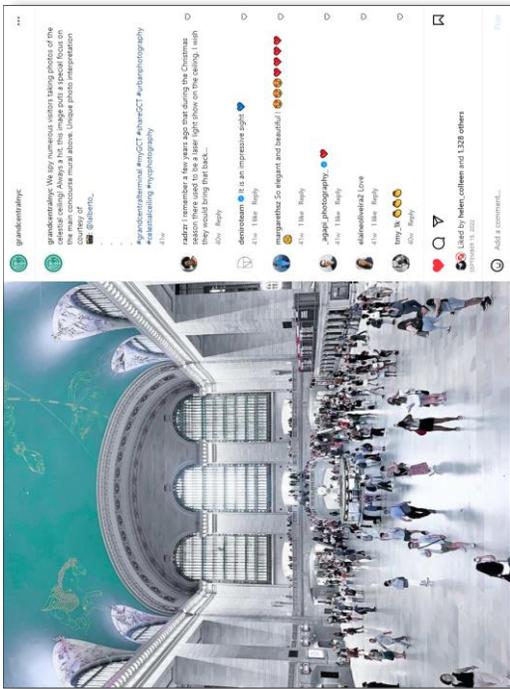


TERMINAL EVENTS & PROMOTIONS



- Little Amal: GCT was lucky to host Little Amal at the beginning of her 50-stop tour of NYC that took place over three weeks. Picked up by the Associated Press, this event brought international news attention to GCT.
- Jack O'Lantern Blaze Giveaway: this contest offered one winner 4 free flex tickets to the Great Jack-O-Lantern Blaze in the Hudson Valley, along with round trip Metro-North tickets and treats from GCT retailers including Café Grumpy, Juice Press, Magnolia Bakery, Murray's Cheese, Shake Shack, and Zoro's Family Bakery. The contest succeeded in growing the GCT Instagram account by over 300 followers at zero to no cost in just two weeks, thanks to creative brand partnerships with the Pumpkin Blaze and MTA Away.
- Royal Marines Band Services, the musical wing of the Royal Navy representing HMS (His Majesty's Ship) performed in the main concourse, drawing fanfare from those present as well as British media. This event occurred days after HRH Queen Elizabeth passed away, and so carried great significance.
- Thanksgiving Market: a one-day pop-up sale was held at the Taxi Stand on Vanderbilt Avenue, providing more visibility for GCT tenants sharing holiday baked goods and flowers for customers to grab on-the-go, the Wednesday before Thanksgiving.
- Holiday Wrap-Up: An eight-day event in the Grand Central Market successfully activated a vacant retail space while offering visitors complimentary gift wrapping for purchases made at GCT retailers, as well as the option to bundle food items purchased in the Market in a free Grand Central limited edition wooden gift crate.

SOCIAL MEDIA



Broadening GCT's digital presence attracted a wider and more diverse audience across GCT Instagram, Facebook, and Twitter handles.

- The GCT total audience (number of dedicated followers) grew by a combined 7,013 followers: 37.1% more than GCT social media growth in 2021 of a combined 5,114 followers.
- Impressions (the number of times a piece of content was displayed to a target audience) across all GCT accounts grew by a combined 19.7%, to over 43M followers reached over the course of 2022 compared to 36M followers reached in 2021.
- Engagement rate (people commenting, liking, or sharing posts) across all GCT accounts grew by over 51%, to over 2M engagements in 2022 compared to 1.3M engagements in 2021.
- 2022 saw more video reel content shared than ever before, which the GCT followers respond well to, and tenants love.

PUBLIC RELATIONS

- GCT press started to pick-up from spring to mid-summer with announcements of future tenants and the opening of multiple tenants including coverage in Crain's NY Business, Pix11, NY1, TimeOut, 1010 Wins, Eater, Patch, and NYTimes.
- In May, news of the return of ToC Squash brought coverage from NY1, Inside Hook featured a story about Vanderbilt Tennis Club, and New York Family featured things to do with kids in NY.
- In August, Architectural Digest included GCT in a story on the most beautiful train stations in the world and Untapped New York did a feature on hidden places in GCT. The Discover Your Korea event in Vanderbilt Hall drew attention in local listings including doNYC.com, Kid on the Town, and NYCPlugged. The Alma Train Party event, in partnership with MTA Away, drew coverage from PIX11, News12 NY, Patch, and Mommy Poppins, and more.
- In September, the Little Amal drew international media coverage including the Associated Press and was one of the biggest PR moments of 2022 for GCT. Coverage spanned geographies from Arab News to the Irish Examiner with PR reaching audiences of top news and pop culture media outlets.
- In October, the Regional Plan Association Centennial event drew coverage across real estate and local press including 6sqft, Archpaper.com, Curbed, Gothamist, NY Times, The Observer, and WNYC.
- In December, Good Day New York did a live interview from GCT to cover the launch of new GCT tours partner, Walks.



