MEMORANDUM OF AGREEMENT
BETWEEN
THE NEW JERSEY PINELANDS COMMISSION
AND
THE SOUTH JERSEY TRANSPORTATION AUTHORITY

I. PURPOSE

This Memorandum of Agreement (MOA) is entered into between the New Jersey Pinelands Commission (the "Commission") and the South Jersey Transportation Authority (the "Authority"). The Authority as the owner and operator of the Atlantic City International Airport (the “ACY”) located in Egg Harbor Township, Atlantic County. The Commission is an independent political subdivision of the State of New Jersey created pursuant to Section 4 of the Pinelands Protection Act, N.J.S.A. 13:18A-1, et seq., and charged with the implementation of the Act and the Pinelands “Comprehensive Management Plan” (the “CMP”), N.J.A.C. 7:50. The Commission is also the planning entity authorized under Section 502 of the National Parks and Recreation Act of 1978.

The Authority has developed a Comprehensive Land Use Plan for the Atlantic City International Airport dated September, 2003 (the “Plan”) (attached hereto as Attachment 1), which consists of short-term and long-term development projects to be constructed at and affecting the ACY. This MOA is intended to facilitate the implementation of the short-term development projects (referred to as “near-term” projects in Attachment 3) contained within that Plan, including the implementation of a Grassland Conservation and Management Plan and Forest Preservation Plan. No part of this MOA is intended to address or authorize any of the Authority’s long-term development projects identified in the Plan.

II. BACKGROUND

A. The ACY Property

The Atlantic City International Airport property is comprised of approximately 2,100 acres. The Authority owns approximately 84 of these acres on which the terminal building and associated airport support facilities are located, and leases an additional 2,000 acres from the owner of the remaining land, the United States of America. The Plan and this MOA pertain solely to the 2,100 acres (the "Property") owned or leased by the Authority.

The property is located within a Pinelands Regional Growth and a Pinelands Military and Federal Installation land management area as defined in the CMP.
B. The Comprehensive Land Use Plan for the Atlantic City Airport

The Plan consists of both short-term and long-term projects. The short-term projects were identified in the Final Environmental Impact Statement (FEIS) prepared for the property as projects that could be implemented immediately or in the foreseeable future, subject to any conditions stated within the Record of Decision of the Federal Aviation Administration. Although long-term projects were also discussed in the FEIS, these projects were included for informational purposes so that the cumulative impacts of all projects contained within the Plan could be evaluated. These long-term projects will require additional environmental analysis before they will be ripe for decision.

1. Short-Term Development Projects

   a. Terminal Area Development

      In order to accommodate existing and future passenger and airline needs, the Authority plans to develop new or expanded terminal area facilities. The following activities are included in this short-term development project:

      1. Expansion of Terminal Building and Gates including Relocation of the apron and Taxiway H
         2. Public Parking Garage
         3. Rental Car Maintenance Facility
         4. Airline Cargo Warehouses
         5. General Aviation Hangars
         6. Deicing Apron

   b. Auxiliary Area Development

      In order to advance the airlines’ interest in establishing maintenance and cargo facilities at ACY, the Authority plans to develop an area of the airport for aviation-related light industry. The following activities are included in this short-term development project:

      1. Aircraft Maintenance Hangars
         2. Air Freight Warehouses
         3. Full-length Parallel Taxiway west of Runway 4-22
         4. Aircraft Parking Apron and Taxiways
         5. Access Roadway and Parking

   c. Hotel/Conference Center

      In response to the demand for on-site lodging and meeting facilities, the Authority plans to allow a third-party developer to construct a hotel/conference center on airport property. The following activities are included in this short-term development project:
1. One Three-story Building for 150 Suites
2. Lobby area and Amenities
3. Swimming Pool and Outbuildings
4. Auto Parking

d. Runway 13-31 ILS Upgrade

In order to improve the utility of Runway 13-31, the primary runway that runs east/west, the Authority plans to install electronic navigational aids on Runway 31. This instrument landing system, or ILS, would increase airfield efficiency and operational safety when pilots have to land on Runway 31 during inclement weather. The following activities are included in this short-term development project:

