



REQUEST FOR EXPRESSIONS OF INTEREST

# Brooklyn Marine Terminal Port Operations and Maritime Industrial Uses

**BMT** Managed by  
NYC/EDC



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# I. Project Overview

The New York City Economic Development Corporation (“NYCEDC”) requests expressions of interest from port developers, port operators, and maritime industrial users with respect to the port and marine terminal facilities at the Brooklyn Marine Terminal (“BMT”) located in Red Hook, Brooklyn. The responses will further inform the refinement of the Vision for the Brooklyn Marine Terminal (“BMT Vision Plan” or “Vision Plan”), which is discussed in more detail below, as the proposed BMT port and marine terminal and mixed-use project moves forward through environmental review and eventually to one or more Requests for Proposals (“RFP”) for developers, port operators and maritime industrial users of the BMT port and marine terminal facility. Although the BMT port is envisioned to include the Brooklyn Cruise Terminal with the container and flex maritime terminals as a single commercial port area, the focus of this Request for Expressions of Interest (“RFEI”) is to solicit ideas for how BMT could be optimized for maritime industrial uses.

NYCEDC seeks proposals from a wide range of potential maritime port developers, port operators and maritime industrial users. More specifically, the purpose of this RFEI is to:

- Identify port operators/developers who would be interested in responding to one or more future RFPs for the operation and development of the BMT port and cruise terminal facilities together as a single commercial port area both consulting the proposed BMT Vision Plan and also allowing for alternate configurations to the footprint as proposed in the Vision Plan.
- Understand what refinements to the BMT Vision Plan (if any) could be made to increase interest in the future RFPs, including small or large-scale changes to the physical layout, size, configuration, or other existing constraints.
- Understand the potential market advantages or disadvantages of linking the BMT port facility to the Hunts Point Food Distribution Center or other existing or future coastal facilities via the water through a Blue Highway network and the importance of having unified operations at these facilities.
- Solicit feedback from the business community regarding the potential to significantly increase the type and/or level of maritime industrial activity at the BMT port facility and what infrastructure investments or other improvements would be most important in achieving this increase.

- Solicit feedback regarding the number, type, size, and configuration of new buildings that would need to be built at the BMT site to maximize the potential throughput at the site and the market opportunities for financing the construction of these new buildings.
- Identify other potential maritime industrial users of BMT that may seek to occupy portions of the port through entering into licenses or sublease agreements with a future port and marine terminal operator. These maritime industrial uses may include (but are not limited to) container shipping, construction staging or shipping of construction related materials, maritime based general bulk cargo operations, offshore wind, cruise, last mile delivery/blue highway shipping or other food supply infrastructure or manufacturing uses that rely on maritime shipping.
- Solicit market feedback on the potential economics for future maritime users at the site, including potential private capital investment and land rental proceeds.

## II. Project Background

### **The BMT Vision Plan**

In June 2024, the City and NYCEDC, respectively, entered into historic agreements with the Port Authority of New York and New Jersey (“PANYNJ”) to transform the long underutilized and neglected site of BMT by unlocking both public and private investment. Mayor Adams, Governor Hochul, NYCEDC, and the PANYNJ announced the agreements that swapped two waterfront properties, with PANYNJ securing control of Howland Hook in Staten Island and NYCEDC control of BMT. The Mayor and the Governor also announced a shared vision to transform BMT into a modern, all-electric maritime port and vibrant mixed-use community along the Brooklyn waterfront.

To help guide the BMT Vision Plan, in September 2024, a 28-member Task Force was formed made up of elected officials, community and neighborhood stakeholders, local and citywide nonprofit organizations, and industry experts. The Task Force was created to advise the planning and engagement processes, incorporate community feedback, and ultimately approve the final BMT Vision Plan that will be used as the foundation for the New York State Empire State Development Corporation (ESD) General Project Plan (GPP) process.

The BMT Vision Plan, released in spring 2025, is a comprehensive document that calls for improved public access to the waterfront in newly developed open spaces, the development of market rate and affordable housing, improved neighborhood resiliency, better connectivity through transit and traffic improvements, and the development of new affordable industrial space. At the heart of the plan is a commitment to maintain, modernize, and electrify the BMT port so that it responds to 21st century industry trends, is financially sustainable, and supports local efforts to move more freight by waterways under the nascent Blue Highways initiative. The plan as currently proposed describes a 60-acre modern and sustainable all-electric port focused on water-to-water freight, removing trucks from local streets, and serving as a key node in the Blue Highways network, and reducing direct-to-consumer vehicle trips.

### **The Port Today**

Today, BMT is a port of potential regional maritime importance, but due to chronic underinvestment, it is believed that substantial improvements are necessary to meet its full potential and respond to market demands. The current container terminal operates on less than

half the full site (approximately 60 acres) with a generally low-density operation. This operational arrangement may be suitable for the low volume currently handled at the terminal but will become increasingly inefficient if volumes increase. Not only does the finger pier configuration of Piers 7 through 9B no longer meet the needs of modern-day cargo vessels, but the entire structure is severely dilapidated. It is believed that BMT's potential to handle more containers and general cargo is not limited by space, but by obsolete infrastructure and equipment, regional competition, and a port layout that does not meet modern standards. Two of the piers (9A and 9B) have been condemned because of structural failure and will cost approximately \$300 million to replace in-kind. Recent dive inspections by NYCEDC show that Piers 7 and 8 need approximately \$400 million of investment to be brought back into a state of good repair in their current alignment (an alignment that is no longer suitable for modern cargo operations). Finally, under legacy operating agreements, the current port operator, Red Hook Container Terminal, LLC ("RHCT"), receives a \$3 to \$5 million annual operating subsidy from NYCEDC -previously paid by the PANYNJ- to keep the site in operation. The container port currently employs 170 individuals, the majority of whom are members of the International Longshoremen's Association (ILA), with additional jobs supported across the rest of the site.

