



CITY PLANNING COMMISSION

March 30, 2015/Calendar No. 2

N 150127 ZRM

IN THE MATTER OF an application submitted by the Department of City Planning pursuant to Section 201 of the New York City Charter, for an amendment of the Zoning Resolution of the City of New York, concerning Article VIII, Chapter 1 (Special Midtown District), Borough of Manhattan, Community Districts 5 and 6.

An application (N 150127 ZRM) for a zoning text amendment was filed by the Department of City Planning on October 14, 2014, in conjunction with a related City Map amendment to establish the Vanderbilt Corridor.

RELATED ACTIONS

In addition to the zoning text amendment which is the subject of this report (N 150127 ZRM), implementation of the proposal requires action by the City Planning Commission on the following application which is being considered concurrently with this application:

C 140440 MMM An amendment to the City Map involving the elimination, discontinuance and closing of Vanderbilt Avenue between East 42nd Street and East 43rd Street; the establishment of Public Place above a lower limiting plane; and the adjustment of grades necessitated thereby.

BACKGROUND

The Department of City Planning proposes a zoning text amendment to the Special Midtown District and a City Map amendment, in Community Districts 5 and 6 in the Borough of Manhattan (“Vanderbilt Corridor Text Amendment”). The proposed text amendment would modify zoning regulations affecting the five blocks along the west side of Vanderbilt Avenue between East 42nd and East 47th streets in Manhattan (the “Vanderbilt Corridor”), and the City Map designation of the portion of Vanderbilt Avenue between East 42nd and East 43rd streets. The Department is proposing the Vanderbilt Corridor text amendment and Vanderbilt Public Place mapping in order to address the number of development sites along Vanderbilt Avenue that

offer the opportunity to provide modern commercial space in the immediate vicinity of Grand Central Terminal in the near term, to create a mechanism for linking new commercial development to significant transit and public realm improvements in the overall Grand Central Terminal area, and to provide greater options for the transfer of unused landmark development rights.

More specifically, this proposed zoning text amendment would facilitate commercial development in the Vanderbilt Corridor, improve pedestrian circulation within Grand Central Terminal and its vicinity, and allow greater opportunity for area Landmarks to transfer their unused development rights. The amendment would:

- 1) Create the Vanderbilt Corridor and a new special permit under which the City Planning Commission (CPC) may approve bonus floor area up to a floor-area-ratio or FAR of 30.0 (the “Grand Central Public Realm Improvement Bonus”) in connection with transit and public realm improvements related to development within the Vanderbilt Corridor;
- 2) Modify the existing landmark transfer special permit available within the Grand Central Subdistrict to increase the maximum on-site FAR available through transfer from 21.6 to 30.0 in the Vanderbilt Corridor; and
- 3) Modify the uses permitted in the Vanderbilt Corridor to allow the development, conversion, or enlargement of hotels only by a new special permit established by the proposed text amendment.

In addition, the Department is proposing a City Map amendment to designate the portion of Vanderbilt Avenue between East 42nd and East 43rd Streets as a “public place” dedicated to pedestrian uses, to remain under the ownership of the City under the jurisdiction of the New York City Department of Transportation.

317 Madison, a private applicant, is proposing the One Vanderbilt development project and is applying for special permits created or modified by the proposed text amendment - specifically,

the proposed Grand Central Public Realm Improvement Bonus and the modified landmark transfer. These actions would facilitate the redevelopment of the block bounded by East 43rd Street to the north, East 42nd Street to the south, Madison Avenue to the west and Vanderbilt Avenue to the east. The special permits would involve transit and public realm improvements in the surrounding area and the transfer of excess development rights from the New York City Landmark Bowery Savings Bank located at 110 East 42nd Street. 317 Madison owns the portion of Block 1277 (Lots 20, 27, 46, and 52) in the Vanderbilt Corridor and bounded by East 42nd and East 43rd Streets and Madison and Vanderbilt Avenues. The proposed actions would facilitate a proposal by 317 Madison to construct an approximately 1.8 million-gross-square-foot (1,299,390-zoning-square-foot) 30.0 FAR mixed-use building containing a mix of uses including office, trading floors, retail, restaurant, transit access, an enclosed public space at ground level, and rooftop amenity space. These actions (C 150128 ZSM, C150129 ZSM, 150130 ZSM and 150130(A) ZSM) would travel concurrently with the Department's zoning text and City Map amendments.

Current Zoning

The blocks of the Vanderbilt Corridor are mapped in a C5-3 (maximum commercial FAR of 15.0) district and are located in the Grand Central Subdistrict of the Special Midtown District. The Subdistrict was created in 1992 to allow the transfer of development rights from Grand Central and other City-designated landmarks to development sites in the vicinity of the Terminal, and to facilitate the creation of an improved pedestrian realm in the area. The borders of the Grand Central Subdistrict were generally drawn around the area where Grand Central Terminal's below-grade pedestrian network then existed.

In the existing Grand Central Subdistrict Core ("Core") as set forth in the Special District maps (between Madison and Lexington Avenues from East 41st to East 48th Streets, including the Vanderbilt Corridor), the maximum permitted site FAR can be increased to 21.6 through a transfer from a landmark building under a CPC special permit applicable in the Subdistrict (Zoning Resolution [ZR] Section 81-635). The permit requires that a pedestrian improvement be

provided as part of the project. Since its adoption in 1992, only one building (383 Madison Avenue—the portion of Block 1282 in the Vanderbilt Corridor) has used this special permit.

Additionally, 1.0 FAR transfers are permitted through a Chairperson certification process in the Core and a larger area, which includes the western side of Madison Avenue and eastern side of Lexington Avenue. This provision has been used three times but because of the small size of the transfer, has not resulted in significant utilization of unused landmark development rights and unused floor area remains on the zoning lots of landmark buildings in the Subdistrict.

Beyond these transfer mechanisms, two methods exist to obtain higher floor area ratios. First, subway station improvement bonuses of up to 20 percent of the permitted base FAR are permitted for sites directly adjacent to subway entrances and along Vanderbilt Avenue. Second, existing landmarks can transfer their remaining development rights to sites that are adjacent or across streets, with no FAR limits on the receiving site. Both of these bonuses are only permitted through special permits granted by the Commission (Sections 74-634 and 74-79, respectively). The 1.0 FAR bonus applicable in Midtown for the provision of public plazas does not apply in the Grand Central Subdistrict.

The 2013 East Midtown Proposal

The Vanderbilt Corridor and the One Vanderbilt site were previously the subject of the proposed East Midtown Rezoning (N 130247(A) ZRM). That proposal, for which the City was the applicant, was intended to encourage new, predominantly office development in East Midtown in order to protect and strengthen the area's role as a premier business district. To do so, it included modified zoning regulations for a 70-block area of the Special Midtown District to be known as the East Midtown Subdistrict which would have superseded the Grand Central Subdistrict. The East Midtown Subdistrict's primary features included the following:

- *Focused new development around Grand Central Terminal and its concentration of transit access.* To do this, new developments that met specific criteria (defined in the proposal as Qualifying Sites) in the area directly around the Terminal were permitted the

highest as-of-right densities in the proposed East Midtown Subdistrict. Specifically, sites around the Terminal (including the Vanderbilt Corridor) would be permitted to achieve a maximum as-of-right density of 24.0 FAR. In addition, sites around the Terminal (including the Vanderbilt Corridor) would also have had the ability to utilize a special permit for Superior Development in order to achieve a maximum density of 30.0 FAR. Proposals for the 30.0 FAR special permit would have needed to demonstrate superior qualities in terms of (among numerous features) overall design relationship to the street and skyline.

- *Provided a mechanism to fund infrastructure improvements through new development.* To achieve the densities permitted under the proposal, developers would have been required to make a monetary contribution into a new District Improvement Fund for each square foot above the existing as-of-right densities. This District Improvement Bonus mechanism was modeled after similar provisions in the Hudson Yards and West Chelsea special districts and would similarly have been permitted as-of-right for density up to 24 FAR. Money in the East Midtown fund would have been devoted to making transit and other public realm improvements in the rezoning area.
- *Created broader process for landmark transfers.* In addition to the District Improvement Bonus, the proposal included provisions that permitted greater opportunities for landmarked buildings to transfer their unused floor area. Two separate transfer districts were proposed to be created (Grand Central Subarea, Northern Subarea) that permitted transfers from landmarks in those subareas to Qualifying Sites through an as-of-right process. These two subareas expanded on existing zoning provisions which normally permit transfers via a special permit and only to adjacent sites or, in the case of the existing Grand Central Subdistrict, within a designated broader geography.

The proposal was approved by the Commission in September 2013, but was withdrawn by the City of New York in November of that year before reaching an expected vote by the City Council. Some of the concerns raised during the project's public review process included:

- While there was overall agreement that infrastructure improvements were critically needed in the area (with particular emphasis on the Grand Central subway station), there were concerns raised about the effectiveness of the District Improvement Bonus in delivering area improvements.
- The extensive area of the Subdistrict and the permitted densities, with particular emphasis on the as-of-right nature of the zoning mechanisms.
- The need to balance new development with preservation of the area's existing buildings.
- The specific uses that should be allowed in new development in the area, with particular concern about as-of-right hotel development.

Shortly after taking office in January 2014, Mayor Bill de Blasio committed the City to taking a fresh look at the overall area and developing a new plan to ensure the area's long-term success as a business district. In May, the City announced a multi-part approach to developing a new plan for East Midtown. This included the more-focused proposal for the Vanderbilt Corridor which is the subject of this application, as well as a longer-term stakeholder-driven process to determine a new framework for the overall East Midtown area.

Purpose and Need for the Vanderbilt Corridor proposal

The proposed Vanderbilt Corridor text amendment and Vanderbilt Public Place mapping proposals build on the more-extensive 2013 East Midtown proposal, but address specific concerns raised during the public review process for that proposal, as described below.

The Vanderbilt Corridor

The City has identified potential development sites along the Vanderbilt Corridor. These include the One Vanderbilt site, which is described separately below, Block 1279 and Block 1281. The MTA headquarters site along Madison Avenue between East 44th and East 45th Streets (portion of Block 1279) was the subject of a 2013 Request for Proposals (RFP) to transfer the site to a developer as a private redevelopment opportunity. Plans call for MTA to vacate the buildings in 2015 and, when chosen, a developer is expected to construct a new building on the site. The full-block Roosevelt Hotel (Block 1281), located between East 45th and East 46th Streets, has long been considered a possible development site. While no plans for the site have been announced, the owner's representatives gave testimony in favor of the earlier East Midtown proposal last year. Blocks 1278 and 1282 are not considered to be potential development sites because they contain large, recently built or renovated office buildings. By focusing on the Vanderbilt Corridor, the proposed zoning allows many of the issues raised about the broader East Midtown area in the 2013 public review process to be explored in the broader planning process to be conducted in the coming months. At the same time, this proposal allows the development, in the short term, of key sites adjacent to Grand Central Terminal at appropriate densities.

Transit and Public Realm Challenges

For the previous East Midtown proposal, the City identified a number of infrastructure issues in the area that continue to remain unaddressed, including the following:

- Grand Central subway station pedestrian circulation - The Grand Central subway station, a transfer point for regional rail and the Nos. 4, 5, 6, 7 and 42nd Street Shuttle subway lines, is one of the busiest in the entire subway system with nearly half a million daily users. However, this station experiences pedestrian circulation constraints, including platform crowding and long dwell times for the Lexington Avenue line (Nos. 4, 5, and 6), which limits train through-put, creating a subway system bottleneck. Substantial improvements are needed to improve passenger flows in the station. These particularly include providing additional connections between the Lexington Avenue line platform

and the station's mezzanine level, as well as additional and improved connections between the mezzanine and street level.

- Sidewalk Widths - The sidewalks of Madison and Lexington Avenues are narrow, approximately 12 to 13 feet wide, given the scale of pedestrian use they handle. The effective widths of these sidewalks are even narrower when subway grates and other sidewalk furniture are included. Side street sidewalks in the area are narrow as well.
- Publicly controlled open space - While East Midtown includes a number of privately owned public spaces, it contains no significant publicly controlled open spaces even given the particular need for such spaces in the heavily populated area around Grand Central Terminal.
- Vanderbilt Avenue pedestrian experience - Vanderbilt Avenue, once the major taxi access point to Grand Central Terminal, has seen its use drop as taxis have been moved away from the building due to security concerns. In addition, the portion of Vanderbilt Avenue adjacent to the Terminal does not offer a welcoming environment for commuters, residents, and visitors of the iconic landmark structure and the surrounding area.

As described above, existing zoning regulations applicable in the Vanderbilt Corridor permit additional density through the provision of infrastructure improvements. However, the City believes these provisions are limited in applicability and do not offer adequate opportunity to address the scope and scale of these infrastructure challenges.

Today, sites in the Vanderbilt Corridor are permitted to utilize the existing special permit for subway station improvements (Section 74-634) which permits up to a 20 percent floor area bonus for the provision of station improvements. This mechanism only allows improvements to subway stations to count toward achieving the bonus, and does not allow for improvements to access to the Terminal. Improvements to the above-grade public realm - such as through the

provision of new open space or an improved pedestrian network - also do not count toward achieving the bonus.

Further, the existing bonus mechanism is limited to a maximum floor area increase of 20 percent which, given the scale of needed improvements in the area, does not adequately provide the opportunity for improvements on the scale necessary to make substantial improvements. Nor does it reflect an appropriate maximum density given the City's goal of maximizing commercial development in East Midtown and the area's near-unparalleled transit access through Grand Central Terminal, the subway station, and the new East Side Access project, and the unique Vanderbilt Corridor block configuration with streets on four sides of a roughly square block.

Finally, while the existing Grand Central Subdistrict landmark transfer special permit (described below) requires the design of a proposed development to include a major improvement of the surface and/or subsurface pedestrian circulation network in the Subdistrict, and the existing citywide landmark transfer special permit allows CPC to require the design of the development to include provisions for public amenities as a condition of the transfer, these mechanisms have not resulted in significant improvements to pedestrian circulation in the area.

Limited ability for landmarks to transfer unused floor area

New York City landmarks in the Grand Central Subdistrict are permitted to transfer their unused floor area to non-adjacent sites in the Core area up to a maximum on-site FAR of 21.6 through a special permit process. Grand Central Terminal and the Bowery Savings Bank building include unused floor area on their zoning lots and thus have this ability. Approximately 1.5 million square feet of development rights remain on these zoning lots. Only one building—383 Madison Avenue—has used the development rights transfer provision since it was enacted in 1992.

While the 21.6 FAR maximum through the special permit was considered appropriate at the time of the 1992 approval, the City believes this limit does not adequately reflect the Vanderbilt Corridor's potential for high-density development. In addition, this existing FAR limit is lower than what is permitted through the existing citywide landmark transfer special permit in high

density districts in the Special Midtown District. Transfers in these areas under this provision have no maximum limit, subject to the public review process of the special permit.

Permitting higher densities through the Grand Central Subdistrict's landmark transfer mechanism in the Vanderbilt Corridor would therefore permit greater opportunities for landmarks in the Subdistrict to transfer their unused floor area.

Permitted Uses

During the public review process for the 2013 East Midtown proposal, numerous stakeholders raised concerns about the effect that the development of new limited-service hotels would have over time on the area's status as a premier business district. Given the concentration of offices in the area, it was believed that full-service hotels that provide amenities and services to the area's businesses would provide a more appropriate hotel type in the East Midtown area.

Vanderbilt Public Place

The mapping of Vanderbilt Avenue between East 42nd and East 43rd Streets as a public place would provide additional pedestrian space at-grade and would further the City's goal to create public open space resources within the right-of-way. The Department of Transportation has created open spaces in similar areas of high pedestrian activity such as Times Square and Herald Square and nearby at Pershing Square (the east side of Park Avenue between East 41st and East 42nd Streets). Creation of the protected public place on Vanderbilt Avenue would also support the City's "Vision Zero" policy for reducing pedestrian injuries and deaths.

Description of the Surrounding Area

The Vanderbilt Corridor and One Vanderbilt are located in the East Midtown area of Manhattan, within Community District 5. Land uses within the area include a mix of commercial, residential, mixed-use, institutional, and transportation/parking uses. The area is densely developed and is predominantly characterized by a mix of office towers and mid-rise office buildings located around Grand Central Terminal. Grand Central Terminal was completed in 1913 and occupies a portion of the superblock between East 42nd and East 45th Streets, and Vanderbilt and Lexington Avenues. Grand Central Terminal is served by both subway and commuter train lines.

Retail and office uses are also located within the historic structure; Grand Central Terminal's ground-floor retail space and the MetLife office tower at 200 Park Avenue connect Grand Central Terminal with the surrounding primarily commercial uses. Pershing Square, located directly south of Grand Central Terminal, includes a restaurant below the Grand Central Viaduct (an LPC-designated historic landmark), as well as a pedestrian plaza approved by the Department of Transportation within the roadway between East 41st and East 42nd Streets.

Much of the area surrounding Grand Central Terminal is built directly over the rail shed serving the Terminal. The track network extends approximately between Madison Avenue and Lexington Avenue around the Terminal, and narrows to the width of the Park Avenue roadbed traveling north.

Most of the avenues and many of the cross streets in the surrounding area are lined with restaurants and other retail uses. Several of these commercial structures are built on large lots, and in some instances occupy entire blocks. This is particularly evident along Park Avenue north of Grand Central Terminal, which is distinguished by a number of high-rise office buildings. Many of these large-footprint commercial buildings are also characterized by the presence of public plazas.

Mixed commercial/residential-use buildings within the Grand Central area, in general, lie east of Lexington Avenue, serving as a transition from the more residential neighborhood of Turtle Bay to the east. Institutional uses within this area include diplomatic buildings, such as the Consul-General of the Republic of Cyprus located at 13 East 40th Street; academic buildings, such as the International Division of Berkeley College located at 12 East 41st Street; and churches, including the Fifth Church of Christ, Scientist, located at 9 East 43rd Street.

The area is served by numerous bus and subway lines. The Grand Central-42nd Street station is served by the 4, 5, 6, 7 and Shuttle lines, with 16 entrances along East 42nd Street. The area is also served by several bus lines that run north-south along Madison, Lexington, and Third Avenues and east-west along 42nd and 49th Streets.

The surrounding area is primarily zoned C5-3, with several midblock areas zoned C5-2.5. C5 districts are central commercial districts where Use Group 1-6 and 9-11 uses are permitted. C5 districts provide for continuous retail frontage intended for office, hotel, and retail establishments that serve the entire metropolitan region. Residential uses are also permitted. C5-2.5 districts are high-density commercial districts that are only mapped within the Special Midtown District. C5-2.5 districts have lower maximum FARs than the surrounding C5-3 district (ranging from 10.0 to 12.0) and are subject to additional zoning regulations. The same uses permitted in other C5 districts are permitted in C5-2.5 districts. The surrounding area is within the Special Midtown District, and much of the area is within the Grand Central Subdistrict.

Description of the Proposed Project Area

The five blocks of the Vanderbilt Corridor are bounded by Madison and Vanderbilt avenues to the west of Grand Central Terminal and are all located within the Grand Central Subdistrict of the Special Midtown District. The blocks are all zoned C5-3. The five blocks are described more specifically below:

- The block between East 42nd and East 43rd streets (portion of Block 1277) has a lot area of 43,313 square feet. It is the location of the proposed One Vanderbilt development project. The block is located immediately west of Grand Central Terminal and is occupied by four low- to mid-rise buildings (between 7 and 22 stories) that are each more than 80 years old. In total, the four existing buildings on the development site contain 772,162 gsf of commercial space. The buildings all contain retail space on the ground floor and office space on the upper floors.
- The block between East 43rd and East 44th streets (portion of Block 1278) has a site area of 43,313 square feet. The block is developed with one building, the Bank of America Plaza at 335 Madison Avenue. Originally built in 1913 as a hotel, the building was thoroughly renovated, reclad, and converted into an office building in 1981–1983. The building is 28 stories and 874,734 gsf. The Bank of America Plaza contains ground-floor retail on Madison Avenue.

- The block between East 44th and East 45th streets (portion of Block 1279) has a site area of 43,261 square feet. The block contains five commercial buildings and a ventilation building for MTA’s under-construction East Side Access project. The five commercial buildings were constructed between 1916 and 1926 and range in height from 13 to 22 stories. The Yale Club occupies the building at 50 Vanderbilt Avenue, and MTA has offices in the building at 347 Madison Avenue. In total, the five commercial buildings and the vent building contain 700,346 gsf. The five commercial buildings each contain ground-floor retail.
- The block between East 45th and East 46th streets (portion of block 1281) has a site area of 43,313 square feet. The Roosevelt Hotel, which was built in 1922–1924, occupies this block. This 19-story, 598,248 gsf hotel contains 1,015 rooms and ground-floor retail along each street frontage.
- The block between East 46th and East 47th streets (portion of Block 1282) has a site area of 43,313 square feet. The block is developed with the 383 Madison Avenue building, which opened in 2002. Occupied by offices of J.P. Morgan Chase & Company, this 47-story building contains approximately 1,174,988 gsf of commercial space. There is ground-floor retail along the Madison Avenue frontage.

The section of Vanderbilt Avenue that would be mapped as a public place is currently a one-way, 12,820-square-foot portion of the avenue between East 42nd and East 43rd Streets. It is 60 feet wide and carries one lane of northbound traffic.

REQUESTED ACTIONS

To facilitate the Vanderbilt Corridor, the following actions are required:

Zoning Text Amendment (N 150127 ZRM)

To address the issues described above, The Department is proposing a zoning text amendment to the Grand Central Subdistrict affecting sites along the five-block Vanderbilt Corridor. The amendment would consist of a new special permit for a Grand Central Public Realm Improvement Bonus, changes to the existing Grand Central Subdistrict landmark transfer special permit, and changes to uses permitted in the corridor. They are each described separately below.

Special Permit for Grand Central Public Realm Improvement Bonus

The new special permit (Section 81-64) would be applicable in the Vanderbilt Corridor. The permit would allow density increases, up to a maximum on-site density of 30.0 FAR, through the provision of transit and public realm improvements in the Grand Central Subdistrict that support public circulation. These improvements could be located both on- and off-site and could also be located at or below grade. The public review process afforded by the special permit will determine the maximum floor area permitted on the site based on the public benefit derived from the improvements proposed as part of the project. Similar to the existing subway improvement special permit, the proposal would require the construction of these improvements by the developer. This proven mechanism provides that the improvements will be implemented either in accordance with a schedule established for their construction or by a date certain. The special permit would be available to new developments, as well as to enlargements of existing buildings.

For each type of improvement (on- or off-site, at- or below-grade), the special permit includes specific conditions and application requirements to allow the Commission to determine the scope of proposed improvements. In addition, the application would have to include letters from the agencies responsible for the area of the proposed improvements granting their conceptual approval. Prior to the grant of a special permit, the applicant would be required to execute an agreement setting forth the obligations of the owner, its successors and assigns, to: establish a process for design development and a preliminary construction schedule for proposed improvements; construct proposed improvements; where applicable, establish a program for maintenance; and, where applicable, establish a schedule of hours of public access for the proposed improvement, as well as other requirements.

In addition, applicants for the new special permit would also be required to satisfy findings regarding the proposed building's ground-floor level (including mandatory sidewalk widenings along Madison Avenue and certain side streets), proposed building massing and design, and sustainable design measures. These provisions are intended to ensure that the overall building plan and distribution of bulk and density are appropriate to the surrounding area and contribute to the pedestrian circulation network in the Grand Central Subdistrict, especially in the vicinity of Grand Central Terminal. Finally, through a second associated special permit (Section 81-642), bulk and urban design requirements (such as streetwalls) can be modified by the CPC, subject to further findings, in order to allow the development of the proposed building.

Given the comparably small sizes of the blocks in the Vanderbilt Corridor, which all are about 43,000 square feet, buildings at the maximum permitted density would contain less floor area than most recent major office buildings constructed in New York City. This includes all of the towers on the World Trade Center Site, One Bryant Park, 200 West Street, Hudson Yards, and many of the office towers constructed around Times Square.

Modification of the existing Grand Central Subdistrict Landmark transfer special permit

The existing special permit in the Grand Central Subdistrict (Section 81-635) would be modified to increase the maximum permitted on-site FAR in the Vanderbilt Corridor from 21.6 FAR to 30.0 FAR through the transfer of excess development rights from a designated landmark. Sites surpassing the current 21.6 limit would be required to meet the findings in the Grand Central Public Realm Improvement Bonus special permit described above regarding the proposed building's ground-floor level, building design and massing, and energy performance to also ensure that developments at these densities provide an overall building plan and distribution of bulk that is appropriate to the surrounding area.

In addition, in order to facilitate landmark transfers within the Vanderbilt Corridor, the proposal would remove the existing special permit requirement that each transfer proposal include a major improvement to the transit and public realm network. Instead, and similar to the underlying Section 74-79 landmark transfer special permit, the inclusion of such improvements would only be at the CPCs discretion.

Permitted Uses

In order to ensure the development of full-service hotels that would support the overall East Midtown business district, development, conversion, or enlargement of hotels in the Vanderbilt Corridor would be restricted and only permitted via a new special permit (Section 81-65). The findings for the special permit focus on ensuring the proposed hotel incorporates services and facilities, like meeting facilities, which would be complementary to office uses in the surrounding area.

City Map Amendment (C 140440 CMM)

The Department is also proposing an amendment to the City Map involving the elimination, discontinuance and closing of Vanderbilt Avenue between East 42nd and East 43rd Streets, and the establishment of Public Place above a lower limiting plane. This would allow for the permanent improvement of this approximately 12,820-square-foot area into a public space that would provide circulation and recreational space for workers, commuters, and visitors to the surrounding area. As a public place, it would be public space owned by the City, under the jurisdiction of the Department of Transportation, and dedicated to pedestrian uses. Following such action, this section of Vanderbilt Avenue would no longer be open to vehicular traffic except for emergency vehicles, and Vanderbilt Avenue between East 43rd and East 44th Streets would be converted from two-way to one-way southbound. This new public space would be located between the proposed One Vanderbilt building and Grand Central Terminal. As described in the briefing materials for the related One Vanderbilt application traveling concurrently with the Department's actions, the developer of the One Vanderbilt building would

develop the permanent improvement of this space, which would include public amenities such as seating and lighting.