E-BLAST

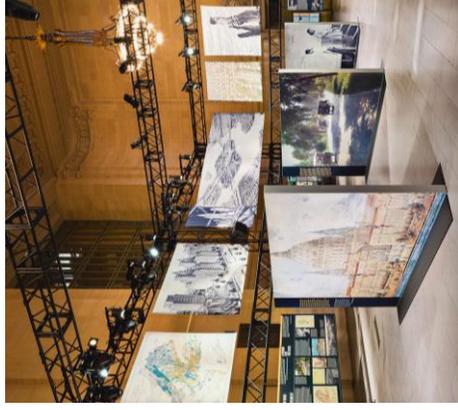
The GCT eblast newsletter grew from just over 84K subscribers at the beginning of 2022, to over 102K subscribers by the end of December. In total, 40 total eblasts were created and by year's end, weekly, if not 2x weekly eblasts were shared with GCT subscribers -- the most popular eblasts were in December, with open rates of 46.8% for both the Dec. 5th GCT Holiday Gift Guide eblast and the Dec. 16th American Greetings Holiday Fair sponsored eblast offering subscribers the chance to download a free digital holiday card. *(The average open rate for email newsletters across all industries is approximately 21%, according to MailChimp, the GCT eblast platform provider.)*

WEBSITE

With travel picking up gradually throughout 2022, GCT website sessions (visits to the website, which can contain multiple page views) grew by over 60% from 1.12M sessions in 2021 to 1.79M sessions in 2022. However, an analysis of user experience indicates that improvements are needed in how we communicate via the GCT website to best leverage this communication asset.

- 11.7% of users in 2022 were returning visitors, compared to 14.7% returning visitors in 2021. This tells us the GCT website could improve in user experience for locals and New Yorkers, and that most visitors are tourists seeking to navigate the Terminal and find shopping and dining options in a seamless fashion.
- The bounce rate (percentage of users who enter the GCT website and then leave rather than continuing to view other pages on the site) increased from 72% in 2021 to 74% in 2022. This tells us the GCT website needs to be more engaging to encourage users to explore the website, and that users are not easily finding the answers they are seeking whether looking for F&B options, shopping directories, or transportation and general info.
- Demographic info was nearly unchanged in terms of percentage of website visitors from the USA: 89.98% in 2021 and 89.97% in 2022. The next highest percentage of visitors in 2022: 1.97% from the UK, followed by 0.96% from Canada, 0.59% from Japan, 0.58% from France, 0.55% from Germany, 0.43% from China, 0.37% from Spain, and 0.33% from both Brazil and Italy.

GRAND CENTRAL EVENTS



EVENT SALES:

Events in 2022 had a slow start. The COVID-19 Omicron surge and the rules surrounding congregating events forced cancellation or postponement of all events in January and February. The annual JPMorgan Squash Tournament of Champions was postponed from January to April and a Palm Beach Tourism event was moved from January to March – otherwise, the first four months of 2022 were extremely quiet as uncertainty surrounding COVID safety protocols and low pedestrian traffic in GCT hampered any efforts to activate Vanderbilt Hall.