### **Proposed Future Public Investments**

It is envisioned that a future operator at BMT will increase the port's throughput and volume and run a profitable maritime business once a series of investments have been made in port infrastructure, most importantly through the construction of a new marginal pier, providing room for growth in the bulk cargo business, including construction materials and in other Blue Highway-related initiatives focused on micro-mobility. With substantial public investment and a long-term lease, it is envisioned that a new operator will be able to privately finance further infrastructure improvements.

A redeveloped BMT port will be positioned to support an increased share of the handling of the imported perishables and foodstuffs cargo volumes destined for New York City. Moreover, BMT will be an important node within the city's Blue Highways network. The future BMT port will be able to support a range of maritime activities, including container, cruise, bulk cargo, construction staging, and project cargo (See Attachment B: Blue Highways Network). Future investments in the port will deliver a new marginal pier replacing Piers 8, 9A, and 9B, a reconfiguration that is believed will better respond to market demand and provide operational flexibility. Although the BMT Vision Plan describes a 60-acre port centered on a refurbished Pier

10 and new marginal pier at Piers 8 through 9B, respondents to this RFEI can submit proposals for a port facility with a different or larger configuration that may or may not contemplate a new marginal pier.

The future port will be fully electrified using clean energy through onsite renewable energy generation, electric cargo-handling equipment, and shore power, significantly reducing emission and noise impacts in local communities. The new marginal pier will be raised to protect the port from 2100s sea-level rise and frequent storms, ensuring resiliency into the future and helping mitigate the threat of coastal flooding and storm surges to operations.

Today, the entrances to the Port are set up in an inefficient manner with an entrance off Union Street and another entrance and exit from Hamilton Avenue. A new port entrance and exit at the Hamilton Avenue and Bowne Street intersections will direct truck traffic toward Hamilton Avenue, in turn providing direct access to the Brooklyn-Queens Expressway and reducing neighborhood traffic impacts at the intersection of Columbia Street and Atlantic Avenue.

In the short term, the City is already delivering substantial capital upgrades to the BMT site, including:

- \$15 million investment to purchase a new electric crane
- \$2 million investment in fender repairs to Pier 10
- \$1 million investment to demolish and remove the four out-of-service cranes
- \$55 million to bring the existing piers to state of good repair

Subject to an approved GPP and final approval by the Public Authority Control Board (PACB), public contributions from the City, State, and federal contributions to BMT would grow to \$411 million, including:

- \$164 million federal USDOT MEGA Grant with a \$109 million City match (City Capital, FY26) for marginal pier reconstruction
- \$65 million State grant towards the project, including \$15 million towards a new cold-storage facility to support the port and the Blue Highways initiative

### **Planned Port Operator RFP**

The BMT port is envisioned to benefit from a single operator assuming full operational controls for the container, cruise, and flex maritime terminals together as a single commercial port area,

allowing for increased efficiency, private investment in the port and financial sustainability with no operating subsidy. A future RFP is anticipated to encourage proposals seeking at least a 30-year lease term with the expectation that Respondents will propose to make significant private investment in top-side equipment, structures, and/or land-rental payments. The future operator of BMT may also be invited to submit a proposal to operate a Blue Highways service at Hunts Point associated with a 5- to 8-acre barge terminal on the peninsula in the Bronx, creating efficiencies and market opportunities for cross-harbor, intra-harbor, and coastwide marine shipping. A new marginal pier, modernized infrastructure and equipment, paired with densified operations, better site circulation, and a long-term operator is envisioned to facilitate intensified maritime operations at BMT.

NYCEDC does not intend to select a port operator, developer, and/or maritime industrial tenant(s) from this RFEI. Rather, the RFEI will serve as a critical step in refining the scope to be studied in the environmental review, identifying potential port operator/developer partners, and shaping one or more subsequent RFPs. The Brooklyn Marine Terminal Development Corporation (“BMTDC”), an entity that will be formed to oversee and manage the redevelopment of the BMT (see the Governance section of the Vision Plan), will ultimately be responsible for reviewing responses received from this RFEI and incorporating any lessons learned into the future RFPs.

For more details on the BMT Vision Plan, please review the BMT Vision Plan document in its entirety [here](#).

For more information on the market assumptions underlying the BMT Vision Plan, a copy of the Moffatt & Nichol memo from January 24, 2025 is attached to this RFEI in Appendix A.

# III. Response Guideline for Respondents

NYCEDC welcomes responses from all interested parties including those interested in acting as the operator/developer of the entire port facility or those interested in operating on a portion of the site as a tenant to the port operator. NYCEDC also welcomes responses from any interested maritime based industrial business that is interested in operating on the site even if they do not conform exactly to the vision of the port presented in the BMT Vision Plan. For example, Respondents are welcome to express interest in developing or operating a port that is larger than the 60-acres indicated in the BMT Vision Plan, or to propose maritime uses on parts of the site that are not designated for such use in the BMT Vision Plan.