ENVIRONMENTAL REVIEW

This application (N 150127 ZRM), in conjunction with the applications for the related actions (C 140440 CMM, C 150128 ZSM, C 150129 ZSM, C 150130 ZSM and C 150130(A) ZSM) was reviewed pursuant to the New York State Environmental Quality Review Act (SEQRA), and the SEQRA regulations set forth in Volume 6 of the New York Code of Rules and Regulations, Section 617.00 et seq. and the New York City Environmental Quality Review (CEQR) Rules of Procedure of 1991 and Executive Order No. 91 of 1977. The designated CEQR number is 14DCP188M. The lead is the City Planning Commission.

It was determined that the proposed actions may have a significant effect on the environment. A Positive Declaration was issued on June 16, 2014, and distributed, published and filed. Together with the Positive Declaration, a Draft Scope of Work for the Draft Environmental Impact Statement (DEIS) was issued on June 16, 2014. A public scoping meeting was held on July 16, 2014. A Final Scope of Work was issued on October 6, 2014.

A DEIS was prepared and a Notice of Completion for the DEIS was issued on October 17, 2014. On February 4, 2015, a public hearing was held on the DEIS pursuant to SEQRA and other relevant statutes. A Final Environmental Impact Statement (FEIS) reflecting the comments made during scoping and the public hearing on the DEIS was completed and a Notice of Completion for the FEIS was issued on March 20, 2015.

The a FEIS considered not only the Department's proposal for a zoning text amendment and a related City Map amendment to establish the Vanderbilt Corridor, but also a concurrent application by a private applicant (Green 317 Madison LLC and Green 110 East 42nd LLC) for special permits pursuant to those sections created and/or modified by the Department's proposal. The FEIS identified significant adverse transportation impacts (traffic and pedestrians) with respect to the development facilitated by the concurrent application. A discussion of those

impacts and the proposed mitigation measures to address them appears in the report for the private applicant's zoning special permit application (C 150129 ZSM).

In addition to considering the potential impacts of the private applicant's zoning special permit application, the FEIS also considered conceptually whether future utilization of the proposed zoning text amendment has the potential for additional significant adverse impacts beyond those identified for the private applicant's proposed development. That analysis, as found in Chapter 19, "Conceptual Analysis," of the FEIS, concluded that future development that could occur in the Vanderbilt Corridor would be anticipated to result in additional significant adverse impacts to historic resources and transportation (traffic and pedestrians). In addition, the analysis found that future development has the potential to result in open space impacts that could be deemed significant. For some analysis areas (e.g., direct business displacement, shadows, urban design), full analysis will only be possible at the time that a site-specific application for special permit(s) is made to the Commission. Each such special permit would be subject to a separate discretionary approval, and any environmental impacts associated with such action would be assessed and disclosed pursuant to separate environmental review.

A Technical Memorandum reflecting the Commission's modifications discussed herein was issued on March 27, 2015. The Technical Memorandum concludes that these modifications would not have any new or different significant adverse impacts than those identified in the FEIS.

PUBLIC REVIEW

The application (N 150127 ZRM) was referred to Manhattan Community Boards 5 and 6, the Manhattan Borough President, and the Manhattan Borough Board for information and review on October 20, 2015, in accordance with the procedures for non-ULURP matters. The related application (C 140440 ZMM) was certified as completed by the Department of City Planning on October 20, 2014, and was duly referred to Community Board 6 and the Borough President in accordance with Title 62 of the Rules of the City of New York, Section 2-02(b).

Community Board Public Hearing

Community Board 5 and 6 held a joint public hearing on the original application and the related action on November 17, 2014. On December 11, 2014, Community Board 5 passed a resolution with 33 in favor, 0 opposed, 1 abstaining recommending denial of the application. On December 10, 2014, Community Board 6 passed a resolution with 39 in favor, 0 opposed, 1 abstaining recommending denial of the application, with conditions.

The Community Boards provided separate statements on the proposal setting forth their overall concerns about the plan for the Vanderbilt Corridor. Their overall concerns were grouped into the following categories: Urban Design/Bulk Rules; Discretionary Bonuses; Public Realm; Landmarks; and Energy Performance. The complete statements are attached to this report.

Borough Board Review

The application (N 150127 ZRM) and related application (C 140144 CMM) were considered by the Manhattan Borough Board. On January 15, 2015, the Borough Board adopted a resolution to disapprove the applications with the following conditions:

“unless a responsible conclusion is reached on the issues of public access and public space relating to the Grand Central Terminal circulation network, the environmental sustainable requirements of the proposed zoning text relating to, and the method for, achieving significant FAR bonuses.”

The full Manhattan Borough Board recommendation is attached to this report.

Borough President Recommendation

The application (N 150127 ZRM), in conjunction with the related application (C 140440 CMM), was considered by the Borough President, who issued a recommendation on January 28, 2015 approving the application upon condition that the City Planning Commission, on the recommendation of staff, modify the proposed text amendment to reflect more consistently and clearly the goals of the proposed action, as outlined in a letter submitted by the applicant to the Borough President, dated January 28.

In addition to the above, the Borough President felt that the City Planning Commission should consider any recommendations of the East Midtown Steering Committee concerning the use of a Public Realm Improvement Bonus in conjunction with the use of landmark development rights to balance the need for transit improvements and historic preservation.

The full Borough President recommendation is attached to this report.

City Planning Commission Public Hearing

On January 21, 2015 (Calendar No. 7), the City Planning Commission scheduled February 4, 2015, for a public hearing on this application (N 150127 ZRM). The hearing was duly held on February 4, 2015 (Calendar No. 23), in conjunction with the public hearing on the related applications (C 140440 CMM), and the applications associated with One Vanderbilt (C 150128 ZSM, C 150129 ZSM, C 150130 ZSM and C 150130(A) ZSM). The details of the One Vanderbilt special permits can be found in the lead CPC report for that application, C 150129 ZSM). A joint hearing was held for the Vanderbilt Corridor and One Vanderbilt, as the applications are related, and the special permits for One Vanderbilt are dependent upon the approval of the Vanderbilt Corridor.

There were 29 speakers in favor for the application, 15 in opposition and one speaker who remained unaffiliated.

Speakers in favor included the private applicant team for One Vanderbilt; the Borough President of Manhattan; the Metropolitan Transit Authority; the Regional Plan Association; the Municipal Art Society of New York; the Real Estate Board of New York; the Archdiocese of New York; Central Synagogue; the Grand Central Partnership; the Urban Land Institute; the American Institute of Architects; the American Planning Association's New York Metro Chapter; the Downtown Alliance; Straphanger's Campaign; the Hotel Trades Council; real estate development and property entities JP Morgan Chase and Empire Realty Trust; the Roosevelt Hotel; various trade unions for small contractors, plumbers and service employees; and other individuals.

Speakers in opposition included representatives of Community Boards 5 and 6; Landmarks Conservancy; Institute for Rational Urban Mobility; the City Club of New York; Midtown Trackage, the entity that owns Grand Central Terminal development rights; and other individuals.

The prevailing theme for those speaking in favor was the need for a new generation of modern, state-of-the-art, energy efficient buildings like One Vanderbilt to ensure that East Midtown remains competitive in the coming decades. Among these speakers there was broad consensus that the Vanderbilt Corridor presents an ideal location for dense, transit oriented commercial development, which in turn would be an anchor for any future wider East Midtown rezoning proposals. The impacts and benefits of the proposed public realm improvements was a dominant theme, particularly with regard to the below-grade transit upgrades associated with the Lexington Avenue subway and East Side Access connector. Speakers emphasized the outsized impact these measures would have on the transit system and economic vitality.

The private applicant team for One Vanderbilt spoke extensively in favor of the overarching goals of the proposals, emphasizing the major economic and public realm benefits that their development would bring to the area. As a major property owner in East Midtown, they reiterated their commitment to the neighborhood, but stressed the infeasibility of developing state-of-the-art office space under the current zoning regulations, especially on sites with older, tenanted buildings.

Regarding One Vanderbilt, the applicant team reviewed the proposed land use actions and spoke in detail about the proposed public realm improvements, particularly those related to the Lexington Avenue line and East Side Access connection. They stressed to the Commission that these measures would be delivered expediently and would dramatically reduce platform congestion and allow for one additional express train on the Lexington Avenue Line every peak hour. The applicant team fielded a number of questions from the Commission regarding the Public Realm Improvement Bonus. In particular, the Commission inquired about the

maintenance program and capital fund for Vanderbilt Public Place and the design details of the transit hall and 42nd Street subway stairs.

The architect discussed the design for One Vanderbilt, emphasizing the tapering massing of the tower, the quality of its materials and its harmonious aesthetic relationship to Grand Central Terminal. Additionally, the applicant testified in detail regarding One Vanderbilt's proposed sustainability measures. The proposed design aims to be certified as LEED Gold under LEED Version 4, which will go into effect in 2016. The applicant highlighted that LEED Gold under Version 4 is equivalent to LEED Platinum under Version 3, which is currently in effect. The Commission discussed the details of the LEED Version 4 Gold certification process and standards with the applicant team.

The Manhattan Borough President testified in support of the proposals, reflecting her conditional recommendation, which is attached to this report. She raised several key questions and areas of concern, primarily about One Vanderbilt's public realm improvements. She encouraged the Commission to carefully evaluate whether the proposed improvements warranted an FAR increase of 12 and expressed concern that the transit hall was not yet fully designed. She outlined key features promised by the applicant such as seating and restrooms, which she asked to be finalized. She reiterated her preference for SL Green to consolidate or relocate the ground floor retail, as noted in her conditional recommendation. She fielded questions from the Commission regarding the ongoing maintenance program and capital fund for Vanderbilt Public Place, which required finalization between the private applicant and the Grand Central Partnership. Regarding the text amendment, the Borough President suggested that the Yale Club and Roosevelt are worthy of landmark status.

Representatives from the MTA, including the Director of Station Planning, Senior Director of Strategic Initiatives and Director of Transit Oriented Development spoke in strong support of the Vanderbilt Corridor and One Vanderbilt. They acknowledged the tremendous benefit and increased connectivity that the below-grade public improvements associated with One Vanderbilt would bring, particularly in terms of increased line haul capacity of the Lexington Avenue

subway. The MTA described a plan for a series of additional improvements at the Grand Central subway station that will greatly improve circulation and capacity. In addition, the MTA discussed planned and ongoing comprehensive upgrades to the Flushing and Shuttle lines. These improvements, mostly in the form of new or reconfigured stairs and escalators, have the potential to eliminate choke points and to double pedestrian capacity at key locations. The MTA briefly discussed the status of its five-year capital plan and noted the important role that private investment in transit infrastructure will play in fueling the region's continuing economic growth. They welcomed proposals such as the Vanderbilt Corridor that will include ongoing sources of revenue for transit investment. The Commission inquired about further packages of transit improvements that could be met through a future Public Realm Improvement Bonus, and how the MTA planned to prioritize station improvements outside of East Midtown in their capital plan. The Commission also asked questions regarding the width of the proposed 42nd Street subway entrance within One Vanderbilt, which the MTA deemed to be sufficient for circulation purposes.

The MTA also spoke briefly about the RFP for the disposition of its former headquarters at 347 Madison Avenue, the proceeds from which will go into MTA's capital program. The MTA representatives voiced support for the Vanderbilt Corridor's increase in density, which will generate greater revenue from the disposition, and in turn, maximize public benefit.

Representatives from the real estate community and area property owners testified strongly in support of the Vanderbilt Corridor's general objectives and applauded One Vanderbilt as an exemplary development. They expressed general agreement that East Midtown's existing zoning is an impediment to upgrading and modernizing its aging commercial stock, and that One Vanderbilt serves as a model of collaboration between the public and private sector to generate the state-of-the-art, efficient and sustainable office space that top-flight tenants demand. A representative from JPMorgan Chase, the owners and tenants of 383 Madison Avenue, emphasized that the Vanderbilt Corridor will allow them to further invest in their property and re-commit to East Midtown.

Representatives from the Archdiocese of New York and from Central Synagogue praised the Department's proposal as a first step in the greater East Midtown Rezoning, which will allow greater flexibility for landmarks outside the Grand Central Subarea to transfer unused development rights to sites.

A representative for the Roosevelt Hotel extended support for the Vanderbilt Corridor, but expressed serious concern about the proposed special permit related to hotel use. The speaker posited that the special permit would be a unique burden on the Roosevelt Hotel and impair its ability to be enlarged. The speaker also posited that the Roosevelt Hotel is not at risk of becoming a limited service hotel, and that the two other possible development sites identified in the EIS are unlikely to become limited service hotels.

A representative of the Grand Central Partnership, the business improvement district whose boundaries encompass approximately 70 square blocks around Grand Central Terminal, including the Vanderbilt Corridor, spoke in strong support of the proposal. The Commission raised questions about Vanderbilt Public Place's programming and maintenance, and how that may affect the maintenance arrangement with the private applicant.

Representatives from the Regional Plan Association, the Urban Land Institute, the American Institute of Architects (AIA) and American Planning Association New York Metro Chapter (APA) each expressed strong support for the Vanderbilt Corridor's overarching goals. They focused on the appropriateness of encouraging density and growth in a core commercial district that is well served by mass transit, stressing that economic vitality, transit, and job opportunities are linked. They spoke of the importance of increasing the stock of modern office space in East Midtown in order to continue to keep the area economically competitive. They also spoke strongly in favor of the One Vanderbilt proposal for the improvements to Grand Central's transit infrastructure. The AIA representative spoke favorably about One Vanderbilt's design in particular. The APA representative raised concerns about its fenestration creating dead space at ground level, and tied it to general concerns about the proliferation of super-tall towers in Midtown.

A representative of the Municipal Art Society also testified in support of the Vanderbilt Corridor and One Vanderbilt. While the representative strongly supported the text amendment's overarching goals, they raised concerns about the appropriateness of 30.0 FAR buildings fronting on all narrow streets, as well as whether the Landmark Preservation Commission will calendar historic resources within the corridor. They commended SL Green for One Vanderbilt's design and associated public realm improvements, but expressed the desire for publicly accessible observation decks on the top and second floors.

Representatives from the Downtown Alliance, the Straphangers Campaign and other individuals testified in support of the Vanderbilt Corridor for fostering transit oriented development and praised the below-grade public realm improvements associated with One Vanderbilt. They lauded the proposals as an excellent precedent and emphasized the knock-on benefits that the below-grade improvements would have for city-wide transit congestion and economic productivity. A representative from the Downtown Alliance underscored that increasing peak-hour capacity and relieving transit bottlenecks at Grand Central would substantially benefit workers in Lower Manhattan.

Representatives from several trade and labor-related organizations, including the Hotel Trades Council; the Regional Alliance of Small Contractors; Plumbers Local Union 1 and SEIU 32BJ 75, a union representing janitors, doormen, and security officers, testified in support of the Vanderbilt Corridor and One Vanderbilt proposals. They voiced their appreciation for the new temporary and full-time jobs that the proposals would create.

Those speaking in opposition raised a number of concerns ranging from general questions about the text amendment to specific concerns about One Vanderbilt's design details. The dominant concerns from opposition speakers were centered on the proposed Public Realm Improvement Bonus. In particular, speakers focused on whether the bonus devalued and constituted an unconstitutional taking of Grand Central's development rights and whether it set a problematic precedent of pitting landmark preservation against the need for transit improvements. Speakers

in opposition also stated that the below-grade public realm improvements specific to One Vanderbilt unlawfully relieved the City of New York of a multimillion-dollar mitigation responsibility on the Lexington Avenue Line. The commission heard testimony on how to appropriately measure the bonus and whether the proposed densities were appropriate for the location, with speakers expressing fears that a canyon of 30.0 FAR buildings would spring up along narrow streets. Another major concern focused on historic resources that are not landmarked and whether the design of One Vanderbilt detracts from the historic qualities of Grand Central Terminal.

Representatives for Midtown Trackage, the entity that owns the land beneath Grand Central Terminal and the unused development rights associated with that land, testified in opposition to the proposed Public Realm Improvement Bonus. A Harvard University professor of constitutional law spoke on Midtown Trackage's behalf, asserting that the bonus rendered his client's transferrable air rights worthless, which, in his opinion, would be considered an unconstitutional taking of their property. He argued that the City could be obligated to pay just compensation to Midtown Trackage, potentially saddling taxpayers with billions of dollars in debt. He cited the 1978 case *Penn Central Transportation Co. v. New York City* as the basis for this position.

The land use counsel for Midtown Trackage testified that the Public Realm Improvement Bonus breaks in an unprecedented fashion with the City's long-standing practice of expanded opportunities to transfer unused development rights to support landmark preservation. In their opinion, the bonus could undermine one of the pillars of the *Penn Central* decision and threaten the constitutionality of the landmarks law. The counsel argued that the City could have achieved the desired infrastructure investment and provided for adequate landmark transfer opportunities had they required One Vanderbilt's bonus FAR to be split evenly between improvement and transfer, and mandated public improvements in accordance with the landmarks transfer.

Additional representatives for Midtown Trackage testified that the Public Realm Improvement Bonus creates a scenario in which developers would be disincentivized from pursuing landmark

transfers at a fair market price, because a more economically favorable deal could be negotiated with the City for much needed transit improvements. They characterized this as a ‘race to the bottom’ in which the City would always win, ultimately to the detriment of landmark preservation. One speaker testified that Midtown Trackage had always been willing to sell its air rights at a fair market price, but had not been approached by potential buyers, even in connection with the former MTA headquarters disposition. Midtown Trackage further testified that granting One Vanderbilt a special permit for the Public Realm Improvement Bonus would relieve the City and MTA of approximately \$43 million in environmental mitigation obligations associated with East Side Access and the Flushing Line extension.

Other speakers, including representatives from the City Club of New York and Community Board 6 echoed many of the above concerns about the Public Realm Improvement Bonus, including the relief of mitigation obligations and the potential for competition between landmark preservation and transit improvements. A representative from City Club of New York criticized the bonus, insinuating that it is an unlawful form of ‘zoning for sale’ and a violation of the nexus doctrine under the Nollan-Dolan line of Supreme Court cases.

The Commission heard testimony from members of Community Board 5 and 6 and individuals concerning the impact of both the Vanderbilt Corridor and One Vanderbilt on light and air. Multiple speakers expressed concern that the proposal would allow for a canyon of 30.0 FAR buildings fronting on narrow streets. One speaker noted that One Vanderbilt’s daylight evaluation score is well below those of recently granted special permits. A speaker from Community Board 5 expressed concern that the pressure to use private developers to pay for vital transit improvements would likely grow and could overshadow the public’s need for light and air.

Representatives from historic preservation civic groups and Community Board 5 and 6, among other speakers, expressed concern that the Vanderbilt Corridor jeopardizes historic buildings that are currently not landmarked but they believe are worthy of landmark protection. Speakers gave particular consideration to original Terminal City structures. Certain speakers testified further

that One Vanderbilt does not have a harmonious relationship to Grand Central, and echoed previous speakers' concerns about creating a planning framework that pits landmark preservation against the need to upgrade to transit infrastructure.

The Commission heard testimony on the topic of sustainability, with one individual expressing concern that One Vanderbilt should be held to LEED Version 4 platinum for core and shell.

The councilmember for City Council District 4, speaking neither in favor nor against the proposals, commended the Vanderbilt Corridor's improvements from the City's East Midtown proposal of 2013. The councilmember acknowledged that the rezoning would bring much needed upgrades to Grand Central Terminal's infrastructure, and that the five blocks would be an appropriate location to encourage high-density development. However he shared the Community Boards' concerns about a "canyon" of 30.0 FAR buildings along Vanderbilt Avenue. Regarding One Vanderbilt, he stressed the importance of delivering its below-grade public realm improvements prior to developing and occupying the site, but acknowledged that these improvements are overdue and will undoubtedly have a positive impact on alleviating congestion on the Lexington Avenue line. He concluded by stating that the City Council must thoroughly vet whether the public realm improvements are significant enough to warrant the requested increase in density, and if not, what additional improvements would need to be delivered to the public.

There were a number of additional speakers. Upon conclusion of their testimony the hearing was closed.

The Commission received written testimony, both in favor and in opposition, subsequent to the hearing. The majority of written testimony in support of the proposals came from civic groups such as the Regional Plan Association, the Grand Central Partnership, the Downtown Alliance Manhattan and the Association for a Better New York. Other letters favorable to the rezoning came from property owners and real estate related organizations including the Real Estate Board of New York and representatives of the fee owners of 52 Vanderbilt Avenue, 250 Park Avenue,

Lever House and the Lincoln Building. The Archdiocese of New York also submitted written testimony in favor of the proposal, on behalf of the trustees of St. Patrick's Cathedral.

Correspondence in opposition to the proposal came from a variety of individuals and groups. The City Club of New York submitted three reports elaborating on its spoken testimony at the hearing. The City Club submitted recommendations for comprehensive land use and public realm plans centered on a re-envisioned Terminal City. A member of the City Club of New York and Community Board 6 provided written testimony outlining a series of improvements to One Vanderbilt's below and above-grade public realm improvements. A member of Community Board 5 submitted a letter urging the commission to require that One Vanderbilt achieve a LEED V4 Platinum certification for core and shell. An architect submitted correspondence elaborating on his spoken testimony criticizing One Vanderbilt's daylight evaluation score of -62, which breaks with recent precedents in Midtown. The Institute for Rational Urban Mobility submitted testimony in opposition, stating that bolder measures are needed to improve transit connections and the public realm in East Midtown.

CONSIDERATION

The City Planning Commission believes the application for text amendment, as modified herein, in conjunction with the related map change, is appropriate.

The Commission views the proposed Vanderbilt Corridor zoning change to be an essential step in strengthening East Midtown, the city's preeminent business district. East Midtown holds a critical position in the city's economy, in the region's vast transit system, and in the identification of New York as a world capital of commerce. It is the largest commercial district in the city, with the largest tax base supporting critical municipal services throughout all five boroughs. It is the densest of job centers, with nearly a quarter million workers doing business in 70 million square feet of office space. The historic dominance of East Midtown is inextricably linked to its excellent transit access. Grand Central Terminal and the adjoining subway station complex anchor the central business district. Already one of the nation's largest transit hubs, the

Grand Central transit complex is undergoing significant ongoing public investment with a major public infrastructure improvement, East Side Access.

For most of the past century, East Midtown grew and flourished as the city's commercial core. However, in the past twenty years the replenishment of newly constructed Class A office space has come to a near halt. The last major office development around Grand Central Terminal, 383 Madison, was constructed in 1999. The blocks immediately adjacent to Grand Central have a high concentration of older and less desirable office space. The long term strength of East Midtown is challenged by the lack of new, state-of-the-art office development. Of the total office space in East Midtown, only five percent was constructed within the last twenty years. Every world class business district contains a full spectrum of office space, including most certainly the very best in office space configuration, sustainability, technology, programming and urban design. There is broad consensus across a wide array of stakeholders that the zoning regulatory framework for the East Midtown, and for the area around the Terminal in particular, is obsolete and must be updated and improved to ensure that the area retains its strength as a highly competitive business district, critical job center, and powerful tax base for the City of New York. Incentives need to be created to spur the construction of much needed new office space.

In the closing years of the prior mayoral administration, the Department of City Planning proposed a far reaching zoning text amendment covering over 70 blocks of East Midtown. The proposal engendered an enormous amount of discussion and debate. The proposal was approved, with modifications, by the City Planning Commission. However, it was subsequently withdrawn by the Department due to the lack of support at City Council that was based on a number of outstanding concerns. Those concerns related to topics including the degree of as-of-right development, the mechanism to finance infrastructure improvements, the prospect of new density coming on line in advance of infrastructure improvements, the perceived lack of specificity in the identification and of infrastructure improvements and the timing of their completion, and whether certain as-of-right uses, specifically hotel use, warranted additional scrutiny.

On the heels of the withdrawal of the 2013 East Midtown proposal, then Mayor-Elect De Blasio, recognizing the critical need to fix zoning in the city's commercial core, committed to take a renewed look at East Midtown as a top priority planning and economic development initiative of the administration. The direct results of that commitment are two major planning initiatives, travelling on separate tracks. The first is this text amendment, the Vanderbilt Corridor, targeted to five blocks in the immediate vicinity of Grand Central Terminal.

The second is a new planning process, led by a newly formed Steering Committee for Greater East Midtown, that is taking a fresh look at the planning and development issues of all of East Midtown, the area generally bounded by East 37th Street, East 59th Street, Fifth Avenue and Second Avenue. The Steering Committee is co-chaired by the NYC Councilmember for the Fourth District and Manhattan Borough President. In addition to the co-chairs, the Steering Committee comprises representatives from Build Up, Community Board 5, Community Board 6, the Grand Central Partnership BID, the East Midtown BID, the Landmarks Conservancy, the Multi-Board Task Force, the Municipal Art Society, the Real Estate Board of New York, and the Regional Plan Association. The Steering Committee has met regularly since the fall of 2014 to discuss a series of topics including public realm and transit improvements; historic resources; market need and perspective; and land use, density and form. The committee plans to make zoning and planning recommendations for East Midtown in the spring of 2015. These recommendations will serve as the basis of a Department study and subsequent ULURP application expected to commence in 2016. The Commission looks forward to considering the future proposal of zoning changes to strengthen East Midtown.

In the meantime, Vanderbilt Avenue is advancing on an accelerated track due to several pressing and related reasons. First, there are known active development sites along Vanderbilt Avenue. These sites offer rare opportunities to provide modern commercial space with the potential to connect directly to the transit network or receive development rights from nearby landmarks. One of the development sites, the southernmost block on Vanderbilt Avenue, is the subject of an application for a new building, One Vanderbilt. It is the first application pursuant to the proposed new Grand Central Public Realm Improvement Bonus special permit. Second, there is a

significant amount of development rights from landmark properties in the Grand Central area, most notably that of the Terminal itself, that have a limited ability to be transferred. The City strongly supports the need to facilitate the ability for landmark owners to sell unused development rights. Third, there are persisting public realm challenges in the area that require immediate attention. These issues include platform and mezzanine congestion at the Grand Central subway station affecting workers in the area as well as commuters delayed by bottlenecks of the Lexington line, narrow sidewalks, and lack of public open space around the Terminal that help circulate pedestrians smoothly and safely to their destinations.

