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April 24th, 2025

# Recommendation on ULURP Application No. C259185ZMM and N250186ZRM By Department of City Planning MSMX Team Manhattan Office

# PROPOSED ACTION

The Department of City Planning (DCP) proposes a zoning map amendment and text amendment to rezone a 42-block, approximately 141 acre area in Manhattan's Midtown South within Community Boards 4 and 5. The area is roughly bounded by 40<sup>th</sup> Street to the north, 5<sup>th</sup> Avenue to the east, 23<sup>rd</sup> Street to the south, and Ninth Avenue to the west. The proposed rezoning is estimated to facilitate the development of approximately 9,676 dwelling units, including 1,940 to 2,890 permanently affordable homes. In order to facilitate the proposed rezoning, DCP is recommending the following actions:

- a) Zoning Map Amendment:
  - a. Rezone portions of existing M1-6 and M1-6D manufacturing districts
  - b. Establish a new Special Midtown South Mixed-Use District (MSX)
  - c. Modify boundaries of several special purpose districts
- b) Zoning Text Amendment:
  - a. Establish regulations for the Special Midtown South Mixed-Use District (MSX)
  - b. Amend Appendix F to apply the Mandatory Inclusionary Housing (MIH) program to the Rezoning Area
  - c. Modify text in the Special Garment Center District, Special Midtown District, and Special Hudson Yards District

#### **BACKGROUND**

The Midtown South area has undergone remarkable transformation throughout Manhattan's history, evolving from sparsely populated farmlands to a manufacturing powerhouse to the dynamic commercial and office district it is today. The Rezoning Area is a complex economic ecosystem, with approximately 7,000 businesses and over 135,000 jobs across a wide range of industries, reflecting the neighborhood's ongoing economic resilience and adaptability.

Despite the areas central location and rich transit access, the outdated manufacturing zoning has prevented it from helping to alleviate Manhattan's most pressing challenge: increasing the supply of housing. The limited supply of homes in the area and surplus of commercial properties also mean that the district experiences dramatic fluctuations in the population between 9 to 5 workdays and evenings and weekends and could benefit from new zoning that would allow for a vibrant, mixed-use neighborhood.

The Department of City Planning's Midtown-South Mixed-Use Plan is a historic opportunity to reimagine these 42 blocks as a true live-work community. This proposal will also be the first to include the new higher density residential districts recently established by the City of Yes for Housing Opportunity text amendments following the lifting of the states 12 FAR cap on residential development. By replacing outdated manufacturing zoning with mixed-use zoning that respects the areas built character, this plan addresses our housing crisis through the type of

transit-rich, job-accessible neighborhood that should accommodate residential growth including thousands of permanently affordable homes through Mandatory Inclusionary Housing.

# **Proposed Development**

The Department of City Planning's Midtown South Mixed-Use Plan proposes a rezoning across 42 blocks in Midtown South. The proposal would replace the existing M1-6 and M1-6D manufacturing districts with high-density mixed-use districts through both zoning map and text amendments.

The Proposal would create a new Special Midtown South Mixed-Use District (MSX) mapped across the entire rezoning area. Within this special district, the Proposal establishes three paired manufacturing/residential districts: M1-9A/R12, M1-8A/R12 and M1-8A/R11. The M1-9A/R12 district would be mapped across 22 blocks in the northwest and northeast quadrants, in addition to the northern portion of the southwest quadrant. This would allow for a residential FAR of 18 and commercial, light manufacturing and community facility FAR of 15. The M1-8A/R12 zoning district would be mapped over 14 blocks in the southeast quadrant and a portion of the southwest quadrant and would permit a maximum of 18 FAR for residential uses and commercial, light manufacturing and community facility FAR of 12. Finally, the M1-8A/R11 would occupy only 6 blocks in part of the southwest quadrant and would allow for the lowest densities of the three paired districts, with 15 FAR for residential uses and 12 FAR for commercial, light manufacturing and community facility uses. Property owners would also be able to gain additional density through two bonuses that are introduced in the proposal: the Covered Pedestrian Space Bonus and Transit Bonus. The Covered Pedestrian Space Bonus would allow for a 20 percent floor area increase via a City Planning Commission special permit if a new development includes Covered Pedestrian Spaces (CPS), a type of Privately-Owned Public Space (POPS) that can be outdoor or indoor. The Proposal would also extend the Transit Bonus applicability to 1,500 feet from a mass transit station so that all sites in the rezoning area could utilize the bonus.