Respondents should include the answers to the following questions in their responses:

## **Use, Size and Layout of Facility**

1. Describe the nature of the proposed maritime industrial operation: Who are the primary clients? What are the primary commodities? How dependent is the business on waterborne shipping?
2. Would the Respondent plan to act as a port operator/developer for the entire port facility or as a tenant to an operator?
3. How long has Respondent's business been operational? Where is Respondent's business currently located? Would a location at BMT represent an expansion of the existing business or replacement?
4. What location within BMT best suits Respondent's proposed use? Describe why this location is most suitable (e.g., requirement for contiguous open space, berthing space required, water depth, requirements for interior space, etc.).
5. How much acreage would the proposed use occupy? Does the Respondent anticipate the port to grow over time? How much and in what ways? Does the Respondent anticipate a phased approach to both initial construction and potential growth?
6. Describe the amount and type of interior building space that the proposed business would require. Is there a specific location within the BMT site where these buildings would need to be located?
7. Do the proposed future public investments described above and in the BMT Vision Plan make BMT a more attractive site for your business?

8. Are there different potential public infrastructure investments that would make the site more attractive to your business?
9. How important is a marginal pier with a 1,700 linear foot berth to your business? Could your business operate just as efficiently with the restoration of the finger piers at Piers 8, 9A and 9B instead?
10. Describe how your business would meet the City's goal to build a modern, all-electric, 21<sup>st</sup> Century port.
11. Are there other maritime industrial businesses whose presence at BMT would make it a more attractive location for your business?
12. What is your business' perspective on any synergies between BMT and a Hunts Point Marine Terminal?
13. What site infrastructure, acreage, and equipment at the Hunts Point Marine Terminal would be desired?

### **Financial Proposal**

14. Describe, in qualitative terms, the core functions and services that the Respondent's business currently uses to generate revenue.
15. Does the Respondent's company operate independently or is it a subsidiary of another? If the latter, who is the parent company and/or the largest holder(s)?
16. Provide examples of existing or previous operations, where similar functions described in this RFEI are used to generate revenue. Describe the financial model of these examples, including any public subsidies they receive.
17. To support the Respondent's existing/previous operations, has the Respondent's firm historically invested in the development of these businesses? Investment could take the form of either direct capital injection for infrastructure and/or equipment, and/or the provision of equipment through other sources. If so, please provide examples and a description of whether such an investment strategy could be brought to BMT.
18. What are the general conditions (i.e., length of lease term) your firm typically seeks to support the business model.

### **Employment**

19. Provide a brief description of the employment opportunities the Respondent's firm views could be associated with terminal operations, as well as within the broader community.

20. Provide an estimate of the number of Full Time Equivalent positions associated with the proposed project.
21. Does the Respondent's firm have prior experience working with unionized labor, and in particular, the ILA - if so, where?
22. Please describe plans for establishing a comprehensive workforce development strategy that could include a Project Labor Agreement, targeted community hiring, a maritime career readiness program for local disadvantaged residents, or other elements.

**Traffic/Utilities**

23. How much car traffic and truck traffic would the proposed business generate at the BMT on a daily basis?
24. How does the Respondent envision maximizing potential for Blue Highways at BMT?
25. Would the proposed business own boats or ships? How many? What size? Would these vessels need to be docked at BMT? How much berthing space would be required?
26. What is the required electrical capacity needed to run the proposed business?

**General**

27. Does the Respondent have any additional feedback on the BMT Vision Plan?

## IV. RFEI Schedule

<b>EVENT</b>	<b>DATE</b>	<b>TIME</b>
<b>RFEI issued</b>	<b>9/29/25</b>	<b>5:00 PM EDT</b>
<b>Info Session</b>	<b>10/20/25</b>	<b>9:30 AM EDT</b>
<b>Responses due</b>	<b>11/21/25</b>	<b>6:00 PM EDT</b>
<b>Interviews</b>	<b>12/1-12/25</b>	<b>--</b>
<b>BMTDC Board Determination</b>	<b>1Q 2026</b>	

## V. Submissions and Details

Respondents shall submit their proposals pursuant to the instructions set forth on the RFEI web page (which can be found at [edc.nyc/rfps](http://edc.nyc/rfps)). Respondents are welcome to submit responses to any or all parts of the RFEI. Furthermore, respondents are welcome to combine responses to multiple parts of the RFEI. For each part of the RFEI, respondents are welcome to provide further details for contact information and respondent overview. All submissions should be no longer than 25-30 pages including any renderings, site plans or drawings.