1. Localizer Antenna
2. Glide Slope Antenna
3. Medium Intensity Approach Light System (MALSR)
4. Marker Beacons

e. Holding Aprons

To increase taxiway efficiency and operational safety, the Authority plans to construct holding aprons at each end of Runway 13-31.

f. Grassland Conservation and Management Area

2. Long Term-Projects

a. Direct Airport Access from A.C. Expressway
b. Runway 4-22 Extension (the alternative north/south runway)
c. High-Speed Taxiway Exits
d. Non-Aviation Development along the White Horse Pike

C. The Final Environmental Impact Statement

As mandated by the National Environmental Policy Act of 1969, 42 U.S.C. § 4321 et seq. ("NEPA") the FAA prepared a Final Environmental Impact Statement ("FEIS") and approved its circulation on October 24, 2003 (the Executive Summary of the FEIS dated September 2003 is attached hereto as Attachment 2. A copy of the complete FEIS is available for review at the Pinelands Commission’s offices) to document and assess the environmental impacts of the Plan. The FEIS also includes recommendations as to the appropriate development alternatives that were consistent with providing public service, specifically safe, efficient and reliable air transportation service to the Southern New Jersey region. The FEIS included specific environmental commitments to be undertaken by the Authority to ensure that the proposed short-term projects would not result in significant environmental harm (see Attachment 3).
D. The Basis of the MOA

The CMP (N.J.A.C. 7:50-4.52(c)2) authorizes the Commission to enter into intergovernmental memoranda with any agency of the Federal, State or local government which authorizes such agency to carry out specified development activities that may not be fully consistent with the provisions of the CMP, specifically N.J.A.C. 7:50-5 and 6. The agency must demonstrate, and the Commission must find, that any proposed development that is not fully consistent with the standards of the CMP is accompanied by measures that will, at a minimum, afford an equivalent level of protection of the resources of the Pinelands as would be provided through strict application of the CMP’s standards.

As part of the FEIS, the Authority has developed mitigation measures to address the environmental impacts associated with its short-term development projects. These measures include development of a Grassland Conservation and Management Plan with Environmental Commitments, to create and enhance habitat to compensate for the loss of critical habitat for grassland species of concern; a Stormwater Management plan that includes on-site retention, pretreatment and infiltration systems, to reduce the volume of chemicals currently flowing to the edge of pavement and into ditches and swales toward receiving waters; and a Soil Erosion and Sediment Control Plan. In addition, to compensate for impacts to wetlands and wetland buffers the Authority is proposing to preserve an existing wetlands ecosystem by establishing a Forest Preservation Area, to protect the wetlands complex associated with the North Branch Absecon Creek. The Authority has added to the lands designated as the Forest Preservation Area to include a portion of the property on the White Horse Pike, previously designated for non-aviation development, which is a part of this wetland complex. These measures will, at a minimum, afford an equivalent level of protection of the resources of the Pinelands as would be provided through strict application of the CMP standards for short-term development projects.

In accordance with N.J.A.C. 7:50-4.52(c)1, the Commission also may enter into intergovernmental memoranda with any agency of the Federal, State or local government which authorizes such agency to carry out specified development activities without securing individual development approvals from the Commission, provided that the specified development activities are consistent with the provisions of N.J.A.C. 7:50-5 and 6. As discussed above, the Authority, as part of this MOA, is proposing measures that will afford an equivalent level of protection of the resources of the Pinelands. As a result, entry of a MOA authorizing alternative application procedures is warranted.

III. AGREEMENTS

A. The Authority agrees that:

1. It will provide notice to the Pinelands Commission Staff fifteen (15) days prior to undertaking the Runway 13-31 ILS Upgrade and Grassland Conservation and
Management Area short-term development projects described in Paragraph II.B1 of this MOA. Such notice shall include the following:

a. A narrative description of the proposed project;

b. A copy of the U.S.G.S. quadrangle and airport map on which the location of the development project has been identified; and

c. A description of any changes in the scope, design, impacts, etc., of the project from what was described in the FEIS.