The proposal would significantly expand housing opportunities by allowing residential uses as-of-right while requiring permanently affordable housing in new residential developments through the MIH program. The Proposal would map MIH across the entire rezoning area, requiring that new residential developments, enlargements, and conversions include affordable units. The Proposal would eliminate existing nonresidential floor area preservation requirements, facilitating the adaptive reuse of existing commercial buildings. Special district provisions would establish contextual street wall requirements to encourage a contiguous street wall. Additional provisions include more flexible base heights to better align with neighboring buildings, reduced minimum distance requirements between buildings on large lots, elimination of the 10,000-square-foot cap on retail uses, and a floor area exemption for public schools. The Proposal also reconfigures special district boundaries, eliminating the Special Garment Center District and adjusting the boundaries of the Special Hudson Yards District and Special Midtown District.

## **Area Context**

The Midtown South area proposed for rezoning is located within Manhattan Community Districts 4 and 5. The area is predominantly zoned M1-6, with a portion designated as M1-6D in the Southwest Quadrant. M1-6 zoning permits high-density commercial and light manufacturing uses up to 10.0 FAR but prohibits residential development. The area serves as a major regional transit hub with exceptional public transportation access. The Proposed Area is served by the A,

C, E, 1, 2, 3, N, Q, R, W, B, D, F, and M subway lines at nearby stations including 34th Street-Herald Square, 34th Street-Penn Station, and Times Square-42nd Street. The Northeast Quadrant is accessible via the B, D, F, M, N, Q, R, and W trains at 34th Street-Herald Square, as well as the 6 train at 33rd Street. The Southwest Quadrant is served by the 1 train at 28th Street and the N, Q, R, and W at 28th Street, while the Southeast Quadrant is accessible via the R and W trains at 28th Street and 23rd Street, and the 6 train at 28th Street and 23rd Street. Bus service includes the M1, M2, M3, M4, M5, M7, M20, M23-SBS, M34-SBS, and Q32.

The rezoning area sits adjacent to Penn Station, one of the busiest transportation hubs in the United States, with Amtrak, Long Island Rail Road, New Jersey Transit, and six subway line services. This exceptional transit connectivity makes the area easily accessible from throughout the city and the broader region. The surrounding area includes numerous landmarks and destinations, including Herald Square, the Empire State Building, Madison Square Garden, and Macy's flagship store. The area also contains portions of the Ladies' Mile Historic District and Madison Square North Historic District in its Southeast Quadrant. The Northwest Quadrant encompasses much of the historic Garment Center, while the Southwest Quadrant includes the Flower District along West 28th Street between Sixth and Seventh avenues and is influenced by its proximity to the Fashion Institute of Technology. Cultural institutions in the area include the Serbian Orthodox Cathedral of Saint Sava and Marble Collegiate Church.

#### COMMUNITY BOARD RESOLUTION

On March 5<sup>th</sup>, Manhattan Community Board 4 (CB 4) voted to disapprove the applications with conditions with 36 board members voting in favor of the recommendation, four voting against, and two members abstaining. These conditions centered around concerns about protecting the existing character of the neighborhoods and managing building height and density. Conditions submitted by CB 4 related to protecting existing character included providing incentives to convert buildings rather than demolishing them, including zoning requirements for light and air to reach the sidewalk, strengthening street wall requirements, eliminating plaza bonuses to create POPS that produce sidewalk recesses and add to building height, landmarking significant buildings, and imposing restrictions on lot mergers and the transfer of development rights. Additionally, CB 4 proposed requiring a minimum of 30% of all units to be permanently affordable, modifying the proposed density to 13 FAR on the west side of 8th Avenue from West 35th to West 39th Street with a height cap of 350 feet, introducing a special permit for buildings over 12 FAR, height caps for subareas within the proposed rezoning area, restricting the layering of FAR bonuses and reducing the covered distance to the original 500-foot radius or restrict only to the specific blocks within the new mixed-used zones for transit bonuses.