For the RFEI overall, responses must contain the following in this order:

- A. Contact information, including the legal name of the respondent, business address (if applicable), name of contact, telephone, and email.
- B. Firm Description: A brief description of the company, its lines of business, organization, mission, affiliates, objectives, location, its years in business under its present business name, and a list of previous business names used, if any.
- C. Financial Capacity and Capability: A description of the financials of the Respondent and financial approach to demonstrate adequate financial resources to develop the site in a manner consistent with Respondent's proposal.
- D. The description shall include the Respondent's general maritime industry experience and in operating facilities related to or serving such industry. The Respondent shall identify and briefly describe all facilities operated by the Respondent and any affiliates, the annual volumes of activity and customers served at such facilities, and other information pertinent to the operation of such facilities. The Respondent shall include any experience relevant to demonstrate its experience in successfully developing and/or operating facilities related to proposed uses.
- E. Any other information relevant to determine the level quality of experience Respondent has in successfully developing and/or operating facilities related to proposed uses.
- F. Responses to the questions relevant to your organization listed in Section III and any other information that would be informative and responsive to this RFEI.

Submissions will be evaluated by NYCEDC and BMTDC based on (1) alignment with the City's objectives described in this RFEI, (2) the potential long-term viability of the proposed operation, (3) demonstrated capability, expertise, and experience of the respondent, and (4) the feasibility of ancillary infrastructure improvements or other City interventions required to support implementation. Respondents are encouraged to submit as much information as possible, specifically by providing comprehensive responses to the questions outlined in Section III. All responses must be shared in full to all BMTDC Board Members.

## VI. Terms and Conditions

In addition to those stated elsewhere, this RFEI and any transaction resulting from this RFEI are subject to the conditions, terms, and limitations stated below:

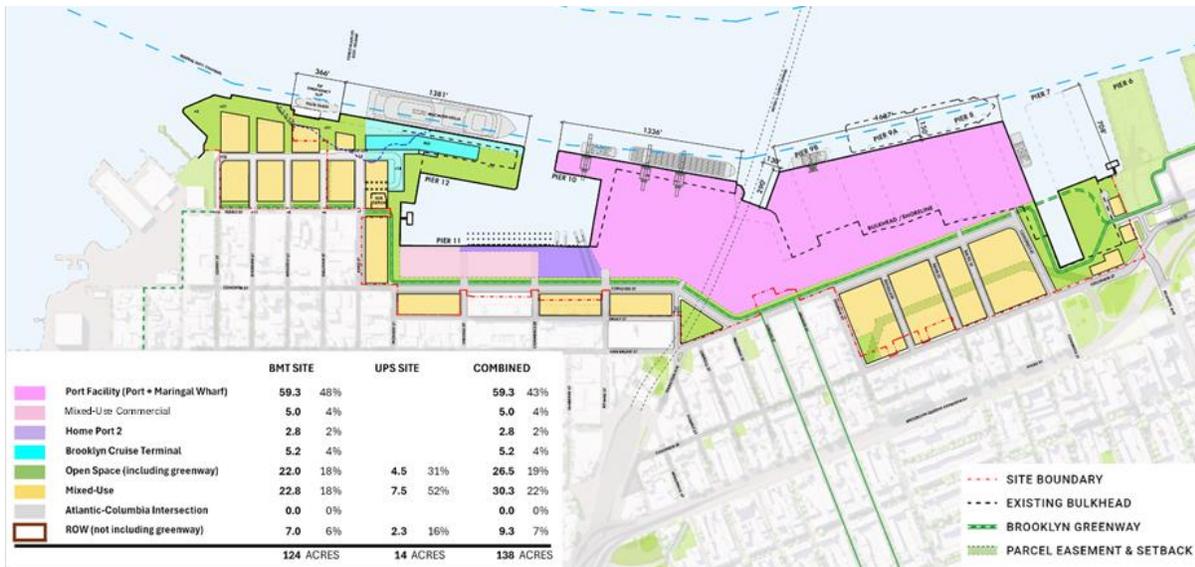
- A. This RFEI is not intended as a formal request for proposals for the award of a contract or as a prerequisite for participation in any future solicitation.
- B. The City and NYCEDC, and their respective officers, employees, and agents, make no representation or warranty and assume no responsibility for the accuracy of the information set forth in this RFEI.
- C. All proposals shall become the property of NYCEDC upon submission.
- D. NYCEDC and/or the City are not obligated to pay, nor shall in fact pay, any costs or losses incurred by any Respondent at any time, including the cost of responding to the RFEI or negotiating legal agreements.
- E. All proposals and other materials submitted to NYCEDC in response to this RFEI may be disclosed in accordance with the standards specified in the Freedom of Information Law, Article 6 of the Public Officers Law (“FOIL”). The entity submitting a proposal may provide in writing, at the time of submission a detailed description of the specific information contained in its submission, which it has determined is a trade secret and which, if disclosed, would substantially harm such entity’s competitive position. This characterization shall not be determinative, but will be considered by NYCEDC when evaluating the applicability of any exemptions in response to a FOIL request.

**APPENDIX A:**  
**Moffat& Nichol Memo January 24, 2025**

# MEMORANDUM

**To:** NYCEDC  
**From:** M&N  
**CC:** Buro Happold  
**Date:** January 24, 2025  
**Subject:** BMT Collective Market Assessment and Planning Implications Brief  
**M&N Job No.:** 241265

The intent of this document is to provide M&N’s assessment of the market dynamics which have framed the outlook for freight and passenger activity at BMT, and to provide a summary of the associated planning implications. The document covers containers, construction staging, general cargo and cruise and is based on the site configuration shown in the figure below.