2. For the proposed Terminal Area development project, Auxiliary Area development project, Hotel/Conference Center development project and Holding Aprons project, it will provide the following information to the Commission staff at least forty-five (45) days prior to undertaking any of these short-term development projects:

a. A copy of the detailed plans for each short-term project, including wetlands mapping, that complies with the requirements of N.J.A.C. 7:50-6.3.

b. A plan depicting: i) all wetlands in close proximity to the Hotel/Conference Center development project site and ii) delineating an appropriate wetlands buffer on the site for these wetlands in accordance with N.J.A.C. 7:50-6.14 and demonstrating that clearing in wetlands buffers has been minimized to the maximum extent possible.

c. A detailed Stormwater Management Plan for each short-term project that complies with the standards set forth in N.J.A.C. 7:50-6.84.

d. A detailed analysis demonstrating compliance with all ambient air quality standards in N.J.A.C. 7:27 for carbon monoxide for the Terminal Area development project and the Hotel/Conference Center development project.

e. A copy of a plan denoting the extent of and justification for upland forest to be cleared for the Hotel/Conference Center development project in accordance with N.J.A.C. 7:50-6.23 and demonstrating that clearing in wetlands buffers has been minimized to the maximum extent possible.

f. A statement demonstrating that the project complies with the terms and conditions of the MOA;

g. A list of other permits and approvals required prior to commencement of any construction activity.
h. A demonstration that the area of the proposed Hotel/Conference Center development project has been surveyed for pine snakes. If such a demonstration cannot be made, information demonstrating that the proposed project will not have an irreversible adverse impact on habitat critical to the survival of any local populations of pine snakes shall be submitted.

3. If it is determined by the Executive Director that any portion of the proposed short-term project submitted pursuant to Paragraph IIIA2 is inconsistent with the requirements of this MOA, the Authority agrees that the project will be modified until the Commission staff determines that the proposed short term project is consistent with such requirements. If the Authority disagrees with the staff’s determination, it may file a complete application and seek formal Pinelands Commission approval of a Public Development Application for such project.

4. It will not commence any of the short-term development projects set forth in Paragraph IIB1 until:

a. It receives written authorization from the Commission staff indicating that the proposed short-term development project is consistent with the requirements of this MOA and the requirements of the CMP set forth in Paragraph IIIA2 above or to the extent that new information is involved or changes are made to the scope or design pursuant to Paragraph IIIA9, the Authority has received written authorization from the Commission staff pursuant to Paragraph IIIB7; and

b. The Environmental Commitments discussed in Paragraphs IIIA5 & 6 below have been complied with or a mechanism ensuring their completion has been put into place.

5. It will perform all of the short-term development projects set forth in Paragraph IIB1 in accordance with the Environmental Commitments set forth in Attachment 3, attached hereto and made a part hereof.

6. It will perform all of the short-term development projects set forth in Paragraph IIB1 in accordance with the following additional Environmental Commitments:

a. Use native seeds, shrubs and plants of a local genotype in the Grassland Conservation Management Area, where practicable as determined by the Advisory Committee, for upland restoration and/or enhancement.

b. Use native, seeds, shrubs and plants for all revegetation and landscaping performed as part of one of the short-term projects delineated at Paragraph IIB1 in accordance with N.J.A.C. 7:50-6.24.
c. Preserve State or CMP listed threatened or endangered plant species, including Narrow-leaved Vervain (*Verbena simplex*).

d. Continually manage the Grassland Conservation and Management Area for grassland species.

e. Continually monitor, on a regular basis, the progress made towards maintaining the Environmental Commitments (see Attachment 3).

f. Minimize the extent of clearing to upland-forest. In addition, any temporary clearing at any project site will be reforested after construction is complete to the maximum extent practicable.