Community Board 5 (CB 5) voted to unanimously approve the proposal with conditions on April 10<sup>th</sup>. Concerns heard by the board during their review process were mostly regarding the impact of new density on the existing character of the neighborhood, which led the board to submit conditions to reduce the density of the Southeast Quadrant from R12 to R11, and R11 in the midblocks of the Northwest Quadrant. CB 5 also recommended retaining rear yards for large sites, mapping R11 more broadly, protection of Site #40 for future school development, and follow-on rezonings of 5<sup>th</sup> and 6<sup>th</sup> Avenues for increase densities relative to the new MSMX densities.

## **BOROUGH PRESIDENT'S COMMENTS**

Throughout its history, the Midtown South has played a transformative role in the economic development of our borough and the greater city. From its early days as a bustling manufacturing hub to its evolution into one of Manhattan's most important commercial centers, this district has continually adapted to meet New York's changing needs. Today, the Midtown South Mixed-Use Plan proposal is another pivotal moment in this area's story—one that can fundamentally reshape these 42 blocks from a mostly commercial district into a true 24/7 community with thousands of new homes, including permanently affordable ones that will serve New Yorkers for generations to come.

The combination of strong community support, state leadership in lifting the outdated 12 FAR cap on residential development, and the City of Yes for Housing Opportunity text amendments introducing higher density residential zoning districts have created the perfect circumstances to advance this plan. The timing couldn't be more urgent or the location more appropriate for addressing Manhattan's severe housing shortage.

The Midtown South rezoning was a centerpiece of my office's "Housing Manhattanites" plan, which comprehensively identified opportunities across our borough to unlock new housing sites. This 42-block area is well-positioned to accommodate substantial new residential development. With unparalleled access to transit, residents will enjoy transportation options that few other neighborhoods can match. Additionally, the area's location near major employment centers means future residents will have walkable access to tens of thousands of jobs, creating the possibility of a true live-work community that supports sustainability goals by reducing commute times.

We cannot overstate the urgency of moving forward with bold housing initiatives like this one. Manhattan and the entire city are in the midst of an unprecedented housing emergency. With vacancy rates hovering at historically low levels and median asking rents reaching record highs, housing has become increasingly inaccessible for most New Yorkers. The scale of this rezoning is exactly the kind of ambitious plan required to address our housing crisis.

With the introduction of any new residential area in New York City, we must ensure that community resources grow alongside population. That's why I am strongly recommending the establishment of a dedicated public realm fund to support critical neighborhood infrastructure. This fund would help finance new schools, expand library services, improve open spaces, and enhance streetscapes throughout the rezoning area.

Introducing significant residential development to Midtown South necessitates thoughtful consideration of public open space, an essential element of any thriving neighborhood. Currently, the Area has a deficit of open spaces and with thousands of new homes anticipated as a result of this proposal, well-designed public spaces will be critical for the wellbeing of the community. At the nexus of the four proposed rezoning quadrants sit Herald and Greeley Squares which should be granted significant investment as part of these rezonings to fulfill the neighborhoods needs and include expanded green space, and improved pedestrian circulation and seating areas.

The Midtown South Mixed-Use Plan represents a once-in-a-generation opportunity to reimagine an underutilized commercial district as a vibrant, inclusive, mixed-income community in the heart of Manhattan. I wholeheartedly support this proposal and urge its approval to help address our housing crisis while building a more equitable and sustainable city.

## BOROUGH PRESIDENT'S RECOMMENDATION

Therefore, I recommend **approval** of ULURP Application Nos. C259185ZMM and N250186ZRM with the following conditions:

- 1. Establish a Public Realm Fund for a new school, public space and transit improvements.
- 2. Ensure that the relevant agencies:
  - a. Further explore incentives that prioritize the conversion of properties rather than demolition.
  - b. Prioritize the delivery of more than 25% of affordable housing units in newly created buildings.
  - c. Explore methods by which legacy industries can be protected.
  - d. Explore opportunities to invest in the revitalization of open spaces within and neighboring the rezoning area.

Mark Levine

Manhattan Borough President

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