

Philip D. Murphy, Governor
Sheila Y. Oliver, Lieutenant Governor
Diane Gutierrez-Scaccetti, Acting Commissioner
Kevin S. Corbett, Executive Director

NJ TRANSIT
One Penn Plaza East
Newark, NJ 07105-2246
973-491-7000

March 31, 2018

Honorable Ravinder Bhalla
Mayor
City of Hoboken
94 Washington Street
Hoboken, NJ 07030

Dear Mayor Bhalla,

During our meeting on February 28, 2018 in Trenton with members of Governor Murphy's senior staff to discuss regional ferry maintenance operations, I committed to you that NJ Transit would methodically research the best solution for continued ferry maintenance operations, whether in Hoboken or Bayonne. Immediately thereafter, I directed my staff to commence an investigation of the Military Ocean Terminal at Bayonne ("MOTBY") for the potential to house the ferry maintenance activities of New York Waterways ("NYWW") at that location on a long-term basis. To support this effort, NJ Transit has secured the services of WSP, an on-call consultant for the New Jersey Department of Transportation, and subcontractors that specialize in ferry and maritime operations. This investigation is on-going and, as I trust you can appreciate, will take time.

We also agreed to meet again in Bayonne with other stakeholders to continue the discussion of that location, and initially aimed to hold this meeting on March 7, 2018. While weather challenges complicated our efforts, I nonetheless secured the cooperation of the Port Authority of New York and New Jersey in this conversation and remain willing to reschedule our meeting on a date that works for everyone. I understand that you have had additional conversations with the Governor's staff where they assured you of the Governor's support for our MOTBY investigation, as well as his focus on avoiding the risk of ferry activities ceasing prior to our identification of the best long-term solution.

As you know, NJ Transit has been informed that the landowner in Weehawken at the site where NYWW currently conducts its ferry maintenance activities has directed NYWW to cease such activities by June 1, 2018. As NYWW is the principal provider of the critically important trans-Hudson ferry operation to our region, and NJ Transit is statutorily obligated to ensure ferry operations meet the needs of New Jersey and its many commuter residents, it is incumbent upon NJ Transit to assist in identifying a solution that allows NYWW to continue ferry maintenance activities necessary to support its ferry services to and from New Jersey, including while we continue our investigation of MOTBY as a possible long-term option.

To that end, I have recommended that at the special board meeting next Wednesday, the Board of Directors of NJ Transit authorize the purchase of the property known as Union Dry Dock in Hoboken and the simultaneous leaseback of the site to NYWW. By purchasing this property, NJ Transit will obtain ownership of the land and gain significant control over the scope and manner of NYWW's operations at the site, while ensuring that the most critical ferry maintenance activities are not significantly disrupted.

With this authorization, we intend to allow NYWW to use the Union Dry Dock location for ferry maintenance activities no sooner than June 1st, initially in the same limited manner in which they conduct those activities in Weehawken currently. We also intend to limit the use of any capital funds for landside alterations at Union Dry Dock until our review of Bayonne is complete and we determine the long-term solution for ferry maintenance. This is a necessary interim step while our investigation of the MOTBY option continues. As the owner and landlord of the site, NJ Transit will be in the best position to safeguard the interests of New Jersey and its many ferry-commuting residents while also taking into consideration legitimate local interests.

Let me assure you that I take my responsibility to New Jersey commuter residents very seriously, including those that depend on ferries. I remain available to speak with you as these efforts continue.

Sincerely,



Kevin S. Corbett
Executive Director

CC: Peter Cammarano, Chief of Staff to the Governor of the State of New Jersey
Matthew Platkin, Chief Counsel to the Governor of the State of New Jersey
Brian Stack, Senator, State of New Jersey
Ruben Ramos, Jr., President, Hoboken City Council
Emily Jabbour, Hoboken City Council
James Doyle, Hoboken City Council
Jennifer Giattino, Hoboken City Council
Michael DeFusco, Hoboken City Council
Michael Russo, Hoboken City Council
Peter Cunningham, Hoboken City Council
Tiffanie Fisher, Hoboken City Council
Vanessa Falco, Hoboken City Council
Joseph Maraziti, Counsel to the City of Hoboken