7. In addition to the added Environmental Commitments set forth in Paragraph IIIA6, the Authority shall undertake the following:

a. The property, comprising approximately 124 acres, located along Route 30 in the vicinity of the North Branch of the Absecon Creek excluding lands within 100 feet of the White Horse Pike, which are retained for future expansion or improvements to the White Horse Pike shall be designated as a “Forest Preservation Area” and will not be developed. In accordance with Paragraph IIIA4, the Authority will obtain FAA approval for a revised Airport Layout Plan (ALP) that designates this area as “Forest Preservation Area – to be Held in Reserve. No Development Shall Occur”. No development activity shall be permitted within the Forest Preservation Area without the prior consent and approval of the Pinelands Commission. Within 60 days of execution of this MOA by all parties, the Authority shall request written agreement from the FAA indicating its agreement that no development shall occur within the Forest Preservation Area. In addition, should the property be transferred to or acquired by the Authority, its successor or assigns, in the future, within 60 days of transfer or acquisition of the property, the Authority, its successor or assigns, shall execute a deed restriction, on behalf of the Pinelands Commission, restricting development on this site, with the exception of future expansion of the White Horse Pike. This deed restriction shall run with the land and shall be referenced in the deed for the property.

b. The property, comprising approximately 290 acres, located in the northwest portion of the airfield, will be designated as a “Grassland Conservation and Management Area” and will not be developed. In accordance with Paragraph IIIA4, the Authority will obtain FAA approval for a revised Airport Layout Plan (ALP) that designates this area as “Grassland Conservation and Management Area – to be Held in Reserve. No Development Shall Occur”. No development activity shall be permitted within the Grassland Conservation and Management Area without the prior consent and approval of the Pinelands Commission.
Within 60 days of execution of this MOA by all parties, the Authority shall request written agreement from the FAA indicating its agreement that no development shall occur within the Grassland Conservation and Management Area. In addition, should the property be transferred to or acquired by the Authority, its successor or assigns, in the future, within 60 days of transfer or acquisition of the property, the Authority, its successor or assigns shall execute a deed restriction, on behalf of the Pinelands Commission, restricting development on the site of the 290 acre Grassland Conservation & Management Area. This deed restriction shall run with the land and shall be referenced in the deed for the property.

c. The property, comprising approximately 283 acres, located in the northeastern portion of the airport, will be designated as a “Forest Preservation Area” and will not be developed. In accordance with Paragraph IIIA4, the Authority will obtain FAA approval for a revised Airport Layout Plan (ALP) that designates this area as “Forest Preservation Area – to be Held in Reserve. No Development Shall Occur”. No development activity shall be permitted within the Forest Preservation Area without the prior consent and approval of the Pinelands Commission. Within 60 days of execution of this MOA by all parties, the Authority shall request written agreement from the FAA indicating its agreement that no development shall occur within the Forest Preservation Area. In addition, should the property be transferred to or acquired by the Authority, its successor or assigns, in the future, within 60 days of transfer or acquisition, the Authority, its successors or assigns, shall execute a deed restriction, on behalf of the Pinelands Commission, restricting development on the site of the 283 acre Forest Preservation Area. This deed restriction shall run with the land and shall be referenced in the deed for the property.

d. Include representatives from the Pinelands Commission on all monitoring and evaluation groups established in accordance with the requirements of the Environmental Commitments. An Advisory Committee will be formed that includes two members at large from a non-government conservation organization or academic institution.

8. Any activity not specifically identified in Paragraph IIB1 will require a formal application to the Commission in accordance with the CMP (N.J.A.C. 7:50-4.52(b)) and that proposed development may not occur until an application has been completed and the Commission has approved the project.

9. To the extent that either new information becomes available or changes are made to the scope or design of a short-term project that result in more than a de minimis change to the impacts associated with any of the projects identified in Paragraph IIB1, from what was described in the FEIS (i.e. materially change such impacts), such information or changes shall be submitted to the Pinelands Commission staff.
for review for a consistency determination by the Executive Director. In accordance with Paragraph IIIB6. In accordance with Paragraph IIIA1c, the Authority shall notify the Pinelands Commission of any changes in scope, design, impact, etc., including those changes that do not materially change the impacts associated with any project, from what was identified in the FEIS.