## Containers

### Overall Assessment

**Opportunity – There is no doubt BMT has an opportunity to increase its throughput / volume in the future. Such volume growth will primarily come from capturing an increased share of the handling of the imported perishable products and foodstuffs ultimately destined for New York City that today use ports in New Jersey, Pennsylvania and Delaware. Long-term vision to establish logistics routing through BMT to Hunts Point, largest location of food distribution for New York City.**

***Challenges – There are, however, notable limitations and competitive factors which must be considered in the upside potential of the terminal. The challenges primarily relate to the existing layout of piers, poor condition of the maritime infrastructure including draft limitations and lack of a developed last mile sustainable delivery network primarily to the Fish, Meat and Wholesale Produce Market.***

### **Existing Conditions for Red Hook Container Terminal Operations**

- BMT’s existing position is that it serves as a niche terminal inside the larger NYNJ port complex. It has historically accounted for 1-2% of NYNJ’s total throughput, serving small vessels whether that be of the larger carriers (e.g. MSC, CMA CGM) or the smaller / specialized carriers (e.g. Seaboard, Grimaldi).
- BMT’s access channel is limited to 40’ compared to the other terminals in NYNJ which are accessible to 50’. BMT is not presently part of deepening project for the Port of New York and New Jersey.
- Furthermore, pier infrastructure has deteriorated (Pier 9a & 9b are condemned, Pier 10 fenders are in need of replacement) and there has been little to no investment in new handling equipment (all Ship to Shore (“STS”) cranes are over 20-years old and approaching the end of their lifecycles, 2-of-4 of the 4 cranes at Pier 10 are not operational). Finger pier configuration is obsolete and will no longer be useful for modern port operations
- Since the transfer of management control of BMT from the Port Authority to EDC, much of the infrastructure and equipment is owned by the City (pier infrastructure and container handling equipment) and the existing lease agreement with Red Hook Container Terminals (RHCT), inherited by EDC from the Port Authority, does not incentivize RHCT to make investments due to their relatively short terms.
- The container terminal operates with a generally low densified reach stacker operation, using only a portion of the site for container operations, which is suitable for the low volume currently handled at the terminal, but may become increasingly inefficient if volumes were to increase. The operation today uses more land compared to proposed densified operations.

***Overall, the terminal has been put into a disadvantaged position because of the lack of public and private investments in pier infrastructure and handling equipment. The finger pier configuration no longer meets the needs of modern-day vessels. Irrespective of the challenges and limitations posed by other physical attributes (discussed below), RHCT’s lack of proper/functioning/modern equipment and infrastructure has clearly impacted its ability to compete for market share.***

### **Existing Physical Limitations**

- Access channel and berth pocket are 40’-depth, limiting vessels to roughly 4,000 TEU vessels.
  - Though still present in the fleet which calls NYNJ, the larger trade routes (North Asia, Europe, Southeast Asia) generally deploy larger vessels to take advantage of economies of scale.
  - This suggests that BMT’s opportunity to serve/attract services is on the smaller routes, namely select South American services, Caribbean and Central America, Africa and even the Mediterranean



- BMT's Pier 10 is a single berth and can serve one container ship at a time (along with a barge simultaneously). This single berth is capable of serving additional throughput from the addition of a third service (and up to a fourth service should demand exceed expectation).
- Total maritime and non-maritime operations at BMT are today conducted on roughly 60-acres, compared to 200 – 350+ acre terminals in NYNJ.
- Access to the regional road network is through the BQE. Congestion on the BQE and surrounding local streets is a limiting factor for moving a higher volume of containers through BMT that are picked up and delivered by trucks.
- There is no on-dock / near-dock rail to support high volume / frequency of container movement.
- Even if water depth, crane count, yard area were not limitations, the resulting truck traffic associated with higher container volumes would negatively impact the neighborhood and run counter to one of the core goals of the redevelopment effort at BMT.
- BMT does not sit in close proximity to the large dry and refrigerated warehouse clusters (found in NJ & PA) that support the transloading activities associated with high volumes of consumer goods. These facilities rely heavily on trucks, and a sharp increase in truck traffic on local roads would be problematic in the adjacent residential neighborhoods of Red Hook

***Overall, BMT is limited to smaller vessels by its navigation access and transportation connectivity. This suggests its potential lies with smaller trade routes and niche carriers.***

### **Existing Market at BMT**

- The existing shipping profile consists of two “regular” scheduled services:
  - 1) a weekly Seaboard service (2,600 TEU vessels upgraded to 3,600 TEU vessels in Q4 2024) that serves the Caribbean and Central America trade route. It has a high exposure to refrigerated cargos (particularly bananas)
  - 2) a bi-weekly Grimaldi service (specialized Container-RoRo [ConRo] 1,750 TEU vessels) that serves the West Africa trade route. Again, some exposure to perishable items but also handles dry cargo as well
- Additionally, the terminal handles other ad-hoc and seasonal sailings from Seaboard
- Both the Seaboard and Grimaldi services call other Northeast ports (Philadelphia and Wilmington, DE). These two ports, with Philadelphia in particular – which includes Philadelphia, Glouster and PSA Penn – are BMTs strongest competition for the small vessel, perishable product market.
  - M&N estimates that roughly 20-25% of the volume handled in Philadelphia is destined to the NYNJ MSA (target market for BMT) – this is trucked in (roughly 40,000 inbound moves annually)
- BMT sends a barge to NJ twice a week loaded with international import containers that have arrived on the international vessels. These barges are returned to BMT with full or empty containers which will be loaded onto the international vessels for export. This barge service is valuable to BMT as it



allows the customers of Seaboard and Grimaldi to access the NJ market, creating a larger, more diversified end-user base. This service is currently subsidized.