In developing the Vanderbilt Corridor Proposal, the Department took into consideration not just these pressing factors but also the unresolved concerns that had led to the withdrawal of the 2013 East Midtown proposal. In response to objections to significant increases in density that would have been allowed as-of-right, this proposal requires any substantial floor area increase to undergo full discretionary review by the City Planning Commission and City Council. Each request for an increase in floor area will be reviewed on a case by case basis, with opportunities for full input from the community stakeholders on the merits of each application. In response to objections about the District Improvement Fund mechanism to finance infrastructure improvements that relied on the speculative nature of future payments, this proposal instead relies on a floor area bonus mechanism - based on longstanding zoning policy and practice - to encourage the delivery of important public amenities by private developers. In response to objections about new density coming on line in advance of infrastructure improvements, the Vanderbilt Corridor proposal requires the improvements to be completed before the bonus floor area can be occupied. In response to concerns about the lack of specificity of infrastructure improvements and the timing of their completion, the proposed new special permit requires that the improvements be clearly identified as part of a developer's proposal for bonus floor area and, as noted above, are required to be completed before the bonus floor area can be occupied. Further, it will be the developer, not the public sector, that will shoulder any risk including cost overruns. Lastly, in response to concerns about potential proliferation of hotel use in the district, this proposal allows new hotels in the Corridor only by special permit to ensure that any new

hotel is a full service establishment with amenities that complement and support the commercial office district.

The Commission commends the Department for actively and successfully addressing the several outstanding concerns through the Vanderbilt Corridor proposal, while continuing to advance the Commission's goals of improving this core area of East Midtown. The fresh look at those issues has resulted in a zoning approach that incentivizes development in the core area of East Midtown that has garnered far-broader support. The Commission is also pleased to note that with this text amendment would require projects meet findings regarding the proposal's overall sustainability for the first time in Zoning Resolution.

The Commission's consideration of this application benefitted from the high level of engagement from a wide range of stakeholders on this important zoning proposal. The input has led to improvements to the proposed text that the Department committed to prior to the Commission's Public Hearing, and to additional changes that the Commission is making as modifications herein.

The following is a detailed discussion of the Commission's consideration of the proposed zoning text, the comments raised during the public review process, and the modifications that the Commission is making herein to further improve the proposal. The consideration is organized as follows: First will be a discussion on the purpose of the proposed text, area of applicability, density, and policy. That will be followed by a more-detailed discussion of the mechanisms to allow for higher density development, the new *Grand Central Public Realm Improvement Bonus Special Permit* (Section 81-64) and the enhanced *Grand Central Landmark Transfer Special Permit* (Section 81-635). Next, the Commission will discuss its considerations for the new *Special Permit for Transient Hotels* (Section 81-65) and the proposed City Map Amendment. This report concludes with brief final comments.

The Vanderbilt Corridor

The proposed text amendment will create a new zoning area, the Vanderbilt Corridor, within the Grand Central Subdistrict of the Special Midtown District. The Vanderbilt Corridor is a five-block area bounded by Vanderbilt Avenue, Madison Avenue, East 42nd Street and East 47th Street. Within the Corridor, the proposed text provides for new special permits and improvements to an existing special permit. The zoning mechanisms of the proposed text will allow for greater opportunity for new development and accompanying major public improvements, facilitate the transfer of unused development rights from landmarks in the Grand Central Subdistrict, and ensure that new hotel use will be suitable to the neighborhood.

The primary purpose of the proposal is to encourage the development of much needed new office construction in the aging central business district by allowing significant increases in floor area through either a floor area bonus in exchange for major public realm improvements, the transfer of unused development rights from a nearby landmark, or a combination of the two. The new *Grand Central Public Realm Improvement Bonus* special permit (Section 81-64) and the improved existing *Grand Central Landmark Transfer* special permit (Section 81-635) would allow developments to achieve up to twice the maximum density, from 15.0 FAR to 30.0 FAR, provided that certain requirements and findings are met. Both special permits require full discretionary review.

Geographic Applicability

The Commission believes that the Vanderbilt Corridor is an exceptional location for new high density growth. This stretch is located immediately adjacent to the one of the city's busiest transit hubs, in the heart of the city's densest job center. Since the opening of the Terminal building in 1913, East Midtown has been home to hundreds of commercial buildings including some of the largest towers in the city and some of the most iconic buildings in the world. With some of the best transportation in the city, region, and the nation, these blocks are the quintessential place for transit-oriented, sustainable growth. The Vanderbilt Corridor is precisely where growth should take place.

During the public process, the Commission heard concerns that it was premature to enact new zoning for the Vanderbilt Corridor in advance of the completion of the planning effort for the broader area. To the contrary, the Commission believes it is appropriate to develop a zoning approach for the Vanderbilt Corridor that is separate. There are many valid reasons why zoning for the Vanderbilt Corridor stands on its own. First, it is worth commenting on the unique composition of the Vanderbilt Corridor as a whole and in its individual block configuration. Vanderbilt Avenue, at only five blocks, is the shortest avenue in Midtown. Unlike the larger, standard rectangular blocks in Midtown, each block within the Corridor is square-shaped and contains only roughly 43,000 square feet. The Corridor's proximity to the transit complex is its defining locational feature. Not only does Vanderbilt Avenue provide the western edge of the Grand Central Terminal building, the avenue road bed sits almost directly atop the MTA's East Side Access Concourse. The Vanderbilt blocks provide excellent opportunities to connect to the underground network or to receive unused development rights from Grand Central Terminal. Despite the prime location of Vanderbilt Avenue, the blocks contain a high concentration of older, Class B-type office space. The most recent construction is located at the northern end of the Corridor, at 383 Madison, currently occupied by JP Morgan Chase, which was constructed in 1999. The other buildings on the remaining four blocks were constructed seventy-five to a hundred years ago. There are presently no landmarks on the Vanderbilt Corridor blocks.

In addition to the southernmost block of the Corridor that is the subject of the One Vanderbilt application, there are other sites in the Corridor that may be potential candidates for the Public Realm Improvement Bonus special permit, the landmark TDR special permit, or a combination of these two special permits that are specific to the Corridor. The former MTA headquarters building occupying half the block between East 44th and East 45th streets is currently the subject of a Request for Proposals issued by the MTA for sale and redevelopment of the site. A third site, the Roosevelt Hotel located on the block between East 45th and East 46th streets, has long been identified as a potential development in the area because it is a full block site that is under singular ownership. There is currently no plan for redevelopment of the Roosevelt Hotel site, though the Commission heard from the property's representative that the hotel may undertake an enlargement of the facility. Given the unique physical configuration of Vanderbilt Avenue, its

proximity to the Terminal, and the Corridor's appropriateness for high density growth, the Commission believes it is important to capitalize on the opportunities that come from new construction. The text reflects a rational determination for the geographic applicability of a set of public policy and zoning rules to apply to parcels that should be treated similarly.

Density

The *Public Realm Improvement Bonus* and the *Transfer of Development Rights from Landmark Sites*, as proposed, allow for an increase of allowable floor area, from 15.0 to 30.0 FAR. The Commission believes that the proposed maximum 30.0 FAR is appropriate.

East Midtown is a place of global distinction, home to some of the most important office towers in the city and indeed the world. The Commission believes it is important to allow for the opportunity for significant buildings to be built in this commercial core. Current zoning is a major impediment to the redevelopment of older and increasingly underperforming buildings because density allowances are too low or too close to the existing densities, acting as disincentive to redevelop. The current maximum FAR in the Grand Central core is 15.0 FAR. Existing floor area increase mechanisms that were meant to facilitate development of large buildings and transfer of landmarks floor area have not proven to be attractive options for new development. The subway improvement bonus allows a maximum 20% increase, and the Grand Central Subdistrict landmark transfer mechanism allows an increase up to 21.6 FAR. There has only been one use of the Grand Central Subdistrict Landmark transfer.

The Commission notes that 30.0 FAR is comparable to the scale of recent construction in high density districts in the city. Given the comparably small size of blocks in the Vanderbilt Corridor, which are all approximately 43,000 square feet, a 30.0 FAR building on Vanderbilt would in fact contain less floor area than most recent major high-density office construction in New York City. The maximum zoning floor area achievable for a full block site in the Corridor, utilizing the Grand Central Public Realm Improvement Bonus or the Grand Central landmarks transfer, would be approximately 1.3 million square feet, less than the floor area of any of the towers at the World Trade Center, Bank of America at One Bryant Park, Goldman Sachs at 200

West Street, the buildings under construction at Hudson Yards, and the approved but not yet constructed 15 Penn Plaza.

The Commission stresses that the establishment of 30.0 FAR as the maximum allowance does not necessarily mean future developments using these mechanisms will propose or be approved at that density. During the public review, the Commission heard testimony from the Community Board, Borough Board, the Borough President, and the Municipal Art Society that expressed concern with the proposed maximum on the blocks north of East 43rd Street. They suggested that the maximum FAR on those blocks should be less than on the southernmost block, the only block on the Corridor that faces two wide streets. Some speakers spoke of a concern of a future “canyon” effect of multiple 30.0 FAR buildings built up in the Corridor. The Commission believes that it would be premature to restrict the maximum allowable FAR for the northern four blocks given each future application will go through its own full discretionary review and will be guided by specific findings (as discussed in detail below) that will allow the Commission to weigh individual proposals as they come. Each case will vary depending on proposed uses, proposed public realm improvements if any, architecture, and other aspects. Concerns about density will be considered on an individual basis for each future application and the Commission believes the findings of the special permits offer great flexibility in making such determinations.

Establishing a new special permit mechanism

During the public review, the Commission heard testimony that the Department’s proposal to create a new floor area bonus in the Grand Central Subdistrict is an improper departure from the City’s land use policy for the area in that it would allow a significant increase in floor area by means other than through the purchase of Grand Central Terminal development rights. By creating other zoning mechanisms to promote development, the testimony argued, the City is in violation of the original “bargain” regarding the Grand Central Subdistrict.

The Commission strongly disagrees with an argument that essentially fixes the City’s zoning powers to one particular point in time and restricts the City from reassessing the public policy objectives or the available zoning tools to carry out those policy objectives. It is the City’s

responsibility to create new zoning laws to more effectively fulfill existing public policy objectives or to meet new ones. Of course, the City may seek to achieve multiple public policy goals in the same area. In the case of the Vanderbilt Corridor, the City seeks to encourage the development of much needed new office space, the implementation of needed infrastructure improvements, as well as to enhance the ability for landmarks to transfer development rights.

The argument that previously established zoning precludes the ability of the Commission to make future changes is a direct contravention to its fundamental responsibility and role in ensuring the healthy growth of the city. Such an argument harms not only East Midtown, but would harm the city as a whole. It is a charter-mandated duty for the Commission to be responsible for the conduct of planning relating to the orderly growth, improvement and future development of the city, including adequate and appropriate resources for the housing, business, industry, transportation, distribution, recreation, culture, comfort, convenience, health and welfare of its population. Over many decades, the Commission has made thousands of changes to the zoning text and map of the NYC Zoning Resolution, evaluating each proposal through the City's vigorous land use review process. The existing zoning is not working and it requires re-evaluation and repair. To adhere to a zoning policy that has not achieved its intended goals does not make for responsible planning.

Supporting landmark owners' ability to transfer unused development remains an important goal for the City as evidenced by the Department's proposed enhancements to the Grand Central Landmark Transfer special permit, which are meant to help address the lack of transfer activity in this district. However, as Midtown's building stock has aged and its infrastructure has become a constraint on future growth and its main subway station a bottleneck for the whole city, the Commission believes it is necessary to develop additional mechanisms that can address these problems too. These objectives can and do exist side by side. Long-established zoning policy has provided developers with a variety of paths to achieve greater bulk, including opportunities to receive additional floor area through bonus mechanisms or transfers from area landmarks. In assessing the history of these various provisions, the Department found instances when

individual projects utilized a mix of these mechanisms, or favored one type over the other. The Commission believes this flexibility is appropriate.

The Commission further strongly disagrees with the argument that the public realm improvement bonus would render Grand Central Terminal development rights worthless, and would be considered an unconstitutional taking of Grand Central Terminal's property, requiring the payment of just compensation from the city. On this point, the Commission heard from its Counsel that in order for there to be an unconstitutional taking, virtually all of the economic value of the air rights associated with Grand Central Terminal would need to be eliminated as a result of adoption of the proposed text amendments. That is not the case here. To the contrary, under the proposed Vanderbilt Corridor text amendment, landmark owners would not only retain the ability to transfer unused development rights, but would realize enhanced transfer rights through the proposed modifications to the Grand Central Landmark Transfer special permit, equal to those provided under the public realm improvement bonus.

The Grand Central Public Realm Improvement Bonus Special Permit (81-64)

As part of the proposed Vanderbilt Corridor text amendment, the Department proposes a new special permit that will allow a high-quality development that provides major improvements to the public realm to increase its floor area from 15.0 FAR to a maximum of 30.0 FAR. In addition, the special permit will also allow for the modification of bulk and urban design regulations provided they are necessary to accommodate the project and the desired public realm improvements.

The Commission views this proposed special permit to be an exciting innovation to the floor area bonus mechanism, an incentive zoning tool that has been in practice since the adoption of the 1961 Zoning Resolution. The proposed Grand Central Public Realm Improvement Bonus special permit is modeled on the subway improvement bonus, which has delivered significant improvements to the subway network in different parts of the city. However, the proposed special permit is appropriately more expansive in order to permit consideration of a greater

variety of public realm improvements, as well greater consideration of the general building proposal.

Private investment in transit infrastructure has an important role to play in meeting the region's needs and fueling its continued economic growth. The Commission believes that the proposed text reflects the exemplary leveraging of private development to deliver public amenities—the hallmark of incentive zoning. The commitment of private financing to construct the public realm improvements is a cost-savings for the public taxpayer, and puts the risk of cost overruns, time delays, and unforeseen conditions on the private developer, not on the City, the MTA, or the public.

The historic dominance of East Midtown as a business district is inextricably linked to its excellent transit access. The Commission believes this special permit will help to retain and strengthen that position by incentivizing the delivery of new transit-oriented developments. The Grand Central Public Realm Improvement Bonus complements the public investments that are currently underway by the MTA. The proposal creates and capitalizes on the opportunity that comes with new construction to make connections and address constraints that would be impossible or too expensive for the public sector to tackle.

In addition, there is a clear need for an improved at-grade public realm in the East Midtown area that better reflects the area's role as a premier business district. By permitting consideration of improvements here, whether on-site or off-, the Commission believes the Public Realm Improvement Bonus will allow individual developments to help address these issues. The special permit can be utilized by a new development or enlargement, and there would be significant prerequisites to apply. While the special permit is designed to provide broad flexibility for the types and locations of public realm improvements, it requires the proposed development to exemplify superior high-density design, reflect best practices in sustainability performance and advance the general goals of the Special Midtown District.

The Commission notes that the Grand Central Public Realm Improvement Bonus mechanism provides for two distinct special permits – the first considers the public improvements and the overall building proposal, the second concerns any necessary waivers to facilitate their implementation. The introduction of this new bonus mechanism is a primary objective of the Vanderbilt Corridor text amendment. Therefore, the Commission believes a detailed consideration of its features is warranted.

Allowing for Bonus Floor Area

The Grand Central Public Realm Improvement Bonus mechanism is modeled on the existing subway improvement bonus, which has provided many significant improvements to the subway network. Unlike the standard subway improvement bonus, the proposed mechanism will allow an applicant to seek bonus floor area for improvements to off-site locations, not just on-site or adjacent locations. The improvements could be at-grade or below-grade, on-site or off-site and in any combination. Given the scale of the proposed bonus of up to 15.0 FAR, there is a clear expectation that improvements must be significant in scope.

It also requires the proposed development to meet a series of findings to ensure a superlative level of design. These findings consider the proposed building's design at grade, massing and overall program, relationship to Grand Central Terminal and sustainability performance. Furthermore, the special permit requires the applicant to provide certain guarantees and schedules of delivery for the public realm improvements prior to approval and the issuance of building permits. The improvements must be completed prior to any occupation of bonused floor area.

The conditions, findings and requirements of the special permit are described and considered below.

Overall Conditions

The special permit includes a series of conditions that must be met and application materials that must be provided before a proposal for the floor area bonus can begin the public review process.

The Commission believes these various requirements are appropriate, as modified as described below.

Applicants for the special permit must include improvements that fall into three general types, with each improvement type having required general characteristics. The Commission believes these three types of improvements – below-grade, above-grade on-site, and above-grade off-site – are fully inclusive of appropriate bonusable improvements for this area. Further, applications for these types of improvements must not only provide materials with enough detail to provide the Commission with a basis for weighing the appropriate bonus, but also receive conceptual approval for them from the public agencies having control and responsibility for the identified improvement. These requirements are similar to what is required for the subway improvement bonus, but are more expansive in order to allow for a wider range of improvements. The Borough President, in her recommendation, requested that these materials be supplemented with information describing the initial plans for the maintenance of the improvements as this is an important factor in considering the benefit the projects would have. While noting that maintenance agreements are already required as part of later phases of the process, the Commission agrees that such information can be useful for the public review process and so has included this as an initial requirement.

These provisions also include requirements that any application for the special permit include specific minimum sidewalk dimensions along Madison Avenue (20 feet) and certain side street (15 feet). This ensures that any proposal under this special permit – regardless of its proposed package of improvements – would have to include the sidewalk widening. This was originally a requirement of the 2013 East Midtown proposal, and one that the Commission fully supported then and does again now, as it would significantly help alleviate pedestrian congestion in the area. Given this, the Commission believes this specific requirement is appropriate.

Beyond information on the improvements, applications are required to include specific materials on the proposed building, including for its ground floor, general massing, and sustainability plan.

These requirements are appropriate and are sufficient to allow the Commission to consider the proposed building in relation to the special permit's various findings.

The Commission, however, heard testimony from a number of people expressing concern about how buildings developed in the Vanderbilt Corridor would relate to Grand Central Terminal. While those proposals transferring unused floor area from that landmark building would be required to include a report from LPC on the harmonious relationship between the proposed building and the Terminal as part of a landmark transfer special permit, this would not be true for buildings that are only using the Public Realm Improvement Bonus. Given the importance of Grand Central Terminal to the area, the Commission believes it is warranted to additionally require that any future proposal for this special permit for a site adjacent to the Terminal receive a report from LPC on the relationship between it and the landmark. For the One Vanderbilt proposal, which is concurrently being reviewed by the Commission, LPC's letter approving of the design would suffice.

Finally, the Commission is making modifications to the requirements reflective of the Borough President's recommendation that a building's energy performance be measured against the then-applicable New York City Energy Conservation Code, as opposed to the 2011 version which was initially required. This would allow future proposals for the special permit to be appropriately compared with the code of their time.

Findings

In order to grant the special permit for a floor area bonus, the Commission must determine the application meets a series of specific and demanding findings regarding the proposed improvements, as well as the proposed building. The Commission believes these findings, as modified below, are appropriate as they provide sufficient guidance for consideration of applications for the special permit. The Commission notes that in its examination of other existing bonus mechanisms available in the Zoning Resolution, none contain the level of breadth

and detail that the Public Realm Improvement Bonus considers. Through this mechanism's findings, the entirety of a proposal can be comprehensively assessed. The findings themselves can be divided into three separate categories: those about the proposed improvements and the requested floor area bonus, those about the proposed building and its various features, and those about how all the elements work together in the area as a comprehensive proposal. They are each considered separately below.

The Commission believes the separate findings for the types of improvements that can receive bonus floor area – above-grade on-site, above-grade off-site, and below-grade – are appropriate for each type and offer sufficient flexibility for applicants to craft proposals to achieve a wide range of bonuses. As structured, projects could create proposals that include all three improvement types, or could just as easily create a proposal focused on only one type. On different types of sites, or for proposals which are also transferring unused floor area from a landmark through a landmark transfer special permit, this level of flexibility will be quite beneficial. Further, the Commission believes this level of flexibility affords the public review process wide discretion to assess these proposals in a sufficient manner.

The findings for above-grade on-site improvements offer a wide range of flexibility as to the type of projects that can be considered. As structured, it permits enclosed public spaces, as well as more-typical open plazas. The Commission believes this offers sufficient flexibility for applicants who choose this type of improvement while helping ensure such proposal will lead to a prominent public space that contributes to the area. The Commission heard testimony from the Borough President that this finding should be strengthened to additionally consider how the improvement would improve pedestrian circulation in the area and to require the improvement be surrounded by or include active retail uses. The Commission agrees and therefore modifies the proposal to include these additional considerations.

While the findings for on-site improvements are modeled in many respects on the public plaza and covered-pedestrian space provisions of the Zoning Resolution, the above-grade off-site improvement findings have little comparable precedent. They are intended to allow consideration of a wide range of improvement types, from sidewalk widenings to larger public spaces. As structured, it also allows the Commission the ability to waive this finding if a separate review process has been undertaken through the Department of Transportation's separate plaza program. The Commission believes this finding is appropriate but similarly strengthens it to ensure these improvements are significant and to ensure consideration of a proposal's ability to improve pedestrian congestion in the area.

The findings for below-grade improvements are closely modeled on the findings for the existing subway improvement bonus, but are expanded to include consideration of the wide range of transportation facilities that can be found in the Grand Central area. The Commission believes these are appropriate as they afford consideration of a wide range of improvement projects but are focused mainly on the benefits the projects would have for pedestrian circulation and the overall experience of the below-grade environment.

Finally, any proposals must meet the last improvement finding that the public benefit derived from the projects merits the additional floor area being granted through the special permit. This finding is intended to afford the Commission great discretion in considering the projects and their effects in total, rather than as discrete elements as required by the earlier findings. The Commission notes that many discretionary actions in the Zoning Resolution contain findings like this, and its inclusion here is appropriate to allow the public review process a comprehensive consideration of improvement projects. The Commission, however, has modified the order of the findings to bring this one closer to the other improvement findings so as to make clearer that additional floor area can only be granted through provision of improvements and not through the design or individual features of the proposed building itself, which are subject to further findings as considered below.

In addition to findings relating to improvements, the special permit includes additional findings relating to the specific building proposal. The Commission believes this is appropriate as the intent is to not only generate improvements, but ensure high-quality buildings be developed in the East Midtown area. These findings would permit the Commission, for example, to better consider proposals that include a great amount of beneficial improvement projects, but an ill-considered building design. In this instance, the Commission could rightly require design modifications, turn down the overall proposal in its entirety, or consider granting less floor area.

The Commission believes the findings for the proposed building are focused on the correct elements to ensure a high-quality building that is respectful of and beneficial to its surroundings. Detailed findings are included for the design of the ground floor level of the building focused on how it interfaces with the various circulation networks in the area. In addition, the proposed building's general massing, its ability to provide pedestrians sufficient access to light air, and its relationship with the overall Midtown skyline are considered. Further, the proposed building's overall façade is considered in relation to the character of the surrounding area, with particular emphasis on Grand Central Terminal. Finally, the proposed uses in the building are considered in relation to the uses found in the area. In summary, the Commission believes the entirety of a building proposal can be comprehensively, and appropriately, reviewed through these findings.

The special permit also has findings relating to the building's plan for sustainability. The Commission believes it is critical that buildings developed using this special permit not only improve conditions for area pedestrians, but also act as exemplary highly-sustainable projects that point the way for all high-density construction in the city. Thus, for the first time in the Zoning Resolution, these findings afford a comprehensive consideration of the overall sustainability plan for a building. While the 2013 East Midtown proposal was to have included the first as-of-right requirement for energy efficiency, this special permit instead affords the consideration of a wider range of elements such as water efficiency and indoor air quality, through a discretionary review. While the Commission believes such a consideration is appropriate, it notes there was great deal of testimony at the public hearing suggesting that this

finding needed to be strengthened to ensure that buildings here are truly at the forefront of sustainable design. Thus, the Commission has modified the text to require that the proposed building integrate measures that meet or exceed best practices in sustainable design.

Finally, the special permit includes two summary findings that allow the Commission to consider the full breadth of the proposal. First, the Commission is allowed to consider whether the proposed density on the site would have a negative effect on the surrounding area. The Commission heard testimony that repeated use of the proposed special permit in the Vanderbilt Corridor could result in the development of multiple 30.0 FAR buildings in the area, and that some sites in the Corridor may not be appropriate for such density. The Commission believes this finding, in addition to all the others, gives the Commission wide discretion to review such proposals and to determine the appropriate density for them. The last finding allows the Commission to consider how well all the various elements in a proposal including improvements and the proposed building are integrated together to form a high-quality project that furthers the goals of the Special Midtown District. The Commission believes these findings appropriately afford a wider look at a proposal in its entirety.

Additional requirements

The special permit includes a series of additional requirements that are intended to guide the timeframe for the development of improvements and the agreements necessary to facilitate them. The Commission believes these requirements are appropriate. Before the time of approval of a special permit, an applicant is required to establish a process for the design, construction and maintenance of improvements with the agency that has control and responsibility for the area of the improvement. Further, before a building permit can be obtained, the specific details of the design, construction and maintenance plans must be finalized with these agencies. This two-step process allows the applicant sufficient time to work out the complex details of improvement projects with the right agencies, while affording an appropriate level of information at the time of the special permit's public review.

Further requirements ensure that no bonus floor area can be available for occupancy until all the necessary improvements have been completed and made accessible to the general public. This is a process similar to the subway improvement bonus special permit and the Commission believes this will ensure the improvement projects are constructed in a timely manner. However, the Commission notes that the area around Grand Central Terminal is extremely complex, with multiple layers of ownership making some improvement projects more difficult than others. To account for such conditions, the special permit allows the Commission the option to approve a phasing plan for individual improvements that will be located in areas currently not under the control of a public agency. This would allow more-flexible schedules for such improvements to account for the uncertain timeframe of public site acquisition, while including sufficient guarantees that the specified work will be completed in a timely manner.