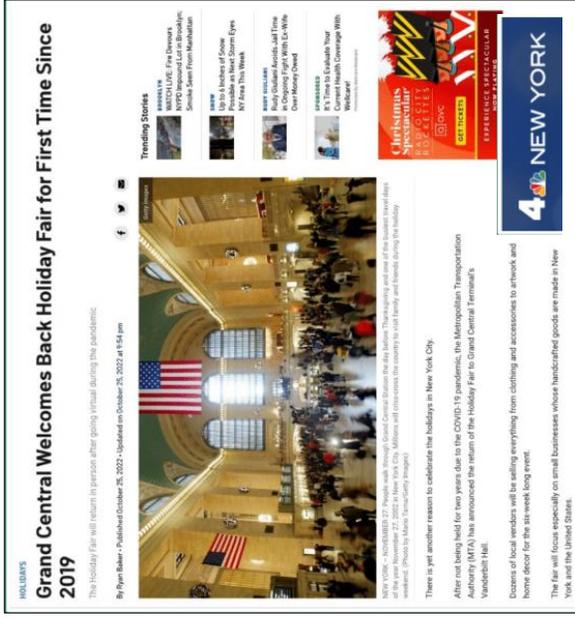
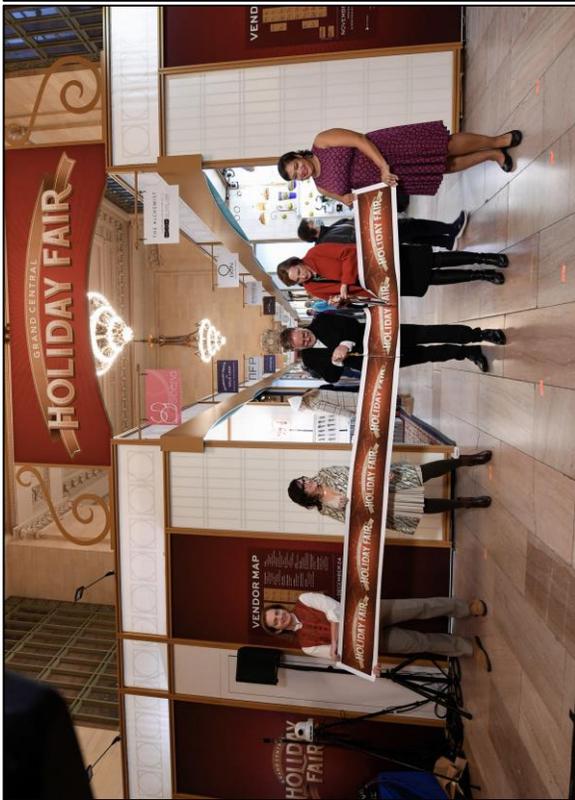
As COVID restrictions began to ease and ridership levels began to climb, inquiries increased and things started to pick up in May, starting with a unique Louis Vuitton activation in the Main Concourse. Paired with the ability to negotiate Vanderbilt Hall rental rates for 2022 events longer and more varied activations, such as Barbara Sinatra's Hospital Fight Child Abuse exhibit and the Regional Planning Association's 100th Anniversary (RPA) celebration, were made possible.

Activations in coordination with the MTA Away program, such as Alma's Way help to support MTA partnerships more broadly, but also help to draw positive attention in promoting GCT. The Kim Shui fashion show in September and the RPA exhibit in October, in particular, both drew impressive press coverage for GCT.

Month	# Commercial Client Event Days	# MNR Event Days (including film shoots)	# JLL Managed Event Days	Total 2022 Event Revenue
March	3			\$22,500
April	7	2		\$45,500
May	25	2		\$808,500
July	8			\$45,500
August	3	1		\$22,000
September	1			\$17,000
October	24			\$100,000
November			27	\$661,700
December			29	
TOTALS	72	5	56	\$1,804,200

2022 ended much stronger than it had started. The ability to negotiate rates helped secure business that otherwise would not have been able to activate at that time. As more and more events took place, there was an increase in interest for 2023 events. Looking ahead to 2023, we would like to activate more days in Vanderbilt Hall as well as other smaller locations around the Terminal, such as the Graybar Passage and the Biltmore Room. These additional spaces will allow for an increase in revenue and in smaller events that create excitement and interest for our customers.

2022 GRAND CENTRAL HOLIDAY FAIR:



After two years of a hiatus, the Holiday Fair came back stronger than ever in 2022. In all, 36 vendors and 2 sponsors participated in bringing back the magic that is the Grand Central Holiday Fair. The sponsorship partners from American Greetings and SL Green created strong and engaging activations on the ramp leading into the Holiday Fair, adding to the overall experience for visitors. With the help of MTA Media Relations, the Holiday Fair garnered excellent press, attracting local, national, and international coverage. Additional Holiday Fair advertising included a partnership with MTA Away, social media and Hearst ad buys in addition to print ads in Westchester newspapers and paid eblasts to NYC & Co. and TimeOut NY subscribers.