- Within NYNJ there is a strong affiliation between the container terminals and the carriers, where the terminal operator and carrier are owned by the same parent company. This means that the carriers (CMA CGM, Maersk, MSC) will call their affiliated terminals (Port Liberty Bayonne/NY, Port Elizabeth, PNCT respectively). The likelihood of shaking one of these carriers' services loose from their affiliated terminal is low.
  - There are however, two ways to have one of those carriers call BMT 1) Have the cargo owner rather than shipping line prioritize the use of BMT due to a superior last mile logistics set up there compared with New Jersey, Pennsylvania or Delaware or 2) provide lower costs than New Jersey. Option 2 is very challenging to do as the terminal business is primarily scale driven and the New Jersey ports are much more efficient on a unit basis for the large carriers than BMT will ever be.
- In general, long-term concession agreements incentivize terminal operators to invest in modern handling equipment and operations. Additionally, terms are now being renegotiated where infrastructure investments (traditionally the responsibility of Port Authority) are now falling to the terminal operators (which is contrary to what is being proposed at BMT and could make the terminal attractive to an operator). The cost of pier redevelopment is substantial, in the \$100s of millions, and the Port Authority simply does not have the revenue to support these necessary improvements.

***Overall, there is significant competition coming from the local NYNJ terminals, but even more so from Philadelphia and Wilmington. Capturing additional volume / services at BMT will mean altering the existing supply chains of cargo owners which is not easily done.***

### **Hunts Point**

- A separate work stream (not M&N) has been taking place with regards to a potential Blue Highway landing at Hunts Point. This project involves removing the existing unoccupied Prison Barge and transforming the associated land into a marine terminal that can accommodate Ro/Ro and Container barges as well as smaller last mile vessels. The goal of this project is to move as many trucks destined to/fr. Hunts Point from the roadways to waterways improving the overall condition for residents and businesses within the Bronx.
- Moving cargo by barge compared with truck is economically challenging due to the additional lift on and lift off charges (4 more compared with trucking) and the efficiencies and flexibilities of over the road trucking.

**Overall, water delivery of cargo to Hunts Point, if successful would provide a significant opportunity to grow cargo volumes at BMT and launch a large-scale Blue Highway container on barge system within New York City.**

### **Container Market Outlook**

- BMT currently handles 90,000 moves annually



- 60,000 international moves (import and export trade carried by international-bound vessels) – Seaboard & Grimaldi
- 30,000 barge moves to / from NJ
- Therefore, it is assumed that each of the two regularly scheduled service accounts for 45,000 moves (ignoring the ad-hoc and seasonal sailings) consisting of 30,000 international + 15,000 barges.
- Based on service profile in NYNJ, Philadelphia and Wilmington, M&N believes it reasonable to assume that with the investments made in equipment and pier infrastructure that BMT should be able capture at least one additional service – resulting in an incremental 45,000 moves for a total of 135,000 moves.
  - Within NYNJ there are three-to-four independent small services currently calling other terminals. These include Turkon, Hapag-Lloyd (Gemini Alliance w/ Maersk), Zim and another Grimaldi service which could be attracted.
  - Additionally, in NYNJ some of the large carriers (CMA CGM, MSC and Maersk) have smaller services (<4,000 TEU) which as capacity becomes limited in the NYNJ terminals may seek an outlet at BMT.
  - Within Philadelphia there are three Seaboard services (one of which also calls BMT now) which could be inclined to add a call to BMT.
- In general, it is very challenging to attract new carriers / services, because cargo owners (e.g. Dole, Chiquita) and shipping lines must both realize the benefits of changing terminals.
- One additional service means that berth utilization at the single berth facility, operating 5-days/week at two 8-hour shifts per day, would begin increasing above the 50% point, after which the risk of service disruption, queuing time increases significantly. This could add to wait times and costs for shipping lines / cargo owners which is problematic for a terminal operator. Additional topside equipment (including cranes) could be used to improve (i.e. decrease) the time vessels are at berth. As another options, should the port assume a 7-day, 24-hour operation, berth utilization would not exceed 50% even with a fourth service.
  - As part of the analysis, M&N joined EDC for a series of industry participants (terminal operators and port investors) engagements. This served as an opportunity for EDC to present to the conceptual BMT redevelopment project and to get their feedback as to the opportunities and risks associated with the project: Some of the key, shared themes were:
    - Recognition that BMT would continue to serve a niche role inside the larger port NYNJ basin, servicing the smaller vessels on the smaller trade routes
    - Strength in perishables is a plus, but this a specialized market which relies on certainty of vessel schedules and fluidity (speed) of movement through the port and transportation system
    - Competition against truck is difficult, and that the barge movement is a tricky business model, it can be done, but not easily. One operator pointed to the success of the barge operation between Vancouver and Vancouver Island as evidence that the system can work.
    - The Hunts Point barge operation being studied by EDC, is an interesting potential integration with BMT serving as a hub for Blue Highway. In such a scenario, this should be operated by the same operator of BMT to ensure as efficient and low cost and operation as possible.