10. No part of this MOA shall release the Authority from its responsibility to obtain all other required local, State and/or Federal approvals.

B. The Pinelands Commission agrees that:

1. It will not require the filing of formal public development applications in accordance with the CMP (N.J.A.C. 7:50-4.52(b)) for the short-term development activities set forth in Paragraph IIIB1 above.

2. Based on its review of the FEIS, the provisions of the CMP and this MOA, the proposed Grassland Conservation and Management Area project is consistent with the minimum requirements of the CMP. No further action by the Commission, or its staff, shall be required.

3. Based on its review of the FEIS, the provisions of the CMP and this MOA, the proposed Runway 13-31 JLS Upgrade project is consistent with the minimum requirements of the CMP. No further action by the Commission, or its staff, shall be required, unless new information becomes available or there is a material change as defined in Paragraph IIIA9 above.

4. Based on its review of the FEIS, the provisions of the CMP and this MOA, the remaining short-term projects (the proposed Terminal Area development project, Auxiliary Area development project, Hotel/Conference Center development project and Holding Aprons project) are consistent with the minimum requirements of the CMP, except for those aspects of these projects for which additional information is required to be submitted pursuant to Paragraph IIIA2 or IIIA9 above.

5. Within thirty (30) days of receipt of the information submitted pursuant to Paragraphs IIIA2 or IIIA9, the Commission staff will provide written authorization in accordance with Paragraph IIIB7 or a written explanation of inconsistencies in accordance with Paragraph IIIB6 below.

6. If the Executive Director determines that any portion of a proposed short-term project is inconsistent with the MOA and/or the provisions of the CMP, then the Commission staff shall provide a written explanation of the deficiencies and identify specific actions that must be taken by the Authority to remedy such deficiencies.
7. If the Commission staff determines, after review of information submitted in accordance with Paragraphs IIIA2 or IIIA9 and/or in response to any deficiency letter issued by the Commission pursuant to Paragraph IIIB6, that a proposed short-term project is consistent with this MOA and the provisions of the CMP, it shall issue a written authorization to the Authority setting forth this determination. This written authorization shall constitute a public development approval and no further action by the Commission shall be required.

8. It will consult with the New Jersey Department of Environmental Protection regarding the wetlands mitigation measures that the Authority is planning to undertake in furtherance of this MOA and in order to satisfy both the CMP’s wetlands requirements and the requirements of the NJ Freshwater Wetlands Protection Act at N.J.A.C. 7:7A et seq..

9. Should the New Jersey Department of Environmental Protection require the Authority to provide additional freshwater wetlands mitigation, the Commission will review any additional mitigation in accordance with the time frames established in Paragraph IIIB4 of this MOA and will work with the NJDEP and the Authority to develop mitigation that is consistent with the requirements of the CMP.

C. The Commission and the Authority agree:

1. To meet at least annually to discuss this MOA, the status of specific short-term development projects and other issues of mutual concern.

2. Work cooperatively in the future to investigate the environmental and facility impacts of the long-term development projects discussed in the Plan and FEIS.

IV. EFFECTIVE DATE AND DURATION

1. In accordance with N.J.S.A. 13:18A-5(h), this MOA and any subsequent amendments shall take effect following the conclusion of the Governor's review period and/or approval of the Pinelands Commission meeting minutes authorizing entry of this MOA and then upon approval and signature by the authorized representative of both parties.

2. This MOA shall remain in effect unless amended by written consent of both parties or otherwise terminated by either party upon sixty (60) days written notice.

V. SIGNATURES
NEW JERSEY PINELANDS COMMISSION

Date: 2/26/04

By: ____________

John C. Stokes, Executive Director

Approved as to form by:

Date: 2/26/04

Valerie Haynes, Deputy Attorney General
State of New Jersey

SOUTH JERSEY TRANSPORTATION AUTHORITY

Date: 2/11/04

By: ____________

James A. Crawford, Executive Director

Attested:

Date: 2/11/04

Mary Ann Zulucchi
Board Secretary

Secretary, South Jersey Transportation Authority