Successful as it was, securing 36 vendors proved to be an incredible challenge, as many businesses were still hesitant to commit due to an air of uncertainty that lingered after the COVID-19 Omicron surge. In an effort to secure all 36 spots, a one-time discounted rental was offered to incentivize participation in the Fair. This was exactly the boost vendors needed to commit and with that incentive, the Holiday Fair was able to lock-in full participation including more than 12 of the artisans being new to the Fair.

Based on vendor surveys, press, and word-of-mouth, we heard that the 2022 Holiday Fair was one of the best in recent years. The energy was exciting, and vendors, commuters, and visitors were all thrilled to be back after two years away. All-in-all, the re-opening of the Holiday Fair represented a turning point milestone in the overall perception and attitude of GCT's retail recovery – a trajectory that hopefully continues strong into 2023.

Staff Summary

Subject RENEWAL OF LICENSE AGREEMENT WITH SPATZ PROPERTIES LLC FOR AUTOMOBILE PARKING IN HARRISON, NEW YORK
Department REAL ESTATE
Department Head Name DAVID FLORIO
Department Head Signature
Project Manager Name JASON ORTIZ

Date JULY 19, 2023
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	07/17/23		X	
2	Board	07/19/23		X	

Internal Approvals			
Order	Approval	Order	Approval
1	Legal		
2	Chief Administrative Officer		
3	Chief Financial Officer		

AGENCY: MTA Metro-North Railroad ("Metro-North")
LICENSEE: Spatz Properties LLC
LOCATION: East of Railroad Monument 138 on the New York bound side of the New Haven Line, in Harrison, New York
USE: Automobile Parking
TERM: Ten (10) Years
LICENSED AREA: Approximately 15,517 square feet
COMPENSATION: \$50,430.25 in license year one with 3% annual increase

COMMENTS:

Licensee has requested to continue to utilize 15,517 square feet of property for automobile parking to be used by the tenants who occupy Licensee's building located adjacent to the Location. The Licensee will be responsible, at its sole cost and expense, for maintenance of the Licensed Area. A tenant status report from MTA's tenant management unit and a credit and background investigation were obtained and indicated that the Licensee is in good standing and possesses adequate financial resources to pay the proposed license compensation, maintain the required insurance and carry out the required property maintenance at the location.

The above compensation is in line with the market rates as determined by an independent Broker's Opinion of Value.

This license was granted pursuant to the MTA Board approved policy modification dated July 22, 2020, permitting the renewal of a license agreement with an existing Licensee in good standing.

Staff Summary

Subject SHORT TERM PERMIT FOR USE OF PARKING LOT AT POUGHKEEPSIE STATION
Department REAL ESTATE
Department Head Name DAVID FLORIO
Department Head Signature
Project Manager Name JASON ORTIZ

Date JULY 19, 2023
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
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1	Finance Committee	07/17/23		X	
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Internal Approvals			
Order	Approval	Order	Approval
1	Legal		
2	Chief Administrative Officer		
3	Chief Financial Officer		

AGENCY: MTA Metro-North Railroad (“Metro-North”)
PERMITTEE: Bike New York
LOCATION: Metro-North’s Poughkeepsie station parking lot
ACTIVITY: Use of station parking lot for event parking
TERM: Sunday, June 25, 2023, 5:30am to 11:59pm
SPACE: 378 parking spaces
COMPENSATION: \$1; payment waived

COMMENTS:

Pursuant to the MTA Board approved policy dated October 24, 2002, governing the use of railroad facilities by municipal and not-for-profit corporations for non-commercial activities, Bike New York was granted permission to utilize a portion of the Poughkeepsie station parking lot for its annual “Discover Hudson Valley Ride” event on June 25, 2023, from 5:30am to 11:59pm.

MTA Legal drafted the Permit Agreement, approved as to form and Permittee provided appropriate insurance coverage and indemnification for the above use.

**REPORT ON AGREEMENTS ENTERED INTO DIRECTLY BY THE REAL ESTATE DEPARTMENT
PURSUANT TO BOARD POLICY**

JULY 19, 2023

Agency/Project Manager	Renewal/RFP Generated	(Lessee or Licensee)	Location/Use	Term	Rental	Annual Increases	Size/Weekday Ridership	Price/SF
MTA & MNR/ David Florio	New License	Damselfly	GCT Dining Concourse/ Sale of Flowers and Floral Arrangements	15 months	\$26,112	N/A		\$174.74