- Long-term leases (30-year minimum) is needed to attract an operator

***Overall, one additional service (bringing the total to 135,000) is a realistic planning scenario. If this were a private client, seeking to buy the terminal, this is level of activity we would advise them to base the valuation on. While there is upside potential to attract additional service(s), the realities of the market, traffic and connectivity issues, as well as the cost of adding additional infrastructure and equipment are considerable challenges.***

### **Container Port Precedents**

- The size and location of BMT is uncommon in world of container ports / terminals, but there are few precedents in North America.
  - Port of Montreal, QC
  - Port Hueneme, CA
  - Port of New Orleans, LA
  - Port of Fernandina, FL
- These ports / terminals operate on smaller footprints (roughly <50 acres) and / or are bordered by urban centers

### **Container: Operational and Planning Implications**

- Given the guidance of 135,000 moves being the target M&N has presented an alternative to the existing reach stacker operation, one which will densify the terminal and allow it to increase capacity
- We would recommend to any client which is seeking to balance increasing port capacity and efficient use of land area (on a comparatively small footprint)
  - A 25–26-acre RTG operation
  - RTG operations are common practice at modern container terminals and are effective at increasing capacity through densification.
- This footprint can be easily expanded into the Flex zone handle up to 170,000 moves annually by the footprint by 2-3 acres. This additional acreage would sit within the Flex Maritime area, adjacent with container terminal, and which whose area is indented to accommodate multiple uses (Construction Staging and General Cargo discussions below)
- It maintains the 1,300 ft berth at Pier 10, which allows for the berthing of one international vessel and one barge simultaneously (allows for efficient transfer of cargo b/w international vessel and barge)
- It requires three functioning STS cranes on berth 10 (and should volume exceed expectations a 4th would be necessary)
- Modern gate infrastructure will allow the terminal to decrease truck processing time and reduce the number of lanes in operation
- The motivation for this design was to balance a number of considerations:
  - the desire to keep and build container activity on site



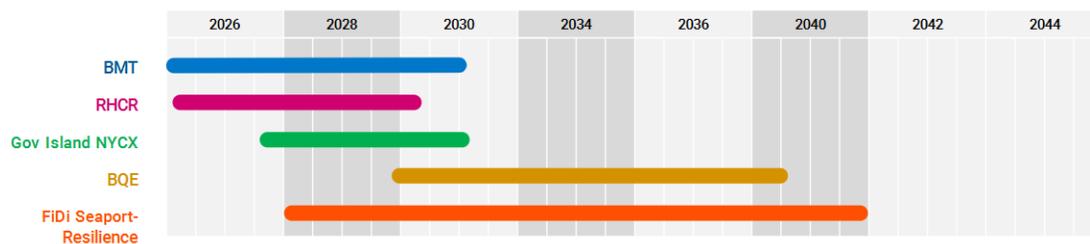
- the desire for BMT to ultimately serve as a hub for the Blue Highway in which case container handling / disaggregation would be needed
- the desire to have adjacency with the general cargo docks
- to make the most efficient use of BMT acreage and free up land for housing, open space etc.

***Overall, densified operations are common practice at modern container terminals, and in BMT where efficient use of available land is a priority, the footprint designated for containers is sufficient to handle up to 135,000 moves with ability to scale to 170,000 moves easily (2x the volume terminal is currently handling).***

### **Construction – Staging Activity**

#### **Market Rationale**

- There are five identified large-scale construction projects in close proximity to BMT, which could benefit from utilizing a barge-fed staging area located at the terminal. These projects include:



- Based on the schedules there appears to be continuous planned activity between 2026 – 2040. These are capital intensive projects that will be moving a large volume of associated goods and equipment during their construction phases, some of which could be well handled by barge to avoid traffic on the local roads.
- The barge facility development by NYNJ Port Authority to support the redevelopment of JFK Airport is a good precedent.
- JFK is undergoing a \$19 billion redevelopment program which includes the construction of two new terminals.
- To support this the Port Authority developed a six-acre barge facility to facilitate the movement of dry bulk and equipment cargo which is needed for construction.
- Operations began in 2023, almost two years following the initial EOI request. Construction and operation of the barge facility was awarded Modern Efficient Transport and Supply LLC (METS).

**Overall, there appears to market demand and precedent for construction staging activity at a barge fed facility.**



### **Construction Staging: Operational & Planning Implications at BMT**

- M&N has recommended that the Flex Maritime area could support construction staging activity
- Given the scale of the some of the identified projects (BQE \$8-10 billion; Governors Island \$1 billion, RHCR \$100 million) M&N estimates that this area may be able to accommodate two projects simultaneously. The contemplated design may allow this space to be increased for periods of time when extra laydown space is needed for these project
- Waterside capabilities should allow for barges and small general cargo vessels (Handysize ships 400'-to-500' long meters long and draft 30-to32')
- Cargo can be loaded and offloaded using mobile harbor cranes and / or ships gear (cranes on the vessels)
- Roll-on and Roll-off ramps should also be available to accommodate cargo if necessary

### **General Cargo – Bulk**

#### **Existing Operations and Uses**

- RHCT currently utilizes roughly 20 acres located behind Piers 8, 9a and 9b for general cargo and non-maritime uses. These uses include:
  - DOT cement recycling operations
  - Private aggregate storage and transport
  - Equipment storage and parking (e.g. hotel modular components, autos, boats, garbage trucks etc.)
- These are non-maritime opportunistic lines of business for the terminal operator, meaning that there is a benefit to the terminal operator to keep acreage available for mixed uses should / when demand arises.
- M&N strongly recommends that in the future BMT prioritize and limit general cargo / mixed use to strictly maritime-related cargos / functions
- Given that bulk and general cargo is generally low value (e.g. salt, sand, rock, steel items) they are not typically strong sources of revenues for ports. However, given the demand for such products from a wide range sources, there will generally be a demand for port infrastructure needed to accommodate them.