Waivers

In conjunction with the improvements, the commission may permit waivers of Midtown bulk and urban design controls in relation to the overall building plan described. These include streetwall regulations, height and setback controls, mandatory district plan requirements including Pedestrian Circulation Space (PCS). However, the Commission would not be able to lower the amount of required PCS which is based on the size of the building. This is appropriate.

Earlier pieces of the text permit the various improvements to count toward the PCS calculations in a manner similar to the subway improvement bonus. It also exempts transit entrances from the retail continuity requirement, just like subway entrances. Considering they have substantial pedestrian benefits similar to subway station improvements, the CPC believes such modifications make sense.

While these allowances are broad, the Commission believes they are appropriate given the robust findings in the first permit for floor area bonus, and the additional specific findings of the second related to requested waivers.

The Commission believes that allowing for waivers is appropriate for a number of reasons. First, the square shapes of the Vanderbilt Corridor blocks are unique to Midtown. The Midtown bulk regulations were designed not with these square blocks in mind, but for standard rectangular blocks. Also, through the improvement bonus or landmark transfer, projects in the Vanderbilt Corridor could be permitted a higher FAR than can be accommodated under the as-of-right regulations. Further, there is the higher streetwall character of the area, of Madison Avenue in particular, for which proposed projects may want to respect in their design. Granting these types of waivers is not unique. The Commission has similar powers in other special permits such as in the case of landmark transfer or General Large Scale special permits already available in the Special Midtown District.

Additionally, the Commission believes that certain proposed public realm improvements that may be provided on site may affect the proposed development's ability to meet certain regulations.

While the Commission believes the Midtown height and setback and urban design requirements are strong, and work well for as-of-right development built to the permitted base floor area, the Commission believes consideration of waivers is appropriate in relation to an overall proposal, as long as the project is in keeping with the general intent of the requirements. Again, the Commission believes its discretion to modify these requirements is appropriate and will consider any request in relation to the proposal itself.

Grand Central Landmark Transfer special permit (81-635)

As part of the proposed Vanderbilt Corridor text amendment, the Department proposes changes to an existing special permit that allows transfers of landmark development rights to sites within the Grand Central Subdistrict. The Commission believes the proposed changes provide effective and meaningful remedies to the long underperforming landmark transfer mechanism.

As described in the background portion of this report, the Special Permit was created as part of the 1992 establishment of the Grand Central Subdistrict to encourage the development of high

density commercial buildings around the transit hub by allowing for the increase of density on a development site from 15.0 to 21.6 FAR through the transfer of unused landmark development rights onto that development site. A requirement of the landmark transfer is that the development proposal must include and implement a pedestrian or transit related improvement to the Grand Central pedestrian and transit related network.

Since the adoption of this special permit more than two decades ago, there has only been one application for it. That project is 383 Madison Avenue, formerly the Bear Stearns headquarters, now a JP Morgan Chase building, located on the northernmost block of the Vanderbilt Corridor. The project was approved for 21.6 FAR and included a requirement to provide on-site connection to the below grade North End Access pedestrian passage and to provide enclosure for the passages. Other than 383 Madison, there have been virtually no expressions of interest from other parties to seek the special permit.

The Department's diagnosis of why the Grand Central landmark transfer special permit underperformed found two fundamental problems in the mechanism. First, the allowed mechanism does not allow for enough floor area on the receiving site to incentivize a developer to undergo the discretionary process. Second, unlike the standard landmark transfer provision of Section 74-79, a landmark transfer under the Grand Central provisions is burdened with the requirement to implement a public realm improvement.

In order to better facilitate the transfer of landmark development rights, the Department proposes two modifications to the existing Grand Central landmark transfer special permit. First, the Department proposes raising the maximum permitted on-site FAR for a receiving site from 21.6 FAR to 30.0 FAR. Second, the modification will remove the existing special permit requirement that each transfer proposal include a major improvement to the transit and public realm network. Instead, and similar to the underlying Section 74-79 landmark transfer special permit, the inclusion of such improvements would only be at the Commission's discretion.

Developments surpassing the current 21.6 FAR limit would be required to meet the findings in the Grand Central Public Realm Improvement Bonus special permit regarding the proposed building's ground-floor level, building design and massing, and energy performance to also ensure that developments at these densities provide an overall building plan and distribution of bulk that is appropriate to the surrounding area.

The Commission heard testimony that the City's proposal erodes the landmark transfer mechanisms of the Grand Central Subdistrict and of Section 74-79. The Commission points out that, in fact, the Vanderbilt Corridor proposal provides greater support and expands opportunities for Grand Central transfers. The combination of the proposed increase of maximum permitted density and the elimination of the requirement to provide an infrastructure improvement make the Section 81-635 mechanism more appealing to potential developers in the Corridor to purchase development rights from a landmark owner.

Additionally, the Commission notes that the Department is not proposing any change to the as-of-right 1 FAR increase in the Grand Central Subdistrict that is available only by transfer from a landmark pursuant to Section 81-634. Further, there are no proposed changes to the Section 74-79 landmark transfer mechanism which allows *unlimited* FAR on the receiving sites in certain high density commercial districts such as around Grand Central Terminal, and as in the case for the modified Section 81-635 does not have a requirement to include significant public infrastructure improvements.

It is clear to the Commission that the proposed Grand Central Public Realm Improvement Bonus represents an alternative mechanism, not a replacement, for a developer seeking additional floor area. Given the exposure of potential additional cost, time, and other risks associated with the requirement to complete major public infrastructure projects, the Commission expects that there will be developers who will readily opt to purchase landmark development rights in order to avoid such exposure. The significant enhancements to the Grand Central landmark transfer special permit demonstrate the City's continued support to preserve the opportunity for landmark

owners to sell unused development rights while making the process significantly more attractive from the purchaser's side.

Special Use Provisions and the Hotel Special Permit (81-65)

As proposed within the Vanderbilt Corridor, any new transient hotel use whether in a new development, conversion or enlargement, may only be allowed by a special permit, *Section 81-65 Special Permit for Transient Hotels*. The special permit for hotel use may be granted if the Commission finds that the proposed hotel is suited to the needs of the businesses in the vicinity, provides on-site amenities and services that support the area's role as an office district, and that such business-oriented amenities include conference and meeting facilities, and telecommunication services.

Hotels are key features in the East Midtown and contribute to the success of the business district. Hotel uses are currently permitted as of right. However, given the objective to strengthen the character and functioning of the Grand Central area as a business district, the Commission believes it is important that new hotel uses provide a full range of amenities and services to support the conduct of business. The Commission believes the proposed requirement for special for new hotel use is appropriate.

The Commission is modifying the hotel special in one respect. During the public hearing, the Commission heard testimony from a representative of the owner of the Roosevelt Hotel, located on the full block of the Vanderbilt Corridor between East 45th and 46th streets. The representative testified that the requirement for any hotel in the Corridor to seek a special permit for an enlargement would be problematic for the Roosevelt. She stressed that that the Roosevelt Hotel is currently the only hotel use in the Corridor and that in any case of potential expansion, it would continue to provide spaces and services that cater to business users as they are core features of the Roosevelt's business. Accordingly, the Commission recognizes that future enlargement of the hotel use would be appropriate as-of-right and modifies *81-65 Special Permit for Transient Hotels* to remove "enlargements" from being subject to the special permit.

City Map Change - Vanderbilt Public Place

The Commission believes that the proposed City Map change to designate the portion of Vanderbilt Avenue between East 42nd Street and East 43rd streets as a Public Place is appropriate. The City Map change is being requested to facilitate the creation of a vehicle-free, pedestrianized zone in the block of Vanderbilt Avenue adjacent to the southwestern corner of Grand Central Terminal, one of the busiest points of entry/egress of the Terminal. As a mapped Public Place, the space will remain in the City's ownership and under the jurisdiction of the Department of Transportation. The Public Place will not generate zoning floor area and for purposes of height and setback regulations, the proposed text ensures that the Vanderbilt Public Place will be treated as a street.

The City supports the plan to change this one block of Vanderbilt Avenue, containing one of the most heavily pedestrian trafficked crosswalks in the district, into a vehicle-free area. The Commission believes the Vanderbilt Public Place would provide important benefits to the area by creating new open space in a part of Midtown where little exists. The Public Place would serve as a more fitting "gateway" entry for Grand Central Terminal, one of the most important landmarks and beloved icons in the city.

The conversion of this one block of Vanderbilt to a Public Place is in line with the requirement that any "such closing or discontinuance will further the health, safety, pedestrian or vehicular circulation, housing, economic development or general welfare of the city." The mapping action will further the City's goal to create public open space resources within repurposed former vehicular right-of-ways and it will support the City's "Vision Zero" policy for reducing pedestrian injuries and fatalities. The Department of Transportation has created vehicle-free spaces in areas of intense activity such as in Times Square and Herald Square. Nearby, they have created a plaza at Pershing Square, the east side of Park Avenue between East 41st and 42nd streets.

The Commission notes that the construction and daily maintenance of Vanderbilt Public Place would be the responsibility of the owner of the proposed One Vanderbilt development and more

detail is provided in the report for that requested special permit. While the design of the space is to be determined by a later public design process of the Department of Transportation's Plaza program, the Commission is pleased that the Department of Transportation has already articulated the intended general purpose and a set of required elements to guide the future design process. In a letter dated March 27, 2015, they provide for Vanderbilt Public Plaza to be a permanent, high-quality public open space befitting its location next to Grand Central Terminal; a vehicle-free environment to help pedestrians move in a safe and unimpeded manner; include amenities such as seating, planting, lighting, paving, and other elements in a manner that does not impede smooth pedestrian circulation; and allow for emergency vehicle access, as set by emergency response providers, including the NYPD, FDNY, and the MTA Police. The space will remain open 24 hours daily, year round, except as otherwise allowed by the Department of Transportation. Finally, the design process for the plaza will require a letter of concurrence from the CPC Chairperson that the proposed Public Place design meets the general purposes and required elements described above.

Concluding Comments

The Commission believes that this application, as modified herein, represents a thoughtful and well-considered approach to addressing the challenges of the Vanderbilt Corridor.

The Vanderbilt Corridor text includes an exciting innovation of the floor area bonus mechanism, provides a meaningful remedy for an underperforming landmark transfer mechanism, and recognizes the need to tighten hotel use regulations in order to better match the business character of the area. The new zoning provides for redevelopment at a scale that is appropriate for the city's commercial core, while providing for much needed improvements to the area's pedestrian and transit related networks as well as relief to current and future owners of landmarks in the area who will have increased opportunities to sell unused development rights.

The Vanderbilt Corridor is an excellent first step in the continued planning for East Midtown. It is a timely zoning proposal that will deliver necessary new top tier development that will serve the area and the city.

RESOLUTION

RESOLVED, that having considered the Final Environmental Impact Statement (FEIS), for which a Notice of Completion was issued on March 20, 2015, with respect to this application (CEQR No. 14DCP188M), and the Technical Memorandum, dated March 27, 2015, (the “Technical Memorandum”), the City Planning Commission finds that the requirements of the New York State Environmental Quality Review Act and Regulations have been met and that:

1. Consistent with social, economic and other essential considerations from among the reasonable alternatives available, the action as modified with the modifications adopted herein as analyzed in the FEIS and the Technical Memorandum, is one which avoids or minimizes adverse environmental impacts to the maximum extent practicable; and
2. The adverse environmental impacts identified in the FEIS will be minimized or avoided to the maximum extent practicable by the placement of (E) designations for Hazardous Materials, Air Quality, and Noise, which form part of the action

The report of the City Planning Commission, together with the FEIS and the Technical Memorandum, constitutes the written statement of facts, and of social, economic and other factors and standards, that form the basis of the decision, pursuant to Section 617.11(d) of the SEQRA regulations; and be it further

RESOLVED, by the City Planning Commission, pursuant to Section 200 of the New York City Charter, that based on the environmental determination, and the consideration described in this

report, the Zoning Resolution of the City of New York, effective as of December 15, 1961, and as subsequently amended, is further amended as follows:

Matter in underline is new, to be added;
Matter in ~~strikeout~~ is to be deleted;
Matter with # # is defined in Section 12-10;
* * * indicates where unchanged text appears in the Zoning Resolution

Article VIII - Special Purpose Districts
Chapter 1
Special Midtown District

Table of Contents - Special Midtown District

GENERAL PURPOSES..... 81-00

* * *

SPECIAL REGULATIONS FOR THE GRAND CENTRAL SUBDISTRICT...81-60

General Provisions 81-61

Special Bulk and Urban Design Requirements 81-62

Transfer of Development Rights from Landmark Sites 81-63

Special Permit for Grand Central Public Realm Improvement Bonus81-64

* * *

81-00
GENERAL PURPOSES

The "Special Midtown District" established in this Resolution is designed to promote and protect public health, safety and general welfare. These general goals include, among others, the following specific purposes:

* * *

- (m) to preserve the midblock area north of the Museum of Modern Art for its special contribution to the historic continuity, function and ambience of Midtown;
- (n) to protect and strengthen the economic vitality and competitiveness of the Grand Central Subdistrict by facilitating the development of exceptional and sustainable buildings

within the Vanderbilt Corridor and enabling improvements to the pedestrian and mass transit circulation network;

~~(o)(n)~~ to protect and enhance the role of Grand Central Terminal as a major transportation hub within the City, to expand and enhance the pedestrian and mass transit circulation network connecting Grand Central Terminal to surrounding development, to minimize pedestrian congestion and to protect the surrounding area's special character;

~~(p)(o)~~ to expand the retail, entertainment and commercial character of the area around Pennsylvania Station and to enhance its role as a major transportation hub in the city;

~~(q)(p)~~ to provide freedom of architectural design within limits established to assure adequate access of light and air to the street, and thus to encourage more attractive and economic building forms without the need for special development permissions or "negotiated zoning"; and

~~(r)(q)~~—to promote the most desirable use of land and building development in accordance with the District Plan for Midtown and thus conserve the value of land and buildings and thereby protect the City's tax revenues.

* * *

81-03 District Plan

The regulations of this Chapter are designed to implement the #Special Midtown District# Plan.

The District Plan ~~partly consists of~~ includes the following ~~four~~ three maps:

- Map 1 Special Midtown District and Subdistricts
- Map 2 Retail and Street Wall Continuity
- Map 3 Subway Station and Rail Mass Transit Facility Improvement Areas
- Map 4 ~~————~~ Network of Pedestrian Circulation.

The maps are located in Appendix A of this Chapter and are hereby incorporated and made a part of this Resolution. They are incorporated for the purpose of specifying locations where special regulations and requirements set forth in the text of this Chapter apply.

* * *

81-20

BULK REGULATIONS

81-21

Floor Area Ratio Regulations

* * *

81-211

Maximum floor area ratio for non-residential or mixed buildings

- (a) For #non-residential buildings# or #mixed buildings#, the basic maximum #floor area ratios# of the underlying districts shall apply as set forth in this Section.
- (b) In the #Special Midtown District#, the basic maximum #floor area ratio# on any #zoning lot# may be increased by bonuses or other #floor area# allowances only in accordance with the provisions of this Chapter, and the maximum #floor area ratio# with such additional #floor area# allowances shall in no event exceed the amount set forth for each underlying district in the following table:

**MAXIMUM FLOOR AREA ALLOWANCES FOR SPECIFIED FEATURES
AND MAXIMUM FLOOR AREA RATIOS BY DISTRICTS**

Means for Achieving Permitted FAR Levels on a #Zoning Lot#	Maximum #Floor Area Ratio# (FAR)							
	Outside the Grand Central Subdistrict						Grand Central Subdistrict	
	C5P	C6-4 5	C6- M1-6	C5-2.5 4.5	C6- 5.5 6-6.5	C6-7T	C5-3 C6-6 C6-7	C5- 2.5 C5-3 C6-6
A. Basic Maximum FAR	8.0	10.0		12.0	14.0	15.0	12.0	15.0
B. Maximum As-of-Right #Floor Area# Allowances: (District-wide Incentives), #Public plazas# (Section 81-23)	---	1.0 ^{1,2}		1.0 ^{1,3}	---	1.0 ²	---	---

	C. Maximum Total FAR with As-of-Right Incentives						
	8.0	11.0 ^{1,2,8}	13.0 ^{1,3}	14.0	16.0	12.0	15.0
	D. Maximum Special Permit #Floor Area# Allowances: (District-wide Incentives), Subway station improvements (Section 74-634)						
	---	2.0 ^{1,7}	2.4 ¹	---	3.0	2.4	3.0
	E. Maximum Total FAR with District-wide and As-of-Right Incentives						
	8.0	12.0	14.4	14.0	18.0	14.4	18.0
F.	Maximum Special Permit #Floor Area# Allowances in Penn Center Subdistrict: Mass Transit Facility Improvement (Section 74-634)						
	---	2.0	---	---	3.0	---	---
G.	Maximum Total FAR with As-of-Right, District-wide and Penn Center Subdistrict Incentives						
	---	12.0	---	---	18.0	---	---
H.	Maximum As-of-Right #Floor Area# Allowances in Theater Subdistrict:						
	Development rights (FAR) of a “granting site” (Section 81-744)						
	---	10.0	12.0	14.0	15.0	---	---
	Maximum amount of transferable development rights (FAR) from “granting sites” that may be utilized on a “receiving site” (Section 81-744(a))						
	---	2.0	2.4	2.8	3.0	---	---
	Inclusionary Housing (Sections 23-90 and 81-22)						
	---	2.0 ⁴	---	---	---	---	---
I.	Maximum Total FAR with As-of-Right #Floor Area# Allowances in Theater Subdistrict						

	---	12.0	14.4	16.8	18.0	---	---
J.	Maximum #Floor Area# Allowances by Authorization in Eighth Avenue Corridor (Section 81-744(b))						
	---	2.4	---	---	---	---	---
K.	Maximum Total FAR with As-of-Right and Theater Subdistrict Authorizations						
	---	14.4	14.4	16.8	18.0	---	---
L.	Maximum Special Permit #Floor Area# Allowances in Theater Subdistrict: Rehabilitation of “listed theaters” (Section 81-745)						
	---	4.4	2.4	2.8	3.0	---	---
M.	Maximum Total FAR with Theater Subdistrict, District-wide and As-of-Right Incentives						
	8.0	14.4	14.4	16.8	18.0	---	---
N.	Maximum FAR of Lots Involving Landmarks:						
	Maximum FAR of a lot containing non-bonusable landmark (Section 74-711 or as-of-right)						
	8.0	10.0	12.0	14.0	15.0	12.0	15.0
	Development rights (FAR) of a landmark lot for transfer purposes (Section 74-79)						
	8.0	10.0	13.0 ⁵	14.0	16.0	12.0	15.0
	Maximum amount of transferable development rights (FAR) from landmark #zoning lot# that may be utilized on:						
	(a) an “adjacent lot” (Section 74-79)						
	1.6	2.0	2.4	No Limit	No Limit	2.4	No Limit
	(b) a “receiving lot” (Section 81-634)						

	---	---	---	---	---	1.0	1.0	
(c)	a “receiving lot” (Section 81-635)							
	---	---	---	---	---	9.6	6.6	
(d)	<u>a “receiving lot” located within the Vanderbilt Corridor (Section 81-635)</u>							
	---	---	---	---	---	---	<u>15.0</u>	
<u>O.</u>	<u>Maximum #Floor Area# Allowances by Special Permit for Grand Central Public Realm Improvement Bonus (Section 81-64)</u>							
	---	---	---	---	---	---	<u>15.0</u>	
<u>Ø.P.</u>	Maximum Total FAR of a Lot with Transferred Development Rights from Landmark #Zoning Lot#, Theater Subdistrict Incentives, District-wide Incentives and As-of-Right Incentives							
	9.6	14.4	14.4	No Limit	No Limit	21.6	No ⁶ Limit	

¹ Not available for #zoning lots# located wholly within Theater Subdistrict Core

² Not available within the Eighth Avenue Corridor

³ Not available within 100 feet of a #wide street# in C5-2.5 Districts

⁴ Applicable only within that portion of the Theater Subdistrict also located within the #Special Clinton District#

⁵ 12.0 in portion of C6-5.5 District within the Theater Subdistrict Core

⁶ Limited to 21.6 FAR on a “receiving lot” pursuant to Section 81-635 in the Grand Central Subdistrict, and limited to 30.0 FAR on a #zoning lot# located within the Vanderbilt Corridor, pursuant to Sections 81-635 or 81-64 in the Grand Central Subdistrict

⁷ Not available on west side of Eighth Avenue within the Eighth Avenue Corridor

8 12.0 for #zoning lots# with full #block# frontage on Seventh Avenue and frontage on West 34th Street, pursuant to Section 81-542 (Retention of floor area bonus for plazas or other public amenities)

* * *

81-213
Special provisions for transfer of development rights from listed theaters within the Special Clinton District

* * *

81-214
Special provisions within the Vanderbilt Corridor in the Grand Central Subdistrict

For #developments# or #enlargements# on #zoning lots# located within the Vanderbilt Corridor, as shown on Map 1 (Special Midtown District and Subdistricts) of Appendix A of this Chapter, additional #floor area# may be permitted by the City Planning Commission pursuant to Section 81-635 (Transfer of development rights by special permit) or Section 81-64 (Special Permit for Grand Central Public Realm Improvement Bonus), or any combination thereof, up to the maximum permitted #floor area# set forth in the table in Section 81-211 (Maximum floor area ratio for non-residential or mixed buildings), respectively. In no event shall the total #floor area ratio# of the #zoning lot# resulting from such proposed #development# or #enlargement# exceed 30.0.

* * *

81-254
Special permit for height and setback modifications

In the #Special Midtown District#, the City Planning Commission may modify the special height and setback regulations set forth in this Chapter only in accordance with the following provisions:

Section 74-711 (Landmark preservation in all districts) as modified by the provisions of Sections 81-266 or 81-277 (Special permit for height and setback modifications)

Section 74-79 (Transfer of Development Rights from Landmark Sites) where development rights are transferred from a landmark site to an adjacent lot in a C5-3, C6-6 or C6-7 District, as modified by Section 81-212, and the total #floor area# on the adjacent lot resulting from such transfer exceeds the basic maximum #floor area ratio# by more than 20 percent. In such cases, the granting of

a special permit by the Commission for height and setback modifications shall be in accordance with the provisions of Sections 81-266 or 81-277

- Section 81-066 (Special permit modifications of Section 81-254, Section 81-40 and certain Sections of Article VII, Chapter 7)
- Section 81-635 (Transfer of development rights by special permit)-
- Section 81-64 (Special Permit for Grand Central Public Realm Improvement Bonus).

* * *

81-60 SPECIAL REGULATIONS FOR THE GRAND CENTRAL SUBDISTRICT

81-61 General Provisions

In order to preserve and protect the character of the Grand Central Subdistrict, as well as to expand and enhance the Subdistrict's extensive pedestrian and mass transit circulation network, and to facilitate the development of exceptional and sustainable buildings within the Vanderbilt Corridor, special regulations are set forth in Section 81-60 (SPECIAL REGULATIONS FOR THE GRAND CENTRAL SUBDISTRICT), inclusive, governing urban design and streetscape relationships, the transfer of development rights from landmarks, and the improvement of the ~~surface and subsurface pedestrian circulation~~ and mass transit circulation network.

The regulations of Sections 81-60 (SPECIAL REGULATIONS FOR THE GRAND CENTRAL SUBDISTRICT) are applicable only in the Grand Central Subdistrict, the boundaries of which are shown on Map 1 (Special Midtown District and Subdistricts) in Appendix A. These regulations supplement or modify the provisions of this Chapter applying generally to the #Special Midtown District#, of which this Subdistrict is a part.

As ~~stated~~ set forth in Section 81-212 (Special provisions for transfer of development rights from landmark sites), transfer of development rights from landmark sites may be allowed pursuant to Section 81-63 ~~(Transfer of Development Rights from Landmark Sites)~~.

The provisions of Section 81-23 (Floor Area Bonus for Public Plazas) are inapplicable to any #zoning lot#, any portion of which is located within the Grand Central Subdistrict.

Where the #lot line# of a #zoning lot# coincides with the boundary of the public place located at the southerly prolongation of Vanderbilt Avenue between East 42nd Street and East 43rd Street, such #lot line# shall be considered to be a #street line# for the purposes of applying the #use#, #bulk# and urban design regulations of this Chapter.

* * *

81-611

Special use provisions

Within the Vanderbilt Corridor, as shown in Map 1 (Special Midtown District and Subdistricts) in Appendix A of this Chapter, the #development# of a #building# containing a #transient hotel#, as listed in Use Group 5, or the #conversion# or change of #use# within an existing #building# to a #transient hotel#, shall only be allowed by special permit of the City Planning Commission, pursuant to Section 81-65.

* * *

81-625

Pedestrian circulation space requirements

Any #development# or #enlargement# within the Grand Central Subdistrict shall be subject to the provisions of Sections 81-45 (Pedestrian Circulation Space), 81-46 (Off-Street Relocation or Renovation of a Subway Stair) and 81-48 (Off-Street Improvement of Access to Rail Mass Transit Facility), except that:

- (a) no arcade shall be allowed within the Subdistrict; ~~and~~
- (b) within the Subdistrict, a sidewalk widening may be provided only for a #building# occupying an Avenue frontage, provided that such sidewalk widening extends for the length of the full #block# front; and
- (c) for #developments# or #enlargements# on #zoning lots# located within the Vanderbilt Corridor, as shown on Map 1 (Special Midtown District and Subdistricts) of Appendix A of this Chapter, up to a maximum of 3,000 square feet of on-site improvements to the public realm provided in accordance with a special permit pursuant to Section 81-635 (Transfer of development rights by special permit) or Section 81-64 (Special Permit for Grand Central Public Realm Improvement Bonus) may be applied toward the pedestrian circulation space requirement.

81-626

Retail continuity requirements

For #developments# or #enlargements# on #zoning lots# located within the Vanderbilt Corridor, as shown on Map 1 (Special Midtown District and Subdistricts) of Appendix A of this Chapter, where a #building# fronts upon a designated retail #street#, as shown on Map 2 (Retail and Street Wall Continuity), any portion of such #building's# ground floor level frontage along such designated retail #street# allocated to above or below-grade public realm improvements provided in accordance with a special permit pursuant to Section 81-635 (Transfer of development rights

by special permit) or Section 81-64 (Special Permit for Grand Central Public Realm Improvement Bonus) shall be excluded from the retail continuity requirements of Section 81-42 (Retail Continuity along Designated Streets).