#### **General Cargo: Utilization & Planning Implications at BMT**

- Given the opportunity and low-value nature of the cargo, M&N would not advise that BMT make the handling bulk cargo a priority at BMT.



- However, should there be acreage available at the Flex Maritime terminal, this can be utilized for the handling and storage of these goods (if there is no better identified use e.g. construction staging and / or Blue Highway operations).
- There is a limited number of locations in Brooklyn and Manhattan where dry bulk and miscellaneous breakbulk freight can be offloaded / loaded at the waterfront, suggesting any ability to handle this freight is valuable to city (from the perspective of mitigating truck traffic)
- Waterside infrastructure at BMT should be ready to receive barge and Handysize vessels
- The same mobile harbor cranes and roll-on and roll-off ramps identified should be sufficient for cargo handling needs.

### **Offshore Wind**

- Analysis determined that this is not a competitive site for offshore wind due to both market and physical constraints.
- The infrastructure needed for OSW is more expensive and requires a higher loadbearing capacity than what is existing at the container terminal today or is being planned for the new marginal pier.
- OSW use would require 30 acres or more dedicated to OSW use, reducing the future flexibility of the port to be responsive to future market demands.
- Today, the establishing OSW at BMT would be competing with the existing OSW facilities at SBM, while the outlook for long-term demand of offshore wind is inconsistent.

### **Cruise:**

#### **Global Cruise Activity**

- Global cruise passenger levels have rebounded and continue to grow from the Pandemic with 33.4 M global passengers in 2024. Top destinations include the Caribbean, Mediterranean, and Europe aboard the major operators like Carnival, Royal Caribbean, MSC, and Norwegian that control over 80% of the cruise market.
- The global growth forecast for the cruise market is expected to expand to an estimated 65 M passengers all attributed to current trends of the cruise orderbook expansion, older and smaller vessel replacements, steady growth, and full vessel occupancy rates.

#### **Regional Cruise Activity: NYNJ Metro Market**

- In the NYNJ metro area, cruise passenger movements have historically seen a stable growth trend with the MCT (Carnival, NCL, MSC, etc.), BCT (MSC, Cunard, Princess, etc.), and Cape Liberty (Royal Caribbean) terminals handling 2.27 M passenger moves in 2023.
- Most cruise destinations from NYNJ metro are destined for the Caribbean, followed by Bermuda, Canada/New England, and Transatlantic, among others.



- Between the MCT and BCT terminals, MCT accommodates 68% of total passengers while BCT handles the remaining share. In 2040—and assuming planned improvements to MCT and BCT facilities are advanced to accommodate larger ships—passenger volume at MCT and BCT is expected to hit just below 3 M, accompanied by a 4.0% CAGR. BCT is expected to handle around between 700k and 800k passenger moves in 2040, and growing to capture 25% of total MCT / BCT passenger moves.

### **Implications for BCT**

- To accommodate growing demand, the new BCT terminal should be prepared to accommodate a navigation channel of 38 – 40 ft, at least a 1,300 ft berth length, and an apron width of 50 – 65 ft. A new terminal is recommended to be sized between 130k – 150k sq ft on a two-story footprint with at least 2 passenger boarding bridges (PBB).
- In terms of landside planning, the terminal should accommodate between 10 – 16 bus parking bays. As cruise guests today predominately arrive by car, significant guest loading / unloading curbside areas are also recommended. Parking is a major source of revenue for cruise terminals and should be provided in an amount considering user demand, available land, and total construction cost. Cruise provision operations, requiring approximately 20 tractor trailers and another 10-12 box trucks, are expected incoming for each large cruise vessel turn and must be accounted for when designing the traffic patterns to ease access.
- To design for environmental sustainability, a modern cruise terminal should incorporate shore power, which allows the ships to turn off their engines at berth, and zero carbon terminal construction methods such as LEED certification and considering building materials. Facility design should also seek ways to allow for mixed-use / multi-use of the terminal when not in use for cruise operations as well as seek approaches to incorporate public access within the context of port security requirements.
- Construction at MCT Piers 88 and 90 is currently estimated to last for roughly 10 years. It is expected that BMT facilities will accommodate MCT traffic during those years.
- BMT would benefit from a single operator assuming full operational controls for the container, cruise and flex maritime terminals together as a single commercial port area. This will allow for efficiencies across staffing, equipment use, fixed costs centers which will ultimately manifest itself in lower operating costs (margins for the operator) and lower prices for the terminal's customers (lower fees). There are several US-based terminal operators which have expertise in container, cruise and general cargo operations including Ports America and SSA.



**APPENDIX B:**  
**Blue Highways Network**

**BMT** Managed by  
**NYC / EDC**