81-63

Transfer of Development Rights from Landmark Sites

* * *

81-631

Requirements for application

In addition to the land use review application requirements, an application filed with the City Planning Commission for certification pursuant to Section 81-634 (Transfer of development rights by certification) or special permit pursuant to Section 81-635 (Transfer of development rights by special permit) shall be made jointly by the owners of the “granting lot” and “receiving lot” and shall include:

- (a) site plan and zoning calculations for the “granting lot” and “receiving lot”;
- (b) a program for the continuing maintenance of the landmark;
- (c) a report from the Landmarks Preservation Commission concerning the continuing maintenance program of the landmark and, for those “receiving” sites in the immediate vicinity of the landmark, a report concerning the harmonious relationship of the #development# or #enlargement# to the landmark;
- (d) for #developments# or #enlargements# pursuant to Section 81-635, a plan of ~~the~~ any required pedestrian network improvement; and
- (e) any such other information as may be required by the Commission.

* * *

81-635

Transfer of development rights by special permit

Within the portion of the Subdistrict bounded by East 41st Street, East 48th Street, Lexington and Madison Avenues (the Grand Central Subdistrict Core Area as shown on Map 1 in Appendix A), the City Planning Commission may permit the transfer of development rights from a “granting lot” to a “receiving lot”, and, in conjunction with such transfer, the Commission may permit modifications to #bulk# regulations, mandatory plan elements, and provisions regarding

#zoning lots# divided by district boundaries, as set forth in paragraph (a) of this Section, provided that the Commission determines that the #development# or #enlargement# complies with the conditions of paragraph (b), the findings of paragraph (c) and the additional requirements of paragraph (d) of this Section.

(a) The Commission may permit:

~~(a)~~(1) a transfer of development rights from a “granting lot” to a “receiving lot” provided that:

(i) for #zoning lots# located within the Vanderbilt Corridor, as shown in Map 1 (Special Midtown District and Subdistricts) in Appendix A of this Chapter, the resultant #floor area ratio# on the “receiving lot” does not exceed 30.0; and

(ii) for #zoning lots# outside the Vanderbilt Corridor, the resultant #floor area ratio# on the “receiving lot” does not exceed 21.6;

~~(b)~~(2) modifications of the provisions of Sections 77-02 (Zoning Lots Not Existing Prior to Effective Date or Amendment of Resolution), 77-21 (General Provisions), 77-22 (Floor Area Ratio) and 77-25 (Density Requirements) for any #zoning lot#, whether or not it existed on December 15, 1961, or any applicable subsequent amendment thereto, #floor area#, #dwelling units# or #rooming units# permitted by the district regulations which allow a greater #floor area ratio# may be located within a district that allows a lesser #floor area ratio#;

~~(c)~~(3) ~~the modification of #bulk# regulations except #floor area ratio# and height and setback regulations; however,~~ in the case of an #enlargement# to an existing #building# utilizing the transfer of development rights from a designated landmark, ~~the Commission may modify~~ modifications of the provisions of Sections 81-621 (Special street wall requirements), 81-622 (Special height and setback requirements), 81-623 (Building lobby entrance requirements), 81-624 (Curb cut restrictions and loading berth requirements), 81-625 (Pedestrian circulation space requirements), and Sections 81-25 (General Provisions Relating to Height and Setback of Buildings), 81-26 (Height and Setback Regulations-Daylight Compensation) and 81-27 (Alternate Height and Setback Regulations-Daylight Evaluation) in order to accommodate existing structures and conditions; and

~~(d)~~(4) ~~notwithstanding the provisions of paragraph (c) of this Section,~~ for #zoning lots# of more than 40,000 square feet of #lot area# that occupy an entire #block#, modifications of #bulk# regulations, except #floor area ratio# regulations; and

(5) for #zoning lots# located within the Vanderbilt Corridor, as shown on Map 1, modifications, whether singly or in any combination, to:

- (i) the #street wall# regulations of Sections 81-43 (Street Wall Continuity Along Designated Streets), or 81-621 (Special street wall requirements), inclusive;
- (ii) the height and setback regulations of Sections 81-26 (Height and Setback Regulations-Daylight Compensation), inclusive, 81-27 (Alternative Height and Setback Regulations-Daylight Evaluation), inclusive, or 81-622 (Special height and setback requirements); or
- (iii) the mandatory district plan elements of Sections 81-42 (Retail Continuity along Designated Streets), 81-44 (Curb Cut Restrictions), 81-45 (Pedestrian Circulation Space), 81-46 (Off-Street Relocation or Renovation of a Subway Stair), 81-47 (Major Building Entrances), 81-48 (Off-street Improvement of Access to Rail Mass Transit Facility), 81-623 (Building lobby entrance requirements), 81-624 (Curb cut restrictions and loading berth requirements), 81-625 (Pedestrian circulation space requirements) or 37-50 (REQUIREMENTS FOR PEDESTRIAN CIRCULATION SPACE), inclusive, except that no modifications to the required amount of pedestrian circulation space set forth in Section 37-51 shall be permitted.

(b) Conditions

[INSERT CONDITIONS FROM BELOW]

(c) Findings

In order to grant a A special permit for the transfer of development rights to a “receiving lot”, the Commission shall find that shall be subject to the following findings:

- (1) ~~that~~ a program for the continuing maintenance of the landmark has been established;
- (2) for any proposed improvement required pursuant to this Section:
 - (i) ~~that~~ the improvement to the above- or below-grade surface and subsurface pedestrian or mass transit circulation network provided by the #development# or #enlargement# increases public accessibility to and from Grand Central Terminal, pursuant to the following requirements:
 - (i)(ii) ~~that~~ the streetscape, the site design and the location of #building# entrances contribute to the overall improvement of pedestrian circulation within the Subdistrict and minimize congestion on surrounding #streets#; and

- (iii) ~~that~~ a program is established to identify solutions to problems relating to vehicular and pedestrian circulation problems and the pedestrian environment within the Subdistrict;
- (3) where appropriate, for #developments# or #enlargements# on #zoning lots# located within the Vanderbilt Corridor, as shown on Map 1, the design of the #development# or #enlargement# includes provisions for public amenities including, but not limited to, publicly accessible open spaces, and subsurface pedestrian passageways leading to subway or rail mass transit facilities;
- (4) for #developments# or #enlargements# with a proposed #floor area ratio# in excess of 21.6 on #zoning lots# located within the Vanderbilt Corridor, as shown on Map 1, the #building# has met the ground floor level, building design and sustainable design measures set forth in the applicable conditions and findings of Section 81-641 (Additional floor area for the provision of public realm improvements);
- (5) where the modification of #bulk# regulations is proposed:
 - (i)(ii) ~~that the any proposed~~ modification of ~~#bulk# regulations,~~ regulations governing #zoning lots# divided by district boundaries or the permitted transfer of #floor area# will not unduly increase the #bulk# of any #development# or #enlargement# on the “receiving lot,” density of population or intensity of #use# on any #block# to the detriment of the occupants of #buildings# on the #block# or the surrounding area;
 - (ii)(iii) ~~that,~~ for #enlargements# to existing #buildings#, ~~the any proposed~~ modifications of height and setback requirements and the requirements of Section 81-62 are necessary because of the inherent constraints or conditions of the existing #building#, that the modifications are limited to the minimum needed, and that the proposal for modifications of height and setback requirements demonstrates to the satisfaction of the Commission that an integrated design is not feasible for the proposed #enlargement# which accommodates the transfer of development rights due to the conditions imposed by the existing #building# or configuration of the site; and
 - (iii)(iv) ~~that,~~ for #developments# or #enlargements# on #zoning lots# of more than 40,000 square feet of #lot area# that occupy an entire #block#, any proposed modifications of #bulk# regulations are necessary because of inherent site constraints and that the modifications are limited to the minimum needed-; or

- (6) for #developments# or #enlargements# on #zoning lots# located within the Vanderbilt Corridor, as shown on Map 1, any proposed modifications meet the applicable application requirements and findings set forth in Section 81-642 (Permitted modifications in conjunction with additional floor area).

~~The Commission may prescribe appropriate conditions and safeguards to minimize adverse effects on the character of the surrounding area.~~

[MOVE UP THE FOLLOWING TWO PARAGRAPHS TO NEW PARAGRAPH (b) Conditions]

For #developments# or #enlargements# on #zoning lots# located outside of the Vanderbilt Corridor, the following shall apply. As a condition for granting a special permit pursuant to this Section, the design of the #development# or #enlargement# shall include a major improvement of the above or below-grade, surface and/or subsurface pedestrian or mass transit circulation network in the Subdistrict (as shown on Map 4 in Appendix A of this Chapter). The improvement shall increase the general accessibility and security of the network, reduce points of pedestrian congestion and improve the general network environment through connections into planned expansions of the network. The improvement may include, but is not limited to, widening, straightening or expansion of the existing pedestrian network, reconfiguration of circulation routes to provide more direct pedestrian connections between the #development# or #enlargement# and Grand Central Terminal, and provision for direct daylight access, retail in new and existing passages, and improvements to air quality, lighting, finishes and signage.

The special permit application to the Commission shall include information and justification sufficient to provide the Commission with a basis for evaluating the benefits to the general public from the proposed improvement. As part of the special permit application, the applicant shall submit schematic or concept plans of the proposed improvement to the Department of City Planning, as well as evidence of such submission to the Metropolitan Transportation Authority (MTA) and any other entities that retain control and responsibility for the area of the proposed improvement. Prior to ULURP certification of the special permit application, the MTA and any other entities that retain control and responsibility for the area of the proposed improvement shall each provide a letter to the Commission containing a conceptual approval of the improvement including a statement of any considerations regarding the construction and operation of the improvement.

(d) Additional requirements

Prior to the grant of a special permit, the applicant shall obtain approvals of plans from the MTA and any other entities that retain control and responsibility for the area of the proposed improvement, and, if appropriate, the applicant shall sign a legally enforceable instrument running with the land, setting forth the obligations of the owner and developer, their successors and assigns, to construct and maintain the improvement and shall establish a construction schedule, a program for maintenance and a schedule of

hours of public operation and shall provide a performance bond for completion of the improvement.

The written declaration of restrictions and any instrument creating an easement on privately owned property shall be recorded against such private property in the Office of the Register of the City of New York (County of New York) and a certified copy of the instrument shall be submitted to the City Planning Commission.

No temporary certification of occupancy for any #floor area# of the #development# or #enlargement# on a “receiving lot” shall be granted by the Department of Buildings until all required improvements have been substantially completed as determined by the Chairperson of the City Planning Commission and the area is usable by the public. Prior to the issuance of a permanent certificate of occupancy for the #development# or #enlargement#, all improvements shall be 100 percent complete in accordance with the approved plans and such completion shall have been certified by letter from the Metropolitan Transportation Authority.

The Commission may prescribe appropriate conditions and safeguards to minimize adverse effects on the character of the surrounding area.

81-64

Special Permit for Grand Central Public Realm Improvement Bonus

In order to facilitate the development of exceptional and sustainable #buildings# within the Vanderbilt Corridor as well as improvements to the pedestrian and mass transit circulation network in the vicinity of Grand Central Terminal, for #developments# and #enlargements# on #zoning lots# located within the Vanderbilt Corridor, as shown in Map 1 (Special Midtown District and Subdistricts) in Appendix A of this Chapter, the City Planning Commission may permit:

- (a) additional #floor area# for the provision of on-site or off-site, above- or below-grade improvements to the pedestrian or mass transit circulation network in the Grand Central Subdistrict, in accordance with the provisions of Section 81-641 (Additional floor area for the provision of public realm improvements); and
- (b) in conjunction with additional #floor area# granted pursuant to Section 81-641, modifications to #street wall# regulations, height and setback regulations, and mandatory district plan elements, provided such modifications are in accordance with the provisions of Section 81-642 (Permitted modifications in conjunction with additional floor area).

81-641

Additional floor area for the provision of public realm improvements

For #developments# and #enlargements# on #zoning lots# located within the Vanderbilt Corridor, as shown in Map 1 (Midtown District and Subdistricts) in Appendix A of this Chapter, the City Planning Commission may allow by special permit #floor area# in excess of the basic maximum #floor area ratio# established in the table in Section 81-211 (Maximum floor area ratio for non-residential or mixed buildings), up to the maximum #floor area# set forth in such table, in accordance with the provisions of this Section.

All applications for a special permit for additional #floor area# pursuant to this Section shall include on-site or off-site, above- or below-grade improvements to the pedestrian or mass transit circulation network, or a combination thereof, in the Grand Central Subdistrict. In addition, requirements pertaining to the ground floor level, building design, and sustainable design measures are set forth in this Section in order to ensure that any #development# or #enlargement# receiving additional #floor area# constitutes an exceptional addition to the #Special Midtown District#.

In order for the City Planning Commission to approve a special permit application for additional #floor area#, the Commission shall determine that such #development# or #enlargement# complies with the conditions and application requirements of paragraph (a), the findings of paragraph (b), and the additional requirements of paragraph (c) of this Section.

(a) Conditions and application requirements

All applications for a special permit for additional #floor area# pursuant to this Section shall include the following:

(1) Above- or below-grade improvements to the pedestrian or mass transit circulation network.

In order to ensure that the proposed #development# or #enlargement# contributes to the improvement of pedestrian and mass transit circulation in the Grand Central Subdistrict, especially in the vicinity of Grand Central Terminal, any #development# or #enlargement# proposed under the provisions of this Section shall include above- or below-grade public realm improvements.

(i) Where a #development# or #enlargement# proposes the inclusion of above-grade public realm improvements, such improvements may consist of on-site or off-site improvements to the pedestrian circulation network, or a combination thereof.

On-site, above-grade public realm improvements shall consist of open or enclosed publicly accessible spaces, of ample size, provided for public use and enjoyment. Such publicly accessible spaces shall include amenities characteristic of #public plazas# or public atriums, as applicable, and include amenities for the comfort and convenience of the public.

Off-site, above-grade public realm improvements shall consist of major improvements to the public right-of-way that support pedestrian circulation in the areas surrounding Grand Central Terminal. Where the area of such improvements is to be established as a pedestrian plaza, such improvements shall be characteristic of best practices in plaza design, as set forth by the Department of Transportation. Where the area of such improvements is along a #street# accommodating both vehicular and pedestrian access, such improvements shall be characteristic of current best practices in #street# design, as set forth by the Department of Transportation, and include improvements to the right-of-way such as: pedestrian amenities; or streetscape, sidewalk, crosswalk, and median enhancements.

- (ii) Where a #development# or #enlargement# proposes the inclusion of below-grade public realm improvements, such improvements shall consist of on-site or off-site enhancements to the below-grade pedestrian and mass transit circulation network. Such improvements shall be characteristic of current best practice in mass-transit network design, and shall include improvements such as: on-site or off-site widening, straightening, expanding or otherwise enhancing the existing below-grade pedestrian circulation network; additional vertical circulation; reconfiguring circulation routes to provide more direct pedestrian connections to subway or rail mass transit facilities; or providing daylight access, retail #uses#, or enhancements to noise abatement, air quality, lighting, finishes or rider orientation in new or existing passageways.

Applications shall include information and justification sufficient to provide the Commission with the basis for evaluating the benefits to the general public; determining the appropriate amount of bonus #floor area# to grant; and determining whether the applicable findings set forth in paragraph (b) of this Section have been met. Such application materials shall also include initial plans for the maintenance of the proposed improvements.

Where the Metropolitan Transportation Authority or any other City or State agency has control and responsibility for the area of a proposed improvement, the applicant shall submit concept plans for the proposed improvement to such agency and the Commission. At the time of certification of the application, any such agency with control and responsibility for the area of the proposed improvement shall each provide a letter to the Commission containing a conceptual approval of the improvement including a statement of any considerations regarding the construction and operation of the improvement.

- (2) Ground floor level

In order to ensure that the proposed #development# or #enlargement# contributes to the improvement of the pedestrian circulation network in the Grand Central Subdistrict, especially in the vicinity of Grand Central Terminal, any #development# or #enlargement# proposed under the provisions of this Section shall provide enhancements to the ground floor level of the #building#, including, but not limited to, sidewalk widenings, streetscape amenities or enhancements to required pedestrian circulation spaces.

Where a #development# or #enlargement# includes #street# frontage along Madison Avenue or a #narrow street# between East 43rd Street and East 47th Street, sidewalk widenings shall be provided as follows:

- (i) where a #development# or #enlargement# is on a #zoning lot# which occupies the entire #block# frontage along Madison Avenue, a sidewalk widening shall be provided along Madison Avenue, to the extent necessary, so that a minimum sidewalk width of 20 feet is achieved, including portions within and beyond the #zoning lot#. However, no sidewalk widening need exceed 10 feet, as measured perpendicular to the #street line#;
- (ii) where a #development# or #enlargement# is on a #zoning lot# that does not occupy the entire #block# frontage along Madison Avenue, a sidewalk widening shall be provided along Madison Avenue where all existing #buildings# on the #block# frontage have provided such a widening. Such required widening shall match the amount of widened sidewalk provided on adjacent #zoning lots#, provided that no sidewalk widening need exceed 10 feet, as measured perpendicular to the #street line#; or
- (iii) where a #development# or #enlargement# with frontage on a #narrow street# between East 43rd Street and East 47th Street is on a #zoning lot# with a #lot width# of 100 feet or more, as measured along the #narrow street line#, a sidewalk widening shall be provided along such #narrow street#, to the extent necessary, so that a minimum sidewalk width of 15 feet is achieved, including portions within and beyond the #zoning lot#. However, no sidewalk widening need exceed 10 feet, as measured perpendicular to the #street line#.

Applications shall contain a ground floor level site plan, and other supporting documents of sufficient scope and detail to enable the Commission to determine: the type of proposed #uses# on the ground floor level; the location of proposed #building# entrances; the size and location of proposed circulation spaces; the manner in which such spaces will connect to the overall pedestrian circulation network and the above- or below-grade public realm improvements required pursuant to this Section; and any other details necessary for the Commission to

determine whether the applicable findings set forth in paragraph (b) of this Section have been met.

(3) Building design

In order to ensure the proposed #development# or #enlargement# contributes to its immediate surroundings, with particular emphasis on Grand Central Terminal, any #development# or #enlargement# proposed under the provisions of this Section shall demonstrate particular attention to the building design, including, but not limited to, the proposed #uses#, massing, articulation and relationship to #buildings# in close proximity and within the Midtown Manhattan skyline.

Applications shall contain materials of sufficient scope and detail to enable the Commission to determine the proposed #uses# within the #building#, as well as the proposed #building bulk# and architectural design of the #building#, and to evaluate the proposed #building# in the context of adjacent #buildings# and the Midtown Manhattan skyline. Such materials shall include a description of the proposed #uses# within the #building#; measured elevation drawings, axonometric views, and perspective views showing such proposed #building# within the Midtown Manhattan skyline; and any other materials necessary for the Commission to determine whether the applicable findings set forth in paragraph (b) of this Section have been met.

For those “receiving lots” that are contiguous to a lot occupied by Grand Central Terminal or a lot that is across a #street# and opposite to the lot occupied by Grand Central Terminal, or, in the case of a #corner lot#, one that fronts on the same #street# intersection as the lot occupied by Grand Central Terminal, applications shall contain a report from the Landmarks Preservation Commission concerning the harmonious relationship of the #development# or #enlargement# to Grand Central Terminal.

(4) Sustainable design measures

In order to foster the development of sustainable #buildings# in the Grand Central Subdistrict, any #development# or #enlargement# proposed under the provisions of this Section shall include sustainable design measures, including, but not limited to, enhancements to the building’s energy performance; enhanced water efficiency; utilization of sustainable or locally sourced materials; and attention to indoor environmental air quality.

Applications shall contain materials of sufficient scope and detail to enable the Commission to determine whether the applicable findings in paragraph (b) of this Section have been met. In addition, any application shall include materials demonstrating the building’s sustainable design measures, including its anticipated energy performance, and the degree to which such #building’s#

performance exceeds either the New York City Energy Conservation Code (NYCECC) or the Building Performance Rating method of the applicable version and edition of American Society of Heating, Refrigerating and Air Conditioning Engineers, Inc., Standard 90.1 (ASHRAE 90.1), as referenced within the NYCECC.

(b) Findings

The Commission shall find that:

- (1) for above-grade improvements to the pedestrian circulation network that are located:
 - (i) on-site, the proposed improvements will, to the extent practicable: consist of a prominent space of generous proportions and quality design that is inviting to the public; improve pedestrian circulation and provide suitable amenities for the occupants; front upon a #street# or a pedestrian circulation space in close proximity to and within view of and accessible from an adjoining sidewalk; provide or be surrounded by active #uses#; be surrounded by transparent materials; provide connections to pedestrian circulation spaces in the immediate vicinity; and be designed in a manner that combines the separate elements within such space into a cohesive and harmonious site plan, resulting in a high-quality public space; or
 - (ii) off-site, the proposed improvements to the public right-of-way, to the extent practicable, will consist of significant street and sidewalk designs that improve pedestrian circulation in the surrounding area; provide comfortable places for walking and resting, opportunities for planting and improvements to pedestrian safety; and create a better overall user experience of the above-grade pedestrian circulation network that supports the Grand Central Subdistrict as a high-density business district. Where the area of such improvement is to be established into a pedestrian plaza that will undergo a public design and review process through the Department of Transportation subsequent to the approval of this special permit, the Commission may waive this finding;
- (2) for below-grade improvements to the pedestrian or mass transit circulation network, the proposed improvements will provide:
 - (i) significant and generous connections from the above-grade pedestrian circulation network and surrounding #streets# to the below-grade pedestrian circulation network;

- (ii) major improvements to public accessibility in the below-grade pedestrian circulation network between and within subway stations and other rail mass transit facilities in and around Grand Central Terminal through the provision of new connections, or the addition to or reconfigurations of existing connections; or
 - (iii) significant enhancements to the environment of subway stations and other rail mass transit facilities including daylight access, noise abatement, air quality improvement, lighting, finishes, way-finding or rider orientation, where practicable.
- (3) the public benefit derived from the proposed above- or below-grade improvements to the pedestrian or mass transit circulation network merits the amount of additional #floor area# being granted to the proposed #development# or #enlargement# pursuant to this special permit.
- (4) the design of the ground floor level of the #building#:
- (i) contributes to a lively streetscape through a combination of retail #uses# that enliven the pedestrian experience, ample amounts of transparency and pedestrian connections that facilitate fluid movement between the #building# and adjoining public spaces; and demonstrates consideration for the location of pedestrian circulation space, #building# entrances, and the types of #uses# fronting upon the #street# or adjoining public spaces;
 - (ii) will substantially improve the accessibility of the overall pedestrian circulation network, reduce points of pedestrian congestion and, where applicable, establish more direct and generous pedestrian connections to Grand Central Terminal; and
 - (iii) will be well-integrated with on-site, above or below-grade improvements required by this Section, where applicable and practicable;
- (5) the design of the proposed #building#:
- (i) ensures light and air to the surrounding #streets# and public spaces through the use of setbacks, recesses and other forms of articulation, and the tower top produces a distinctive addition to the Midtown Manhattan skyline which is well-integrated with the remainder of the #building#;
 - (ii) demonstrates an integrated and well-designed facade, taking into account factors such as #street wall# articulation and amounts of fenestration, that creates a prominent and distinctive #building# which complements the character of the surrounding area, especially Grand Central Terminal; and

- (iii) involves a program that includes an intensity and mix of #uses# that are harmonious with the type of #uses# in the surrounding area;
- (6) the proposed #development# or #enlargement# comprehensively integrates sustainable measures into the #building# and site design that:
 - (i) meet or exceed best practices in sustainable design; and
 - (ii) will substantially reduce energy usage for the #building#, as compared to comparable #buildings#; and
- (7) in addition to the foregoing:
 - (i) the increase in #floor area# being proposed in the #development# or #enlargement# will not unduly increase the #bulk#, density of population or intensity of #uses# to the detriment of the surrounding area; and
 - (ii) all of the separate elements within the proposed #development# or #enlargement#, including above- or below-grade improvements, the ground floor level, building design, and sustainable design measures, are well-integrated and will advance the applicable goals of the #Special Midtown District# described in Section 81-00 (GENERAL PURPOSES).
- (c) Additional requirements

Prior to the grant of a special permit pursuant to this Section, and to the extent required by the Metropolitan Transportation Authority (MTA) or any other City or State agencies with control and responsibility for the area where a proposed improvement is to be located, the applicant shall execute an agreement, setting forth the obligations of the owner, its successors and assigns, to: establish a process for design development and a preliminary construction schedule for the proposed improvement; construct the proposed improvement; where applicable, establish a program for maintenance; and, where applicable, establish a schedule of hours of public access for the proposed improvement. Where the MTA, or any other City or State agencies with control and responsibility for the area of a proposed improvement, deems necessary, such executed agreement shall set forth obligations of the applicant to provide a performance bond or other security for completion of the improvement in a form acceptable to the MTA or any other such agencies.

Where the proposed #development# or #enlargement# proposes an off-site improvement located in an area to be acquired by a City or State agency, the applicant may propose a phasing plan to sequence the construction of such off-site improvement. To determine if such phasing plan is reasonable, the Commission may consult with the City or State agency that intends to acquire the area of the proposed improvement.

Prior to obtaining a foundation or building permit from the Department of Buildings, a written declaration of restrictions, in a form acceptable to the Chairperson of the City Planning Commission, setting forth the obligations of the owner to construct, and, where applicable, maintain and provide public access to public improvements provided pursuant to this Section, shall be recorded against such property in the Office of the Register of the City of New York (County of New York). Proof of recordation of the declaration of restrictions shall be submitted in a form acceptable to the Department of City Planning.

Except where a phasing plan is approved by the City Planning Commission, no temporary certificate of occupancy shall be granted by the Department of Buildings for the portion of the #building# utilizing bonus #floor area# granted pursuant to the provisions of Section 81-64 (Special Permit for Grand Central Public Realm Improvement Bonus) until the required improvements have been substantially completed, as determined by the Chairperson of the City Planning Commission, acting in consultation with the MTA, or any other City or State agencies with control and responsibility for the area where a proposed improvement is to be located, where applicable, and such improvements are usable by the public. Such portion of the #building# utilizing bonus #floor area# shall be designated by the Commission in drawings included in the declaration of restrictions filed pursuant to this paragraph.

No permanent certificate of occupancy shall be granted by the Department of Buildings for the portion of the #building# utilizing bonus #floor area# until all improvements have been completed in accordance with the approved plans, as determined by the Chairperson, acting in consultation with the MTA, or any other City or State agencies with control and responsibility for the area where a proposed improvement is to be located, where applicable.

The Commission may prescribe appropriate conditions and safeguards to minimize adverse effects on the character of the surrounding area.

81-642

Permitted modifications in conjunction with additional floor area

In conjunction with the grant of a special permit pursuant to Section 81-641 (Additional floor area for the provision of public realm improvements), the City Planning Commission may permit modifications to #street walls#, height and setback regulations, and mandatory plan elements, as set forth in paragraph (a) of this Section, provided that the Commission determines that the application requirements set forth in paragraph (b) and the findings set forth in paragraph (c) of this Section are met.

- a. The Commission may modify the following, whether singly or in any combination:

- (1) the #street wall# regulations of Sections 81-43 (Street Wall Continuity Along Designated Streets), or 81-621 (Special street wall requirements), inclusive;
- (2) the height and setback regulations of Sections 81-26 (Height and Setback Regulations-Daylight Compensation), inclusive, 81-27 (Alternative Height and Setback Regulations-Daylight Evaluation), inclusive, or 81-622 (Special height and setback requirements); or
- (3) the mandatory district plan elements of Sections 81-42 (Retail Continuity along Designated Streets), 81-44 (Curb Cut Restrictions), 81-45 (Pedestrian Circulation Space), 81-46 (Off-Street Relocation or Renovation of a Subway Stair), 81-47 (Major Building Entrances), 81-48 (Off-street Improvement of Access to Rail Mass Transit Facility), 81-623 (Building lobby entrance requirements), 81-624 (Curb cut restrictions and loading berth requirements), 81-625 (Pedestrian circulation space requirements) or 37-50 (REQUIREMENTS FOR PEDESTRIAN CIRCULATION SPACE), inclusive, except that no modifications to the required amount of pedestrian circulation space set forth in Section 37-51 shall be permitted.

(b) Application requirements

Applications for a special permit for modifications pursuant to this Section shall contain materials, of sufficient scope and detail, to enable the Commission to determine the extent of the proposed modifications. In addition, where modifications to #street wall# or height and setback regulations are proposed, any application shall contain the following materials, at a minimum:

- (1) drawings, including but not limited to plan views and axonometric views, that illustrate how the proposed #building# will not comply with the #street wall# regulations of Section 81-43 (Street Wall Continuity Along Designated Streets), or as such provisions are modified pursuant to Section 81-621 (Special street wall requirements), as applicable, and that illustrate how the proposed #building# will not comply with the height and setback regulations of Sections 81-26 (Height and Setback Regulations – Daylight Compensation) or 81-27 (Alternate Height and Setback Regulations – Daylight Evaluation), or as such provisions are modified pursuant to Section 81-622 (Special height and setback requirements), as applicable;
- (2) where applicable, formulas showing the degree to which such proposed #building# will not comply with the length and height rules of Section 81-26, or as such provisions are modified pursuant to Section 81-622; and
- (3) where applicable, #daylight evaluation charts# and the resulting daylight evaluation score showing the degree to which such proposed #building# will not

comply with the provisions of Section 81-27 or as such provisions are modified pursuant to Section 81-622.

(c) Findings

The Commission shall find that such proposed modifications:

- (1) to the mandatory district plan elements will result in a better site plan for the proposed #development# or #enlargement# that is harmonious with the mandatory district plan element strategy of the #Special Midtown District#, as set forth in Section 81-41 (General Provisions); and
- (2) to the #street wall# or height and setback regulations will result in an improved distribution of #bulk# on the #zoning lot# that is harmonious with the height and setback goals of the #Special Midtown District# set forth in Section 81-251 (Purpose of height and setback regulations).

The Commission may prescribe appropriate conditions and safeguards to minimize adverse effects on the character of the surrounding area.

81-65
Special Permit for Transient Hotels

Within the Vanderbilt Corridor, as shown in Map 1 (Special Midtown District and Subdistricts) in Appendix A of this Chapter, the City Planning Commission may permit the #development# of a #building# containing a #transient hotel#, as listed in Use Group 5, or may permit the #conversion# or change of #use# within an existing #building# to a #transient hotel#, provided the Commission finds that the proposed #transient hotel# will:

- (a) be appropriate to the needs of businesses in the vicinity of Grand Central Terminal; and
- (b) provide on-site amenities and services that will support the area's role as an office district. Such business-oriented amenities and services shall be proportionate to the scale of the #transient hotel# being proposed, and shall include, but shall not be limited to, conference and meeting facilities, and telecommunication services.

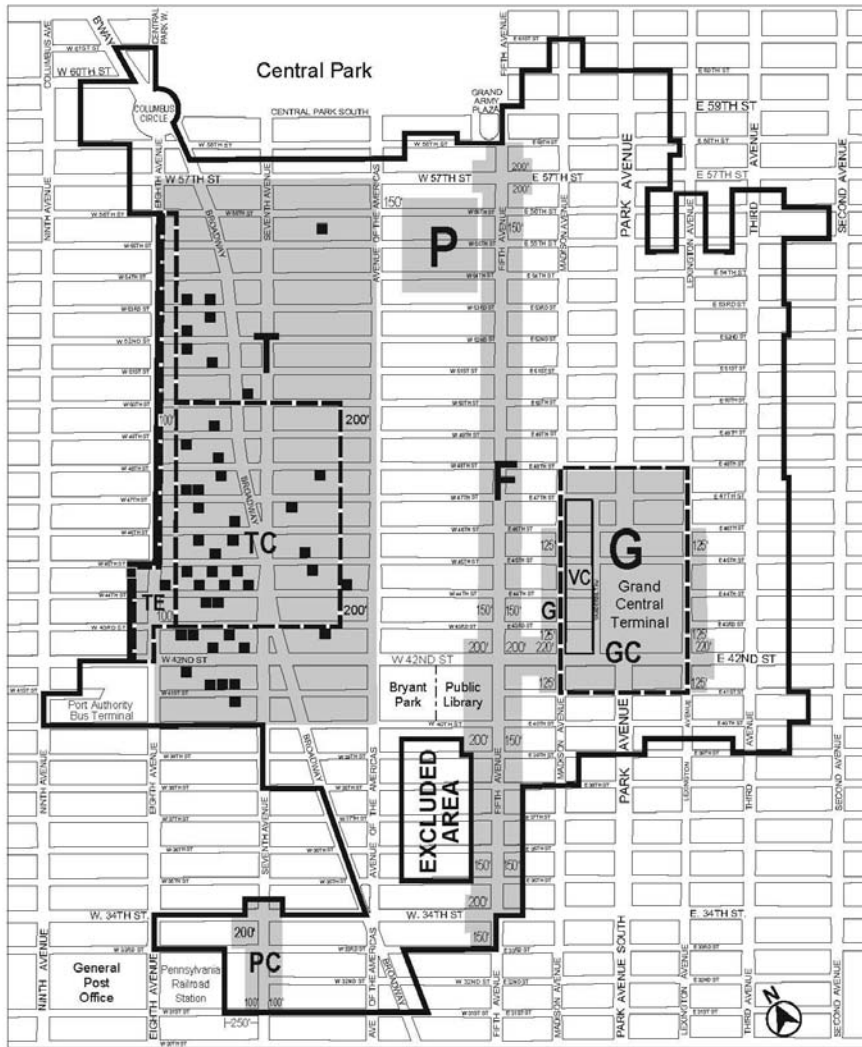
The Commission may prescribe additional conditions and safeguards to minimize adverse effects on the character of the surrounding area.

* * *

Appendix A
Midtown District Plan Maps

* * *

Map 1: Special Midtown District and Subdistricts



MIDTOWN DISTRICT PLAN
MAP 1 - Special Midtown District and Subdistricts

- Special Midtown District
- F Fifth Avenue Subdistrict
- G Grand Central Subdistrict
- GC Grand Central Subdistrict Core
- VC Vanderbilt Corridor
- P Preservation Subdistrict
- PC Penn Center Subdistrict
- T Theater Subdistrict
- TC Theater Subdistrict Core
- TE Theater Subdistrict Eighth Avenue Corridor
- Listed Theaters

~~Map 4: Network of Pedestrian Circulation~~
[DELETE EXISTING MAP]

* * *

The above resolution (N 150127 ZRM), duly adopted by the City Planning Commission on March 30, 2015 (Calendar No.2), is filed with the Office of the Speaker, City Council, and the Borough President in accordance with the requirements of Section 197-d of the New York City Charter.

CARL WEISBROD, Chairman

KENNETH J. KNUCKLES, Esq., Vice Chairman

RAYANN BESSER, IRWIN G. CANTOR, P.E., MICHELLE R. DE LA UZ, JOSEPH I. DOUEK, RICHARD W. EADDY, CHERYL COHEN EFFRON, BOMEI JUNG, ANNA HAYES LEVIN, ORLANDO MARIN, LARISA ORTIZ, Commissioners

ALFRED C. CERULLO, III, Commissioner, Recused

Borough President Recommendation

City Planning Commission
22 Reade Street, New York, NY 10007
Fax # (212) 720-3356

INSTRUCTIONS

1. Return this completed form with any attachments to the Calendar Information Office, City Planning Commission, Room 2E at the above address.
2. Send one copy with any attachments to the applicant's representative as indicated on the Notice of Certification.

Application Nos: C 140440 MMM, N 150127 ZRM, C 150128 ZSM, C 150129 ZSM, and C 150130 ZSM

Docket Descriptions:

VANDERBILT CORRIDOR

IN THE MATTER OF applications submitted by the New York City Department of City Planning:

C 140440 MMM – pursuant to Sections 197-c and 199 of the New York City Charter, and Section 5-430 *et seq.* of the New York City Administrative Code for an amendment to the City Map involving:

- the elimination, discontinuance and closing of Vanderbilt Avenue between East 42nd Street and East 43rd Street;
- the establishment of Public Place above a lower limiting plane; and
- the adjustment of grades necessitated thereby;

including authorization for any acquisition or disposition of real property related thereto, in accordance with Map No. 30244 dated October 17, 2014 and signed by the Borough President; and

N 150127 ZRM – pursuant to Section 201 of the New York City Charter, for an amendment of the Zoning Resolution of the City of New York, concerning Article VIII, Chapter 1 (Special Midtown District), Borough of Manhattan, Community Districts 5 and 6.

(See Continued)

COMMUNITY BOARD NO: 5 & 6

BOROUGH: Manhattan

RECOMMENDATION

- APPROVE
- APPROVE WITH MODIFICATIONS/CONDITIONS (List below)
- DISAPPROVE
- DISAPPROVE WITH MODIFICATIONS/CONDITONS (Listed below)

EXPLANATION OF RECOMMENDATION – MODIFICATION/CONDITIONS (Attach additional sheets if necessary)

See Attached

John A. Brewer

BOROUGH PRESIDENT

1/28/2015
DATE

Docket Descriptions, continued:

ONE VANDERBILT AVENUE

IN THE MATTER OF applications submitted by Green 317 Madison LLC and Green 110 East 42nd Street LLC pursuant to Sections 197-c and 201 of the New York City Charter for the grant of special permits pursuant to:

C 150128 ZSM – Section 81-635 of the Zoning Resolution to allow the transfer of 114,050.25 square feet of floor area (2.63 FAR) from property located at 110 East 42nd Street (Block 1296, Lots 1001-1007) that is occupied by a landmark building (Bowery Savings Bank Building) to property bounded by 42nd Street, Madison Avenue, 43rd Street, and Vanderbilt Avenue (Block 1277, Lots 20, 27, 46, and 52) ;

C 150129 ZSM – Section 81-641 of the Zoning Resolution to allow an increase in floor area in excess of the basic maximum floor area ratio established in Row A of the Table in Section 81-211* (Maximum floor area ratio for non-residential or mixed buildings) up to a maximum floor area as set forth in Row O of such Table; and

C 150130 ZSM –Section 81-642 of the Zoning Resolution to modify, in conjunction with the special permit pursuant to Section 81-641 (Additional floor area for the provision of public realm improvements):

1. the street wall requirements of Sections 81-43 (Street Wall Continuity along Designated Streets) and 81-621 (Special street wall requirements);
2. the height and setback requirements of Sections 81-26 (Height and Setback Regulations – Daylight Compensation), 81-27 (Alternative Height and Setback Regulations – Daylight Evaluation), and 81-622 (Special height and setback requirements); and
3. the mandatory district plan elements of Sections 81-42 (Retail Continuity along Designated Streets), 81-45 (Pedestrian Circulation Space) and the requirements of Section 37-50 (REQUIREMENTS FOR PEDESTRIAN CIRCULATION SPACE), 81-47 (Major Building Entrances), 81-623 (Building lobby entrance requirements), and 81-624 (Curb cut restrictions and loading requirements);

to facilitate the development of a commercial building on property bounded by 42nd Street, Madison Avenue, 43rd Street, and Vanderbilt Avenue (Block 1277, Lots 20, 27, 46, and 52), in a C5-3 District, within the Special Midtown District (Grand Central Subdistrict), Community Districts 5 & 6, Borough of Manhattan.

ONE VANDERBILT AVENUE – (A) Application

C 150130(A) ZSM – IN THE MATTER OF an application submitted by Green 317 Madison LLC and Green 110 East 42nd LLC pursuant to Sections 197-c and 201 of the New York City Charter and proposed for modification pursuant to Section 2-06(c)(1) of the Uniform Land Use Review Procedures for the grant of a special permit pursuant to Section 81-642 of the Zoning Resolution to modify, in conjunction with the special permit pursuant to Section 81-641 (Additional floor area for the provision of public realm improvements):

1. the street wall requirements of Sections 81-43 (Street Wall Continuity along Designated Streets) and 81-621 (Special street wall requirements);
2. the height and setback requirements of Sections 81-26 (Height and Setback Regulations – Daylight Compensation), 81-27 (Alternative Height and Setback Regulations – Daylight Evaluation), and 81-622 (Special height and setback requirements); and
3. the mandatory district plan elements of Sections 81-42 (Retail Continuity along Designated Streets), 81-45 (Pedestrian Circulation Space) and the requirements of Section 37-50 (REQUIREMENTS FOR PEDESTRIAN CIRCULATION SPACE), 81-47 (Major Building Entrances), 81-623 (Building lobby entrance requirements), and 81-624 (Curb cut restrictions and loading requirements);

to facilitate the development of a commercial building on property bounded by 42nd Street, Madison Avenue, 43rd Street, and Vanderbilt Avenue (Block 1277, Lots 20, 27, 46, and 52), in a C5-3 District, within the Special Midtown District (Grand Central Subdistrict), Community Districts 5 & 6, Borough of Manhattan.



OFFICE OF THE PRESIDENT
BOROUGH OF MANHATTAN
THE CITY OF NEW YORK

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Gale A. Brewer, Borough President

January 28, 2015

**Recommendation on ULURP Application Nos. C 150128 ZSM, C 150129 ZSM, and
C 150130 ZSM – One Vanderbilt Avenue
by Green 317 Madison LLC and Green 110 East 42nd Street LLC; and
Recommendation on ULURP Application Nos. N 150127 ZRM and C 140440 MMM –
Vanderbilt Corridor
by New York City Department of City Planning**

PROPOSED ACTIONS

The New York City Department of City Planning (“Department of City Planning” or “DCP”) seeks approval of a text amendment to modify Sections 81-211 (Maximum floor area ratio for non-residential or mixed buildings) and 81-635 (Transfer of development rights by special permit). The text amendment would create two new special permits in the Zoning Resolution (“ZR”) subject to City Planning Commission (“CPC”) approval, Sections 81-64 (Special Permit for Grand Central Public Realm Improvement Bonus) and 81-642 (Permitted modifications in conjunction with additional floor area). In a related and concurrent application, Green 317 Madison LLC and Green 110 East 42nd Street LLC (the “Applicants”) seek approval of three special permits pursuant to ZR Sections 81-635, 81-641, and 81-642, to allow the transfer of floor area from a landmark building, to allow an increase in the maximum floor area ratio up to 30 FAR, and to modify, in conjunction with the increase in FAR in exchange for the provision of public realm improvements, street wall requirements, height and setback requirements, and mandatory plan elements, respectively, to facilitate the development of a commercial building on property bounded by 42nd Street, Madison Avenue, 43rd Street, and Vanderbilt Avenue (Block 1277, Lots 20, 27, 46, and 52) (“1 Vanderbilt”). The site is located in a C5-3 District within the Special Midtown District (Grand Central Subdistrict) in Manhattan Community Districts 5 and 6.

Additionally, DCP seeks an amendment to the City Map pursuant to Sections 197-c and 199 of the New York City Charter and Section 5-430 *et seq.* of the New York City Administrative Code to designate the portion of Vanderbilt Avenue between East 42nd Street and East 43rd Street as a public place, dedicated to pedestrian uses, under city ownership and under the jurisdiction of the New York City Department of Transportation (NYCDOT). No floor area will be transferred from this portion to the adjacent, adjoining zoning lots.

In evaluating the text amendment, this office must consider whether the modifications and new special permits are appropriate and beneficial to the community in which the eligible sites and

proposed 1 Vanderbilt project are situated. Any changes to the city map should be evaluated for consistency and accuracy, and given the land use implications, appropriateness for the growth, improvement and development of the neighborhood and borough.

Transfer of Development Rights

In order to obtain a special permit pursuant to ZR § 81-635, the design of the development must include a major improvement of the above or below-grade pedestrian or mass transit circulation network. This improvement must increase the general accessibility and security of the network, reduce points of pedestrian congestion and improve the general network connectivity. In order to allow the transfer of floor area from a granting lot, the requested permit requires that the CPC evaluate the benefits to the general public from the proposed improvement, and find that¹:

- (1) a program for the continuing maintenance of the landmark has been established²;
- (4) for developments or enlargements with a proposed floor area ratio in excess of 21.6 on zoning lots located within the Vanderbilt Corridor, the building has met the ground floor level, building design and sustainable design measures set forth in the applicable conditions and findings of Section 81-641;

Grand Central Public Realm Improvement Bonus

In order to obtain the second special permit pursuant to ZR § 81-641, the design of the development must include on-site or off-site, above or below-grade improvements to the pedestrian or mass transit circulation network, which may be provided in combination. In addition, the development will be evaluated to ensure that the proposed building represents an exceptional addition to the Special Midtown District. In order to allow an increase in the maximum permitted floor area ratio, or grant a floor area bonus, the permit requires that the CPC find that:

- (1) for above-grade improvements to the pedestrian circulation network that are located:
 - (i) on-site, the proposed improvements will, to the extent practicable: consist of a prominent space of generous proportions and quality design that is inviting to the public; provide suitable amenities for the occupants; front upon a street or a pedestrian circulation space in close proximity to and within view of an adjoining sidewalk; provide or be surrounded by retail uses; be surrounded by transparent materials; provide connections to pedestrian circulation spaces in the

¹ Improvements pursuant to findings (2) and (3) of this section are not required. Instead, improvements are provided and discussed in connection with the Grand Central Public Realm Improvement Bonus sought by the applicant under the special permit pursuant to ZR § 81-641. In addition, no modifications of bulk regulations are proposed pursuant this special permit. As such, findings (5) and (6) are not applicable.

² Per an Memorandum of Understanding (MOU 16-1080), dated August 6, 2014 with the New York City Landmarks Preservation Commission, a program for continuing maintenance of the Bowery Savings Bank, located at 110 East 42nd Street, a NYC Individual Landmark, has been established.

immediate vicinity, and be designed in a manner that combines the separate elements within such space into a cohesive and harmonious site plan, resulting in a high-quality public space; or

- (ii) off-site, the proposed improvements to the public right-of-way, to the extent practicable will create: street and sidewalk design that support smooth circulation with comfortable places for walking and resting; opportunities for planting and improvements to pedestrian safety; and a better overall user experience of the above-grade pedestrian circulation network that supports the Grand Central Subdistrict as a high-density business district. Where the area of such improvement is to be established into a pedestrian plaza that will undergo a public design and review process through the Department of Transportation subsequent to the approval of this special permit, the Commission may waive this finding;

(2) for below-grade improvements to the pedestrian or mass transit circulation network, the proposed improvements, whether singularly or in any combination, will provide:

- (i) significant and generous connections from the above-grade pedestrian circulation network and surrounding streets to the below-grade pedestrian circulation network;
- (ii) major improvements to public accessibility in the below-grade pedestrian circulation network between and within subway stations and other rail mass transit facilities in and around Grand Central Terminal through the provision of new connections, or the addition to or reconfigurations of existing conditions; or
- (iii) significant enhancements to the environment of subway stations and other rail mass transit facilities including daylight access, noise abatement, air quality improvement, lighting, finishes, way-finding or rider orientation, where practicable;

(3) the design of the ground floor level of the building:

- (i) contributes to a lively streetscape through a combination of retail uses that enliven the pedestrian experience, ample amounts of transparency and pedestrian connections that facilitate fluid movement between the building and adjoining public spaces. Such design shall demonstrate consideration for the location of pedestrian circulation space, building entrances, and the types of uses fronting upon the street or adjoining public spaces;
- (ii) will substantially improve the accessibility of the overall pedestrian circulation network, reduce points of pedestrian congestion and, where applicable, establish more direct and generous connections to Grand Central Terminal; and
- (iii) will be well-integrated with the on-site, above or below-grade improvements required by this Section, where applicable and practicable;

(4) the proposed building:

- (i) ensures light and air to the surrounding streets and public spaces through the use

- of setbacks, recesses and other forms of articulation, and the tower top produces a distinctive addition to the Midtown Manhattan skyline which is well-integrated with the remainder of the building;
- (ii) demonstrates an integrated and well-designed façade, taking into account factors such as street wall articulation and amounts of fenestration, which create a prominent and distinctive building which complements the character of the surrounding area, especially Grand Central Terminal; and
 - (iii) involves a program that includes an intensity and mix of uses that are harmonious with the type of uses in the surrounding area;
- (5) the proposed development or enlargement comprehensively integrates sustainable measures into the building and site design that:
- (i) are in keeping with best practices in sustainable design;
 - (ii) will substantially reduce energy usage for the building as compared to comparable buildings; and
- (6) in addition to the foregoing:
- (i) the increase in floor area being proposed in the development or enlargement will not unduly increase the bulk, density of population, or intensity of uses to the detriment of the surrounding area;
 - (ii) the public benefit derived from the proposed above or below-grade improvements to the pedestrian or mass transit circulation network merits the amount of additional floor area being granted to the proposed development or enlargement pursuant to this special permit; and
 - (iii) all of the separate elements within the proposed development or enlargement, including above or below-grade improvements, the ground floor level, building design and sustainable design measures, are well-integrated and will advance the applicable goals of the Special Midtown District, described in Section 81-00 (GENERAL PURPOSES).

Modifications in Conjunction with Additional Floor Area

The third special permit, pursuant to ZR § 81-642 allows modifications of the street wall, height and setback regulations, and mandatory plan elements of the Special Midtown District as related to additional floor area. This permit can only be granted in conjunction with the special permit pursuant to ZR § 81-641. In order to allow these modifications, the permit requires that the CPC find that the proposed modifications:

- (1) to the mandatory district plan elements will result in a better site plan for the proposed development or enlargement which is harmonious with the mandatory district plan element strategy of the Special Midtown District, as set forth in Section 81-41 (General Provisions); and
- (2) to the street wall or height and setback regulations will result in an improved distribution of bulk on the zoning lot which is harmonious with the height and setback goals of the

Special Midtown District, as set forth in Section 81-251 (Purpose of height and setback regulations).

PROJECT DESCRIPTION

The Department of City Planning proposes a text amendment to enable the development of new office space in the Grand Central Subdistrict and to facilitate improvements to the Grand Central Terminal pedestrian circulation network. SL Green proposes a new 30 FAR tower on the block immediately west of Grand Central that will utilize undeveloped floor area from the landmark Bowery Savings Bank building and will include a wide range of on- and off-site public realm improvements to generate a bonus of 12.37 FAR. The proposed public realm improvements would relieve congestion on the 4/5/6 subway line, would provide connections among the future LIRR concourse and the Metro North railroad and the subway system, would create a new Vanderbilt Avenue public plaza, and would create a new “Transit Hall” within the new building that could serve as a waiting area for Grand Central passengers.

Background

The development site and the Vanderbilt Corridor are within a C5-3 district within the Grand Central Subdistrict Core of the Special Midtown District. Established in 1982, the Special Midtown District lowered allowable densities in an effort to stabilize development around Grand Central Terminal and encourage larger developments in Times Square and other parts of Midtown. Adding to the Special Midtown District, the Grand Central Subdistrict was created in 1992 to allow the transfer of development rights from Grand Central Terminal and other landmarks to development sites in the area surrounding the station. The Grand Central Subdistrict consists of a core, which is bounded by Madison and Lexington Avenues, from East 41st to East 48th streets. The full Subdistrict extends beyond the core for an additional width of 125 feet (220 feet at 42nd Street) east of Lexington and west of Madison. Within the Grand Central Subdistrict, a 1.0 FAR transfer of air rights from New York City landmarks is allowed by City Planning Commission (“CPC”) certification (ZR § 81-634). In the core area, a special permit (ZR § 81-635) provides a higher density of 21.6 FAR through the transfer of landmark air rights. The special permit additionally requires the provision of a pedestrian improvement, which must be negotiated by developers with the MTA. Only one building, 383 Madison Avenue, has taken advantage of this special permit.

2013 East Midtown Proposal

The area affected by the proposed actions was previously the subject of the proposed East Midtown Rezoning (N 130247 (A) ZRM et al). The proposal was intended to encourage new office development in the neighborhood in order to strengthen the area’s role as a premier business district. The proposal would have modified zoning regulations for a 73-block area, which would have superseded the Grand Central Subdistrict. The proposal would have focused development around Grand Central Terminal. New developments that met certain lot size criteria in the area around the Terminal would have been eligible to achieve the highest permitted as-of-right density of 24.0 FAR. In addition, sites around the Terminal, including the Vanderbilt Corridor, would have been able to utilize a special permit for Superior Development in order to

achieve a maximum density of 30.0 FAR. The proposal would have created a mechanism to fund infrastructure improvements. In order to achieve the new, higher densities, developers would have needed to contribute to a District Improvement Fund. Development rights were essentially to have been sold by the City at a cost of \$250 per square foot, a value arrived at through an appraisal contracted by the City. Finally, the proposal created a broader process for the transfer of landmark air rights.

There was widespread discussion at the time over whether the proposed mechanisms were the most appropriate for the area. While there was wide agreement that the neighborhood was in need of public realm improvements and new Class A office space, there was significant concern over the use of the District Improvement Bonus and Fund to achieve these goals. During the public review process, many raised concerns over the sale of air rights by the City, and whether the City was unfairly competing with landmarks for the sale of these air rights. Additionally, the money raised by the air rights would have been allocated to transportation and public realm projects, but at the time no transparent process had been set for the disbursement of that funding. Furthermore, the plan would have allowed new development in advance of any improvements funded in association with that development. Finally, concern was raised over the as of right nature of the new densities, and whether more public review should be required for large buildings. Though the City Planning Commission approved the project, it was withdrawn during City Council review.

Concurrent to this application, the East Midtown Steering Committee, co-chaired by the Borough President and Councilmember Daniel Garodnick, is reviewing potential zoning changes to the wider East Midtown neighborhood. That group has been meeting since September 2014 and is expected to release its recommendations this spring. The group is examining a wide range of issues including protecting landmarks, improving the above- and below-grade pedestrian network, urban design, appropriate density levels, and the implementation of its recommendations. While the actions being proposed in this application are not being reviewed by the Steering Committee, the Vanderbilt Corridor plays an important role in the public realm of the entire neighborhood, so the Steering Committee reviewing potential pedestrian and transportation projects in the corridor. Furthermore, the future zoning recommendations of that group could affect properties in the Vanderbilt Corridor.

Area Context

The Vanderbilt Corridor is located in the East Midtown area of Manhattan Community District 5. The neighborhood is one of the densest commercial districts in the city, centered on Grand Central Terminal. The five blocks of the Vanderbilt Corridor are bounded by Madison and Vanderbilt Avenues, directly west of Grand Central Terminal, from East 42nd Street to East 47th Street. Many of the buildings in the Corridor and along the east side of Vanderbilt Avenue were constructed as part of Terminal City following the construction of Grand Central Terminal in 1913. The construction of these buildings, and the emergence of the neighborhood as a premiere office district, was directly correlated to the expansion of the city's rail infrastructure in the late 19th Century. As Cornelius Vanderbilt's New York Central and Hudson Railroads grew, East 42nd Street became the gateway for the majority of the city's travelers. At the turn of the century, the advent of electrified rails and the needs of a rapidly growing city led to the

construction of today's Grand Central Terminal, a modern, multi-level transportation hub. Lowering the previously surface-level tracks below-grade opened up a vast swath of real estate above, between Lexington and Madison Avenues from 42nd to 50th Streets. The railroads sold the development rights to this area as a means of financing the construction of the Terminal. Because these blocks were developed as part of one large project, buildings in the area, with some exceptions, retain a level of consistency in building form that is rare in the city. The majority of the buildings along Vanderbilt Avenue have consistent water table and cornice heights, which directly relate to various elements of Grand Central Terminal. These buildings are typically 20 to 25 stories and built to the lot line without any setbacks.

The Met-Life Building (formerly known as the Pan Am Building) at 200 Park Avenue is a notable exception to this form. Completed in 1963, the 59-story office tower is the second largest office building in the city, with approximately 3.1 million square feet of commercial floor area. The building sits directly north of Grand Central Terminal and consists of an oblong octagonal tower above an eight-story base at the same height as the Terminal.

Transportation

Grand Central Terminal is one of the busiest rail facilities in the country and its subway station is the second most used in the city. Grand Central connects the district via Metro North Railroad to the city's northern suburbs as well as parts of Connecticut. The Metro North Railroad brings over 80,000 daily riders into Grand Central, and the subway station's ridership is twice that amount; on an average weekday in 2013, the Grand Central Subway Station was used by 153,861 riders.³ The Lexington Avenue (4/5/6) line is the only line that operates over the entire length of the east side of Manhattan, and is consequently one of the most crowded in the City. The line carries over 1.3 million daily riders and operates significantly over capacity.⁴

Transit service to Grand Central is currently being expanded by two major public works projects: East Side Access and the Second Avenue Subway. The Long Island Railroad's ("LIRR") East Side Access project will connect Long Island Railroad commuters to Grand Central and will likely bring an additional 65,000 new riders into Grand Central during the weekday morning peak. Simultaneously, the Second Avenue Subway, currently under construction, will partially alleviate congestion along the Lexington Avenue subway line and will, as a result, provide East Midtown commuters with more transit options.

Grand Central Pedestrian Network

Grand Central Terminal and its associated subway stations form a sprawling underground network of passageways that extend over the entirety of the Vanderbilt Corridor and throughout much of the neighborhood. It is a complex below-grade pedestrian network consisting of platforms, mezzanine levels, and vertical circulation cores. However, the network's inefficiency results in sub-par operations and significant congestion. For example, platform crowding on the

³ MTA New York City Transit Ridership Data, 2013

⁴ Second Avenue Subway FEIS, 2004.

Lexington Avenue lines increases the time that trains must stop at the station, creating a bottleneck that reduces the efficiency throughout the system. Several planned improvements to this network have been identified as mitigation for the LIRR East Side Access project and the No. 7 extension/Hudson Yards redevelopment project.

Area Landmarks

The area around Grand Central contains a number of Landmarks Preservation Commission (“LPC”) designated landmarks, most notably the Terminal itself. Other nearby New York City landmarks include the Park Avenue Viaduct, the Bowery Savings Bank (110 East 42nd Street), the Chanin Building (122 East 42nd Street), the Socony-Mobil Building (150 East 42nd Street), the Chrysler Building (395 Lexington Avenue), and the Graybar Building (420 Lexington Avenue). Though all of these landmarks are within the Grand Central Subdistrict, which allows the transfer of unused floor area, only the Bowery Savings Bank and Grand Central Terminal have unused floor area, as the buildings were constructed prior to the existing zoning under regulations that allowed larger buildings. Some of these landmarks have FARs in the realm of those that would be allowed under this proposal. The Chanin Building and the Chrysler Building, for example, are constructed at 29.1 and 27.6 FAR, respectively. In addition to the designated landmarks, the Yale Club, the Roosevelt Hotel, and 52 Vanderbilt, located in the Vanderbilt Corridor, are considered eligible landmarks by the LPC.

Project Area and Project Site

The project area for the proposed zoning text amendment is the five blocks on the west side of Vanderbilt Avenue from East 42nd Street to East 47th Street. The project site for the proposed One Vanderbilt project is the southernmost of those five blocks, between East 42nd and East 43rd Streets. The five blocks affected by the proposed actions are rare in New York in their shape: almost perfect squares 200 feet long on each side. All five blocks sit 50 feet above the future concourse of East Side Access. The five blocks are described in more detail below:

Block 1277:⁵ The southernmost block of the corridor, hereafter referred to as the project site, is the site of the proposed One Vanderbilt development. The block is located immediately to the west of Grand Central Terminal, and is bordered at its southern end by the below-grade Shuttle platform underneath East 42nd Street. The block is occupied by four low- and mid-rise buildings with retail on the ground floor and office space above. While all of the buildings on the block are over 80 years old, the Vanderbilt Avenue Building at 51 East 42nd Street, completed in 1913, is the most notable. Designed by the firm Warren & Wetmore, the same architects as Grand Central’s façade, the building features a Beaux-Arts limestone lower façade with a cornice at the same level as the Terminal’s. The building also features elaborate stone carvings and detailed cast-iron elements that evoke the detailing on Grand Central.

⁵ While all of the blocks in the proposed Vanderbilt Corridor are complete blocks, surrounded by four streets, they share block numbers with the wider blocks to the west, between Madison and Fifth Avenues.

Block 1278: The second block of the proposed corridor is developed with one building, the Bank of America Plaza building. This block was originally home to the Biltmore Hotel, also designed by Warren & Wetmore, which was a designated landmark. Despite its landmark status, the building was stripped of its limestone, brick and terra-cotta façade in 1981 and re-clad as a glass curtain wall building. The building is 28 stories tall, and contains 874,734 gross square feet of floor area (approximately 20.2 FAR).

Block 1279: The third block of the corridor contains five commercial buildings and a ventilation building for the under-construction East Side Access project. The five commercial buildings were constructed between 1915 and 1926 and range in height from 13 to 22 stories. Historically notable on the block is the Yale Club at 50 Vanderbilt Avenue. The MTA has offices at 347 Madison Avenue, which are in the process of being vacated, and are the subject of a 2013 Request for Proposals (“RFP”) for redevelopment.

Block 1281: The fourth block of the corridor contains one full-block building, the Roosevelt Hotel, which was completed in 1924. The 19-story hotel contains 1,015 rooms and ground-floor retail along each street frontage. The building is considered by the LPC to be a landmark-eligible building. The building is constructed with an FAR of 13.81.

Block 1282: The final block of the proposed corridor, between East 46th and East 47th Streets, is developed with a single building occupied by the office of J.P. Morgan Chase, which opened in 2002. The 47-story building, 383 Madison Avenue, was the only project to use the existing ZR § 81-635 special permit for transfer of landmark air rights.

Proposed Vanderbilt Place: The proposed city map amendment will affect an approximately 12,000 square foot portion of Vanderbilt Avenue between East 43rd Street and East 42nd Street. Vanderbilt Street is currently owned and managed by the New York City Department of Transportation. Under the proposed action, this portion will remain under DOT jurisdiction. Vanderbilt Avenue has a mapped width of 60 feet including sidewalks and provides one-way north-bound vehicular travel with one lane of Citi Bike parking and one lane of vehicle parking.

Proposed Project

SL Green is proposing a 68-story tower on the development site with 1,399,390 square feet of floor area. The tapered office tower would reach a roof height of 1,414 feet with a spire above. Along the base of the building, the massing steps back at the third floor. Above the base followed by a recess, the bulk of the tower above would be cantilevered over the three-story base at a height ranging from 60 to 107 feet. Along East 42nd Street this cantilevered bulk rises from west to east to provide views of the cornice of Grand Central. The tower’s façades would be composed of floor to ceiling glass, accented by horizontal sections of terra-cotta between floors. The façade will be additionally articulated by projecting aluminum fins designed to cast shadows.

The ground floor level of the building would allow for sidewalk widenings along Madison Avenue and East 42nd Street. On top of this, the street wall would be set at an angle to East 42nd

Street to create an even wider sidewalk as the building approaches Grand Central. The southeast corner of the building at the base would be cut away to increase space for pedestrian circulation.

Ground Floor Uses

Along East 42nd Street the ground floor will contain retail use at the western portion of the site. Though it is not included in the application materials, the applicant proposes that the tenant of this space will be a bank. At the midblock will be a subway entrance with an escalator to the B2-level Shuttle platform, a stair to the B1 “Intermodal Connector” (to be described in more detail below), and an elevator that will access both levels. There is an existing subway entrance on this site which is being replaced and expanded as part of this proposal. The eastern portion of this frontage will contain two small retail spaces, one of which would connect to a larger space on the B1 level, the other of which would connect to a second floor space. It is proposed that one potential occupant of the lower-level space would be a lobby for a rooftop observation deck, which the applicant is considering including.

Along Madison Avenue, SL Green proposes a 32-foot wide central building lobby, flanked by retail spaces to the north and south. Fronting on the proposed Vanderbilt Avenue Public Place would be 100 feet of building lobby, though only 30 feet of that frontage is proposed as entryway. To the south of the lobby would be the retail facility proposed along East 42nd Street, with no entrance proposed onto the public space. To the north of the lobby the applicant proposes the Transit Hall, to be described in greater detail below, which would have entrances along East 43rd Street, rather than onto the public place. Also on East 43rd Street would be a midblock entrance to two truck elevators which would provide access to the below-grade loading area located on the B3 level. These loading docks would be accessed by a single curb cut of up to 30 feet in width. Adjacent to the loading areas, to the west, would be an entrance to the building’s Dock Master Offices and Messenger Center. Finally, to the western edge of this frontage would be the aforementioned retail space, with entrances on Madison Avenue.

Proposed Public Amenities

SL Green proposes a package of on- and off-site improvements to the pedestrian circulation network. As proposed these improvements would generate a bonus of 12.37 FAR. The proposed on-site improvements are as follows:

On-Site:

1. A new subway entrance on East 42nd Street with escalator, elevator and stairways providing access to the shuttle subway station and providing below-grade connections through the Intermodal Connector to the 4, 5, 6, and 7 subway lines at the Grand Central Terminal concourse level and to the Long Island Rail Road at the East Side Access concourse level.
2. A new 4,000 square foot “Transit Hall,” with entrances on East 43rd Street, providing stairway and elevator connections to the new Intermodal Connector. The space would include a train schedule information board, seating, and tall tables. While plans are not finalized, it is expected that the Transit Hall would provide a retail use such as a coffee

concession. Portions of the floor within the Transit Hall will be designed with glass plank to provide natural light to the publicly-accessible corridors below.

3. New elevator and escalator connections from East Side Access through the development site that will allow for connection from the East Side Access concourse to street level or the 4, 5, 6, 7, or Shuttle subway lines.
4. A new, "Intermodal Connector" on the B1 level providing connections between the LIRR, Metro-North, and subway lines.

Off-site:

1. Design and improvement of the Vanderbilt Avenue Public Place as a pedestrian plaza with public amenities such as seating and planting. A conceptual design for these improvements has been submitted as part of this application, but final design will be developed in consultation with the Department of Transportation and will be subject to approval by the Public Design Commission following the completion of ULURP.
2. A new stair in the cellar of the Pershing Square Building (located at the southeast corner of East 42nd Street and Park Avenue) that would connect the Grand Central subway station mezzanine to the 4/5/6 platform.
3. A new subway entrance with two new street-level subway stairs in the sidewalk at the southeast corner of East 42nd Street and Lexington Avenue that would connect to and open an existing below-grade passageway to the Grand Central subway mezzanine.
4. Modification of stairs and columns on the 4/5/6 subway platform to provide more pedestrian circulation space and improve flow.
5. Creation of 8,475 square feet of new and expanded Grand Central mezzanine areas in the cellar of the Grand Hyatt Hotel and the creation of two new stairs from one of the new mezzanine areas to the 4/5/6 platform.
6. Replacement and widening of an existing street-level subway entrance at the northwest corner of East 42nd Street and Lexington Avenue with wider stairs and an elevator.

Sustainable Design Measures

The proposed building includes sustainable design measures to reduce the energy use of the building. With these measures, the building will be 14.01 percent more efficient than a baseline building designed pursuant to the American Society of Heating, Refrigerating and Air Conditioning Engineers 90.1 ("ASHRAE 90.1), 2010, standard. The building would be designed to achieve a LEED Gold Certification under the LEED v4 for Core and Shell rating system.

Proposed Actions

DCP and the applicants propose a city map change, a text amendment, and three special permits, respectively, in order to facilitate the commercial development at One Vanderbilt.

City Map Change (C 140440 MMM)

DCP proposes to permanently close a portion of Vanderbilt Avenue to vehicular traffic and designate the area between East 42nd Street and East 43rd Street as a public place ("Vanderbilt

Place”). This action will allow for Vanderbilt Place to be improved as a pedestrian plaza under the DOT plaza program.

Zoning Text Amendment (N 150127 ZRM)

DCP proposes to modify ZR § 81-635 (Transfer of Development Rights by Special Permit) and create two new special permits, §§ 81-64 (Grand Central Public Realm Improvement Bonus) and 81-65 (Special Permit for Transient Hotels).

ZR § 81-635 would be modified to increase the maximum permitted on-site FAR in the Vanderbilt Corridor from 21.6 to 30.0. Sites surpassing the current 21.6 limit would be required to meet the findings in the Grand Central Public Realm Improvement Bonus, discussed below, regarding the design of the proposed building. In order to encourage landmark transfers within the Vanderbilt Corridor, the revised text would remove the existing requirement that each transfer proposal include a major improvement to the transit and public realm network. Similar to the ZR §74-79 special permit, the inclusion of such improvements would be at the CPC’s discretion.

The new ZR§ 81-64 (special permit would allow density increases up to a maximum of 30.0 FAR through the provision of transit and public realm improvements in the Grand Central Subdistrict. The amount of floor area to be granted by the CPC would be determined based on the public benefit derived from the proposed improvements. The proposal would require construction of the improvements by the developer prior to the issuance of a temporary certificate of occupancy for the bonused floor area. For each type of improvement (on-site and off, above-grade and below) the special permit includes specific conditions and application requirements to allow the CPC to determine the scope of the proposed improvements. Prior to the grant of a special permit, the applicant would be required execute an agreement setting forth the obligations of the owner to: establish a process for design development and a preliminary construction schedule for the proposed improvements; construct the proposed improvements; establish a program for maintenance; and establish a schedule of hours for public access. These agreements would not be a part of the ULURP application and would therefore not be subject to public review.

In addition to findings related to the proposed improvements, the applicant would be required to meet findings related to the design of the building, including its ground floor, building massing, design, and sustainable design features.

A second, related special permit, ZR § 81-642, would allow modification of bulk and urban design requirements in order to allow the development of the proposed building.

Finally, the proposed text amendment would create a new special permit for transient hotels within the Vanderbilt Corridor, ZR § 81-65. Under the special permit, any new hotel in the Vanderbilt Corridor would be required to meet findings that the hotel is appropriate to the business uses in the area and includes services tailored to business travelers.

Special Permit for Transfer of Development Rights (C 150128 ZSM)

SL Green is applying for a special permit pursuant to ZR § 81-635 for the transfer of 114,050 square feet (approximately 2.63 FAR) of unused development rights from 110 East 42nd Street (the landmark Bowery Savings Bank building). In 2010 the applicants received approval from the Landmarks Preservation Commission for a restoration program and continuing maintenance program for the Bowery Savings Bank building. Under that agreement, the applicant agreed to perform restoration work on that building including façade patching, window restoration, replacement of the main entrance storefront, replication of various historic light fixtures and signs, and restoration of the East 42st Street garage entrance.

Special Permit for Grand Central Public Realm Improvement Bonus (C 150129 ZSM)

The second special permit SL Green is applying for is pursuant to ZR § 81-641. This special permit would allow the basic maximum floor area ratio (FAR) of 15 to be increased by up to 15 FAR, for a total permitted 30 FAR for the commercial building as long as the development provides on-site or off-site, above or below-grade improvements to the pedestrian or mass transit circulation network. The applicant is proposing a combination of improvements, described more fully in the proposed project section of this recommendation. As of right, the total permitted commercial floor area would be 649,695 square feet (15 FAR). The applicant is requesting an additional 535,644.75 square feet in floor area, or 12.37 FAR, for the Grand Central Public Realm Improvement Bonus. If granted, with the transfer of development rights from the Bowery Savings Bank Building, the total maximum permitted FAR for One Vanderbilt would be 30 FAR.

Special Permit for Modifications in Conjunction with Additional Floor Area (C 150130 ZSM)

Thirdly, SL Green is applying for a special permit pursuant to ZR § 81-642 to allow, in conjunction with the special permit pursuant to ZR § 81-641, modifications to height and setback requirements and to the mandatory district plan elements and Grand Central Subdistrict special regulations in order to accommodate any additional floor area granted in exchange for the provision of public realm improvements.

As proposed, the project does not comply with either the height and setback requirements of ZR § 81-26 (Height and Setback Regulations –Daylight Compensation) or ZR § 81-27 (Alternative Height and Setback Regulations – Daylight Evaluation), as modified by the subdistrict requirements of ZR § 81-622 (Special height and setback requirements). The areas of encroachment are shown in the Z-300 series of plans dated October 20, 2014 and submitted as part of the certification package.

The modifications to the mandatory district plan elements and subdistrict special regulations are focused on retail continuity, street wall continuity, pedestrian circulation, building entrances, and curb cut regulations. The applicant requests relief from the retail continuity requirements of ZR § 81-42 to allow storefronts to be more than 10 feet from the street line, to allow for different types of ground floor retail than what is otherwise permitted, to allow street frontage to be allocated for access to other retail spaces on the second floor and below-grade and to permit the lobby space,

entrance space and/or building entrances to exceed 40 feet of the total frontage. The applicant also requests relief from the street wall requirements of ZR § 81-43 and ZR § 81-621 to exceed the maximum street wall height without setback along all frontages and to modify the locational requirements of the street wall along the new Vanderbilt Place and East 42nd Street.

While no waivers are requested from the required amount of pedestrian circulation space, a waiver is needed to modify the locational and sidewalk widening requirements of ZR § 81-45 and ZR § 37-50, which require that a minimum of 50 percent of the circulation space should be along a wide street other than 42nd Street and that, where sidewalk widenings are permitted, they should have a width of no less than 5 feet and no more than 10 feet. Less than 50 percent of the required pedestrian circulation space is provided along Madison Avenue. No sidewalk widenings are permitted along East 42nd; a sidewalk widening from zero to 10 feet is provided along this street. In relation to the requirements of building entrances, the applicant requests a modification to ZR § 81-623 to allow for no through block connection between Vanderbilt and Madison Avenues and to allow the Madison Avenue and Vanderbilt Place entrance recesses of 5 feet instead of the minimum depth of 10 feet. Lastly, the applicant requests a waiver of the maximum width requirements of ZR § 81-624 to permit a curb cut width of 51 feet for two-way traffic instead of 25 feet in order to accommodate their loading berths.

The proposed commercial building at One Vanderbilt will conform to all other applicable regulations.

ANTICIPATED IMPACTS

A single Environmental Assessment Statement (EAS) for the all the related actions described above was completed in June 2014. The EAS found that the proposed development at One Vanderbilt and the sites in the Vanderbilt Corridor had the potential for impacts in a number of potential impact areas that would require further analysis in an Environmental Impact Statement (EIS). These categories included:

- land use, zoning and public policy
- socioeconomic conditions,
- open space,
- shadows,
- historic and cultural resources,
- urban design and visual resources,
- hazardous materials,
- water and sewer infrastructure, specifically wastewater and stormwater treatment and conveyance,
- transportation,
- air quality,
- greenhouse gas emissions,
- noise,
- neighborhood character, and
- construction impacts.

In addition, while the proposed project itself did not warrant analysis in the solid waste and sanitation and energy categories, they were analyzed as part of the potential impact from development of the aggregate sites along the Vanderbilt Corridor.

The Draft EIS (DEIS), issued on October 17, 2014, found that no significant adverse impacts were identified for all but two of the aforementioned categories, hazardous materials and transportation. For these two categories, any adverse impacts can be mitigated or were found to be unavoidable adverse impacts. Therefore, the DEIS stated that a public health assessment was not warranted as there was not any unmitigated significant adverse impact identified in the other CEQR analysis areas related to air quality, hazardous materials, or noise.

The assessment for hazardous materials found a potential for subsurface contamination related to on-site petroleum storage, historical railroad usage, and nearby off-site uses. These subsurface contaminants include asbestos, lead-based paint, and PCBs. An (E) Designation will be placed on the site, and a remedial action plan and associated construction health and safety plan will be prepared for implementation during construction.

An anticipated impact was found in the transportation category. Regarding traffic, it is anticipated that there would be the potential for significant adverse impacts at 14 intersections during the weekday AM peak hour, 6 intersections during the weekday midday peak hour, 15 intersections during the PM peak hour, and 2 intersections during the Saturday peak hour. All of the significant adverse traffic impacts, except those identified for the 42nd Street intersections with Third, Madison, Fifth, and Sixth Avenues during various peak periods, could be fully mitigated with standard mitigation measures, including signal timing changes and increasing visibility at intersections through design interventions.

Regarding the impact to transit, operations at two station elements would be expected to deteriorate to levels in excess of the CEQR impact threshold. However, these impacts, when viewed in the context of the transit station improvements as a whole that are part of the proposed One Vanderbilt development, were not considered significant. Otherwise, the proposed improvements would mitigate impacts that would be present even with the no-action scenario.

The last transportation sub-category of note for this proposal were the impacts to pedestrians. Significant adverse impacts were found within the pedestrian network at various times of day, with a peak of nine pedestrian elements (sidewalk, crosswalk, and corners) impacted during the weekday evening rush hour. Potential measures, including relocating sidewalk/corner obstructions, reconstructing an existing newsstand kiosk, extending existing curb lines to provide for additional corner reservoir space, and widening existing crosswalks, were identified to mitigate the projected pedestrian impacts.

However, the proposed mitigation measures for the traffic and pedestrian impacts will be subject to review and approval by DOT. In the event any measures are deemed infeasible by DOT and no other alternative mitigation measures can be identified by the time the FEIS is issued, those impacts would be unmitigated. These impacts would then be referred to as unavoidable adverse impacts outside the parameters of the environmental review.

It is also of note that there were found to be significant adverse impacts to the western windows of Grand Central Terminal, permanently affecting the original design intent to maintain an unobstructed source of sunlight into the Great Hall. However, since the five, clerestory lunette windows on the south side would continue to be unobstructed and the remaining concourse windows would still provide direct and indirect lighting to the interior, the overall impact was considered not significant. Any shadow impacts to the proposed public place were found to be negligible in consideration of the existing conditions of Midtown, and the space's design is proposed to account for the shade by providing shade-tolerant plantings and attempting to site seating in areas expected to receive any direct sunlight that may be available.

Construction of the proposed One Vanderbilt development, in and of itself, was found not to result in significant adverse construction impacts. However, construction mitigation will also be provided to avoid any inadvertent damage during the construction timeframe to the adjacent Grand Central Terminal, a city Individual Landmark and a landmark on the State and National Registers of Historic Places. Measures will also be taken to avoid inadvertent damage to the Pershing Square Building and the Socony-Mobil Building, both of which are city, state, and national landmark eligible.

COMMUNITY BOARD RECOMMENDATIONS

On December 11, 2014, Manhattan Community Board 5 ("CB5") adopted two resolutions by votes of 33 in the affirmative, 0 in the negative, 0 abstaining recommending denial of the application for a text amendment for the proposed Vanderbilt Corridor with conditions and denial of the application for the Special Permits for One Vanderbilt with conditions. On December 10, 2014, Manhattan Community Board 6 ("CB6") adopted two resolutions, identical to those passed by CB5, by a vote of 39 in favor, 0 opposed, and 1 abstaining. The resolutions passed by both Community Boards were developed by the Multi-Board Task Force on East Midtown, which was formed by members of multiple Community Boards during public discussion of the 2013 East Midtown proposal.

The Community Boards noted that many of their earlier objections have been addressed by the text amendment and special permit that is thereby created, which would subject new development within the Vanderbilt Corridor to public review and require any public improvements used to obtain the special permit to be completed prior to the completion of any added density.

However, the Community Boards object to the Vanderbilt Corridor being considered separately from East Midtown as a whole. In addition, the Community Boards raised concerns about the need for the proposed transit improvement FAR bonus to work in tandem with the purchase of development rights from landmarks, the potential "canyon effect" on the area if all developments were to achieve the maximum allowable FAR bonus, and the effects on area landmarks from the proposed text amendment and development which could be permitted thereby.

Based upon these concerns, the Community Boards recommended denial of the Vanderbilt Corridor text unless the following conditions were met:

1. The text amendment only apply to sites for which the City and MTA have a plan for public realm improvements;
2. The text amendment give guidance as to what types of improvements may be used to achieve what amount of FAR bonus;
3. The text amendment require any development granted a Public Realm Improvement bonus be designed to perform 30 percent better than ASHRAE 90.1, 2010;
4. The East Midtown Steering Committee fully consider the five blocks between 42nd and 47th Streets and Vanderbilt and Madison Avenues;
5. The text amendment require a letter from LPC supporting the harmonious relationship between any proposed development and the Grand Central Terminal;
6. The text amendment specify that the only sites potentially qualifying for the full 15 FAR bonus be those that (i) front on more than one wide street; (ii) overlook the Grand Central “air park” (iii) are adjacent to a subway station; and (iv) have access to the pedestrian circulation system of Terminal City.

The second resolution addressed the special permits for the transfer of development rights from a landmark building, the Grand Central Public Realm Improvement Bonus of 12.3 FAR and for the modification of regulations on streetwall, curb cuts, height and setback requirements and mandatory district plan elements. The Community Boards raised concerns about whether the current proposal optimized connectivity and pedestrian flow, whether the Public Plaza would be sufficiently open and appropriately maintained, whether the development achieved a sufficient degree of sustainability and the sufficiency the public realm improvements and the quantifiable nature of the bonus. The Community Boards voted to recommend denial of the special permits unless the following conditions were met:

1. The development was LEED v4 Certified Platinum; and
2. A major public space at street and concourses level connects with the main lobby of One Vanderbilt and connects the corner of Madison Avenue and 42nd Street and Grand Central’s main concourse.

The Community Boards also issued several strong recommendations. These were:

1. That the subway entrance should not be on the sidewalk but rather within the building at the southeast corner of 42nd Street and Lexington Avenue;
2. That the Madison Avenue and East 42nd Street sidewalk be widened to at least 20 feet and that the East 43rd Street sidewalk be widened to at least 15 feet;
3. That the width of the office lobby on Vanderbilt Place be reduced and that pedestrian uses be considered in lieu of the Transit Hall;
4. That a Community Construction Task Force be created;
5. That DCP quantify the public realm improvement bonus;
6. That One Vanderbilt (i) provide the 4,200 square feet of mandatory, unbonded pedestrian circulation space required by the Special Midtown District; (ii) include significant improvement to the Terminal City pedestrian circulation system for the ability to transfer the landmark development rights remotely; (iii) not receive a bonus for those improvements to the subway station that constitute mitigation for East Side Access or the extension of the Number 7 line; and

7. That DCP explain why the regulation waivers would allow for a daylight score for One Vanderbilt of negative 62% rather than the Midtown standard score of 75%.

BOROUGH BOARD RECOMMENDATION

On January 15, 2015 the Manhattan Borough Board (“Borough Board”) held a public hearing and vote on a resolution relating to the proposed actions. By a vote of 8 in the affirmative, 3 in the negative and 1 abstention (with one member who was present for the meeting but not for the vote on the resolution), the Borough Board recommended conditional disapproval of the actions relating to the One Vanderbilt Development, the text amendment and the City Map amendment, “unless a responsible conclusion is reached on issues of public access and public space relating to the Grand Central Terminal circulation network, the environmental sustainability requirements of the proposed zoning text for the Vanderbilt Corridor, and the language of the zoning text relating to, and the method for, achieving significant FAR bonuses.”

BOROUGH PRESIDENT’S COMMENTS

The Department of City Planning is proposing a zoning text amendment that would allow limited development of new, high-density office space near Grand Central Terminal. The text amendment is based on a number of key premises. First, that the East Midtown neighborhood should be retained as a high-value office district because of its unparalleled transportation connections to the entire region. Second, that the aging building stock in the area is unsuitable to the types of firms that would be interested in locating in the neighborhood. And finally, that the existing zoning and the serious congestion of the above- and below-grade public realm are preventing the development of new office space. These principles are reasonable and uncontroversial. DCP has put forward a plan that would allow greater density in the immediate vicinity of mass transit access, but that would require significant improvements to the public realm, or the utilization of unused floor area from landmark buildings, in order to achieve this new density. Unlike the previous East Midtown plan, the proposed action is limited and narrowly targeted, and requires full public review. While at root this is a necessary and reasonable plan, for any action of this magnitude the exact language of the zoning text will determine its success. The proposed text amendment lays out the conditions and findings that must be met in order to achieve increased density, setting a precedent framework that will determine the future landscape of this neighborhood.

Purpose and Need

Grand Central Terminal is essentially the epicenter of the New York City metropolitan area, and it will become even more so when the Long Island Rail Road opens its East Side Access which will open the Terminal up to the almost three million residents of Suffolk and Nassau county, as well as parts of Queens that are poorly served by the subway. Class B and C office space is an important contributor to our region’s economy: it provides space for new, innovative, and quickly growing firms that would not be able to afford to rent in brand new, Class A buildings. The area around Grand Central, though, is potentially the most valuable land in the country, and its tenant mix should reflect that. The Vanderbilt Corridor today is home to aging office stock that simply cannot be converted to attract the top, mature firms that need tall ceilings (to

accommodate telecommunications infrastructure), flexible layouts, and built-in, high-capacity internet connectivity. The existing zoning does not allow for the construction of new buildings that meet these needs in the Vanderbilt Corridor, and for this reason the City has put forward this proposal.

Not only does the existing zoning not encourage new development, it does not properly allow for this development to contribute to necessary infrastructure improvements. The existing subway bonus, which allows a 20 percent increase in floor area in exchange for subway improvements is, as its name suggests, narrowly targeted to subway stations and does not allow improvements to Grand Central or the Long Island Railroad. The Grand Central Subdistrict Core allows transfers of landmark air rights allowing buildings up to 21.6 FAR, yet while 1.5 million square feet of landmark development rights remain unsold, only one building has utilized this special permit since 1992. Finally, the underlying regulations of the Special Midtown District do not require, or in some cases even allow for, the type of at-grade pedestrian flow improvements that are necessary in such a congested area. While Mandatory District Plan Elements require some amount of space in new developments be devoted to pedestrian flow, they do not require the level of quality, or coordination with the broader public realm, that is necessary here.

First and foremost, this proposal creates a new mechanism to ameliorate some of the key infrastructure challenges in the area. The most significant of these today is the severe overcrowding of the Grand Central subway station. Platform congestion on the 4, 5, and 6 lines increases train dwell times at the station, slowing the entire line. Connections between the various lines and networks at Grand Central are convoluted and confusing; from many parts of the system connections to the street are lacking. While the job of improving Grand Central Terminal should fall to the MTA, the budget outlook of that Authority is dire. The MTA has an unfunded capital plan for the next five years, and even that includes only modest improvements to pedestrian flows here. Above ground, Madison and Lexington Avenues have sidewalks as narrow as 12 feet, which is nowhere near wide enough for the number of pedestrians in the area. These public realm challenges are not only a drag on the real estate market; they are a daily drag on the hundreds of thousands of commuters who work in the neighborhood.

FAR Bonus and Density

The proposed text amendment would allow buildings up to 30 FAR in the Vanderbilt Corridor. For the SL Green site in particular, there is a very good case to be made for this amount of density. The site sits on two wide streets, is surrounded by street on all four sides, and sits across from the permanently low-scale Grand Central. A 30 FAR building also fits in with the context of the neighborhood. Because of the square blocks in the Corridor, no 30 FAR building could have more than about 1.3 million square feet of floor area. Compared to the three million square foot Met-Life tower across the street, this is relatively small. Additionally, even many of the landmark buildings in the area are of similar sizes – the Chrysler Building and the Chanin Building, both of which are also located on two wide streets, are built at 27.6 and 29.1 FAR, respectively.

The conditions on the One Vanderbilt site are not shared equally by all of the other parcels in the Vanderbilt Corridor. While all sites sit above the future LIRR concourse, and all sites are in

close proximity to Grand Central, the additional open space of East 42nd Street is only adjacent to the southernmost block of the corridor. While development on any site in the Corridor would be subject to public review, the case has not been made that the same level of density is appropriate on all sites in the corridor. While it is certainly possible that an owner of one of the other sites in the corridor could put together a proposal for less density, it is the experience of the Borough President's office that in the vast majority of projects ULURP applicants seek the maximum density. Because of the high land value in the neighborhood it is hard to believe that anyone would seek anything but the maximum. The CPC should thus consider what the aggregate effect on the character of the Corridor would be with at least three 30 FAR buildings, and should carefully consider whether this density is appropriate on all sites.

Furthermore, the proposed project, including its density and its bulk and setback waivers, is appropriate because of its unique site conditions. In considering future applications in the Vanderbilt Corridor, the CPC should look at One Vanderbilt as unique. While these waivers and bonus may be appropriate on East 42nd Street, the same amount of improvements should not translate to an equal amount of bonus on a site that does not share the same innate public benefits.

Determining Bonus Size

While allowing bonuses of up to 15 FAR through the provision of public improvements, the proposed text does not provide a framework for how the public should equate the quality and quantity of the improvements with a specific FAR bonus. The proposed zoning text lays out high standards that any proposed improvement must meet. Above-grade improvements must provide generous space at a prominent location, and off-site improvements must provide for smooth circulation and comfortable places for resting. Below-grade, the improvements must create new connections, improve circulation, and significantly enhance the environment of transit facilities. The proposed text also lays out requirements for the ground floor of any new building. When it comes to determining the appropriate amount of FAR bonus, however, the text simply requires that the Commission find that "the public benefit derived from the proposed above or below-grade improvements to the pedestrian or mass transit circulation network merits the amount of additional floor area being granted." This does not give the CPC any parameters or factors to consider.

In public discussions about this proposal, Department of City Planning staff and the Chair of the CPC have reiterated the importance of maintaining real *discretion* when creating new discretionary actions. Because any number of things could change in the future, it would be foolish to create a special permit where a simple formula determined whether a set of improvements warrant additional floor area. This would unnecessarily hem the public in when reviewing the actions, and could serve to prevent improvements that are needed in the future because they are not currently known. While additional floor area can be said to have a quantifiable value, in dollars, public improvements can be much more abstract. Improved passenger flows and quality of public spaces cannot be put into dollars.

In SL Green's Statement of Findings, they seem to have similar trouble equating the benefit of the proposed improvements to any particular amount of floor area. When addressing this

particular finding, the applicant lists all of the proposed public realm improvements and how each one will benefit the public. In pulling it all together, however, there is no tie to the amount of floor area being granted. They conclude:

“The proposed improvements to the above and below-grade circulation networks in and around Grand Central Terminal, in conjunction with the improved throughput on the 4/5/6 subway line that will result, will provide substantial public benefits and will enhance the user experience of the nearly half a million daily transit riders who use Grand Central Terminal.

Accordingly, the public benefits derived from the proposed above and below-grade improvements merit the amount of additional floor area being granted to the Proposed Development.”

As justification for a particular amount of floor area, the closest that the applicant can come is a list of improvements, and an unsubstantiated assertion that they merit the amount being granted. Perhaps the focus should be on qualitative measures and improvements, over hard quantities – x stairwells widened, x feet of hallways lengthened.

Despite the difficulty of quantifying improvements and equating them with floor area, that is what the commission must do. In evaluating the current proposal, the Borough President’s office is judging the proposed improvements against the wider set of needed improvements, is looking at the number of people that will be affected by the improvements, and is judging the particular improvements against better versions of themselves. There are many ways that one could interpret this finding, however. Though the current administration is expecting a wide array of improvements in exchange for this density, there is nothing in the text to keep future administrations to the same high standard. For this reason, the text should be edited to include a set of factors that should be considered when making the decision about the grant of floor area. This would preserve the discretion of the CPC to evaluate the benefits of the proposed project, but would help to narrow the focus of their analysis to the quality and breadth of the improvements. The edited zoning text could be modeled on the existing subway bonus, which has the commission make the decision based on the extent to which the station is improved in terms of pedestrian flow and connectivity, as well as the quality of the improvements to the station’s environment. In the case of this permit, the findings could also include the extent to which neighborhood-wide above-grade pedestrian congestion is reduced.

Ongoing Maintenance of Proposed Improvements

The proposed zoning text amendment is not structured to allow the public to consider ongoing maintenance when evaluating the benefit of the proposed public realm improvements. While most zoning bonuses involve public benefits on land controlled by the applicant, the proposed text amendment will allow off-site improvements to count toward a permanent floor area bonus. When evaluating the benefit to the public of the proposed project, the ongoing cost to the public of improvements to publicly controlled areas must be taken into account. The benefit to the public of a new subway escalator, for example, will be much greater for an escalator that is being maintained in perpetuity by the private sector. In some cases it is quite clear who will maintain

what: the mezzanine improvements on the 4/5/6, for example, will be maintained by the MTA after construction. Others, however, will depend on negotiations between the applicant and the MTA; the East 42nd Street subway entrance proposed by SL Green is within the base of the building, but then leads down a stairwell to what will become essentially an extension of Grand Central. Because the scope of the proposed improvement can and should change as a project progresses through public review, to negotiate all of these agreements prior to certification would be impossible. The zoning text as proposed would require agreements prior to the grant of a special permit. This should be amended, however, to require that at least the intentions of the applicant regarding maintenance be included as part of an application at the time of certification.

Sustainability

In addition to requiring significant public realm improvements in order to achieve higher density, the proposed ZR § 81-64 would require that the overall building design, including sustainable design features, is appropriate to the surrounding neighborhood. This proposal attempts to do that by including conditions and findings which intend for buildings to meet higher standards for efficiency and sustainable design than are required by the Building Code. As written however, the text really only requires buildings to be average. First, in order to be certified an application must include materials showing the degree to which the building's energy performance exceeds the 2011 New York City Energy Conservation Code ("ECC"). Since there is no minimum degree to which buildings must exceed the code included in the application, there is no reason to peg all future applications to the 2011 code. This should be amended to require applications to show the degree to which the proposed building exceeds the minimum requirements at the time of application, rather than the requirements of an out-of-date and less stringent code.

In addition to this requirement the proposal, as written, requires the commission to find that the building includes sustainable design measures that "(i) are in keeping with best practices in sustainable design; and (ii) will substantially reduce energy usage for the building, as compared to comparable buildings." Regarding the first of these findings, it is the understanding of the Borough President's office that the phrase "best practices" usually refers to a benchmark for an acceptable level of quality. In order for this finding to have real effect, the language should reflect its intent – higher quality, more innovative buildings than what would be built as-of-right. The second finding, as written, could be interpreted to require buildings to be the same as comparable buildings. If this finding is intended to require buildings to meet a higher level of sustainability than other Class-A office buildings, this should be amended to require buildings to reduce energy *to a greater degree* than comparable buildings.

Balancing Public Improvements and Landmark Transfers

The proposed text amendment represents an attempt to reconcile competing priorities. On the one hand, there are significant infrastructure needs in the area and the City can leverage new development to meet these needs. On the other hand, there is a large amount of unused floor area from landmark buildings available, and the Grand Central Subdistrict was created explicitly to sell this floor area to enable the preservation of Grand Central Terminal. While currently, landmarks in the Grand Central Subdistrict Core can sell air rights to receiving sites to achieve up to 21.6 FAR through special permit, this proposal would enable landmarks to sell

significantly more, allowing a receiving site to achieve up to 30 FAR. The proposal does, however, introduce competition between the City and landmark air rights holders that did not previously exist. Under existing zoning, development sites could achieve 18 FAR through the subway bonus but could not get to 21.6 without buying from a landmark. In the case of the current special permit application, SL Green is using a combination of a transfer of landmark development rights and the transit improvement bonus to reach the maximum FAR. In addition to the proposed ZR § 81-64 improvements, SL Green has entered in to a restrictive declaration for the perpetual maintenance of the landmark Bowery Savings Bank. The proposal is thus achieving both of the potentially competing goals of the Grand Central Subdistrict. It is conceivable that a future project could propose to increase floor area solely through the new ZR § 81-64 special permit. A way to ensure that all projects in the future balance the preservation needs of the area and the need for transit improvement would be to mandate that the ZR § 81-64 special permit could only be used in conjunction with the ZR § 81-635 special permit.

The current proposal, however, would use up all remaining floor area at the Bowery Savings Bank, leaving the fee owners of Grand Central Terminal as the only holders of landmark air rights in the Grand Central Subdistrict. If the City were to mandate that the two permits be used in conjunction at this point, therefore, it would create the unintended consequence of creating an air rights monopoly that could serve to deter development. As part of the East Midtown Steering Committee there are discussions on air rights transfer mechanisms for the wider East Midtown neighborhood. As part of this discussion the Steering Committee will consider whether these mechanisms should apply in the Vanderbilt Corridor and whether, at that time, the ZR § 81-64 special permit should be modified to mandate some portion of landmark air rights be used.

Future Projects in the Vanderbilt Corridor

The proposed project sits on two wide streets, is directly adjacent to a subway station and sits directly across from Grand Central. The appropriateness of higher density at this site is not at issue, other than the questions regarding the bonus structure itself. What is of potential concern is whether, if a similar level of improvements are proposed and development rights from a landmark are purchased, and the combination thereof is for an equivalent bonus, a 30 FAR building is appropriate density at sites that do not front on two wide streets and are not adjacent to a lower-scale landmark building. A broader catchment area is under consideration for the transfer of landmark development rights, potentially removing a balance in light and air that is achieved when a higher building goes up next to one that is inherently and permanently lower in scale.

In addition, there is some level of concern when evaluating the potential impact of this corridor as to whether the floor area bonus mechanisms would set an unintended precedent for development in the broader East Midtown neighborhood currently under study by the East Midtown Steering Committee. In addition, this new maximum of 30 FAR may work for the particular development proposal at One Vanderbilt, but questions have been raised concerning its appropriateness at the other eligible sites in the Vanderbilt Corridor. The DEIS states that the mechanism, new and expanded, are comparable to existing bonus mechanisms in the Zoning Resolution. The DEIS also states that the other sites that may take advantage of the additional bonus, in order to reach a maximum FAR of 30, would have to be analyzed on a site by site basis

through the special permit and associated environmental review. In the section on neighborhood character, the analysis states that there will be no significant adverse impact since the resulting conditions would be similar “to those seen in high activity urban neighborhoods that define the study area.”

One Vanderbilt Proposal

SL Green is proposing a new office tower next to Grand Central Terminal that, while modern, is a fitting complement to Grand Central Terminal. The tower will be constructed with high quality materials, including glazed terra-cotta details that will evoke the Gustavino tile ceilings of the Terminal. At the base of the building the tower will peel away to showcase the cornice of the Terminal, which is currently blocked by the existing buildings on the One Vanderbilt site. Furthermore, the proposal will create a new public space from which residents, visitors, and passers-by can enjoy views of the Terminal and can experience the bustle of life in New York City. The improvements proposed by SL Green will dramatically improve conditions at the Grand Central subway station and will enable new connections between the LIRR and other modes of transit. It is not up to the CPC to decide whether the improvements are good, however, but whether the improvements are good enough to merit the additional floor area. While all of the improvements taken together are quite impressive, when examined individually there is real room for improvement.

Transit Hall

SL Green is proposing a new, 4,000 square foot space along East 43rd Street that will connect directly, via a single staircase, to the heart of Grand Central. The Transit Hall will have easy access to the platforms of both Metro North and the LIRR, making it an ideal location for a waiting area. As a waiting area, it needs to have enough amenities to keep a commuter comfortably there for up to an hour. This means it should have a concession, should have ample seating, and must have bathrooms. In addition, SL Green should ensure that the space is open and accessible to all New Yorkers by including Americans with Disabilities Act-friendly, easy to open doors and other features to make it truly accessible. In a letter to the Borough President, SL Green commits to at least seven benches to seat between 14 and 21 people and to provide a unisex restroom immediately under the Transit Hall.

The plans for this space as of now are undeveloped. The applicant has distributed renderings of the space, which show no seating or a concession. Although illustrative plans attached to the ULURP application do show these things, they stipulate that the plans are for approval of concept only, not design. In order to grant this special permit, this space must, at minimum, have a set concept and design principles. There must be sufficient protections in place to ensure that it remains a comfortable waiting area in perpetuity. The Department of Buildings (“DOB”) typically polices privately owned public spaces, but in order to do this DOB needs approved plans showing the location of all the various elements. In discussions with SL Green the Borough President’s office was reassured of their intentions for this space as a real amenity. Moving forward, the City Planning Commission must ensure that these intentions are honored with an approved design that reflects the discussions to date. This could be done by updating the approved plans, which will be subject to DOB oversight, to reflect a final design or by creating a

process by which the Chair of the CPC can certify that the final design reflects the intentions of the space as described in the ULURP application.

The proposed building will add new connections between many different below-grade spaces. What it does not do, however, is provide a connection from the mass transit network to the building for use by the future tenants of the building. Because of the wide network of underground spaces, this type of connection is common in the Grand Central Subdistrict. Direct connections to the building would serve to take pedestrians off of the crowded sidewalks of the area, aiding in reducing congestion in the neighborhood. An ideal location for this connection would be off of the Transit Hall, which is directly adjacent to the One Vanderbilt lobby. In discussions with the Borough President's office, SL Green has agreed to include this connection. The CPC should ensure that approved plans for the building include this connection, and prevent it from being removed in the future.

Finally, the proposed Transit Hall will be accessed from East 43rd Street. Coming from the west, pedestrians will pass the building's messenger center, dock master offices, and two loading docks before getting to the new public space. If the Transit Hall is to be a real amenity, the approach to it should not feel like walking down an alley. These back of the house spaces on East 43rd Street should be beautified to match the overall aesthetic of the building so that East 43rd Street feels like an active and attractive place. In discussions with the Borough President the applicant has agreed to use the highest quality materials on the loading docks and building maintenance spaces such that their design will match the overall building.

Vanderbilt Public Place

The proposed public space on Vanderbilt Avenue will add a new publicly controlled open space to a neighborhood that is starved for open space. It will help relieve congestion at the corner of East 42nd Street and Vanderbilt Avenue, a key access point to the terminal and one with significant pedestrian-vehicular conflict. It is not enough that the space is provided; the design must serve the employees of the new building, the commuters who stream into Grand Central, and neighborhood residents and employees. When open space is at a premium, and it is finally provided, we must ensure the highest value and utility of that space. However, we do not have a design to evaluate. A conceptual design was provided, but there is no guarantee that the final design will resemble this design in any way. Nor, at the time of certification, is a clear mechanism in place for the continued maintenance of this critical space. The challenges to presenting a final design at this time are real, so it is reasonable to wait for a future public process to decide this. At this time, however, we should ensure that the appropriate maintenance of this space is accounted for and that the design of the One Vanderbilt building will serve to activate this space to ensure its role as a real public amenity.

As proposed, the SL Green building will have only one door that exits to the public plaza: that of their office lobby. If this remains the only door, this space may function more as an entryway for SL Green's tenants than a space for the public. The Transit Hall, which is a space for the public, should interact better with the public plaza and should have a door directly onto it, in addition to one off of East 43rd Street. Not only would this help activate the public plaza, the proposed zoning text could be read to require it. In the proposed text, the findings for on-site

improvements to the pedestrian circulation network, which includes the Transit Hall, say that the spaces must “provide connections to pedestrian circulation spaces in the immediate vicinity.” There is retail proposed at the southeast corner of the building that also will not open on to the plaza. The proposed zoning text requires that the ground floor of the building “facilitate fluid movements between the building and adjoining public spaces.” This is an important finding, and one that will not be achieved unless the building connects to the plaza via exits other than the office lobby.

East 42nd Street Subway Entrance

In the center of the East 42nd Street ground floor will be a subway entrance that will connect via escalator to the Shuttle platform two levels down and via a stairway to the Intermodal Connector and Grand Central. There is an existing subway entrance at this location, so when evaluating the benefits of this improvement it is important that the CPC consider this as a *widening* of an existing entrance, rather than the provision of a new entrance. This expanded entrance will provide the most direct connection to the LIRR concourse from East 42nd Street and will be the south-westernmost entrance to Grand Central terminal. As such, it should be as prominent and spacious as possible.

Immediately to the east of this entrance the applicant proposes two retail spaces: one with a stairwell down to the B1 level, and one with a staircase up to the second floor. Both of these spaces are small, and will serve mostly as a vestibule to the retail above and below. The proposed zoning text requires retail uses adjacent to above-grade, on-site improvements. The goal of this requirement is to ensure active uses around the new on-site improvements. The retail spaces as proposed, however, do not accomplish this goal. First, the CPC should amend this finding to require active uses. Second, SL Green should adjust these spaces to better interact with the subway entrance and to better contribute to a lively streetscape. An ideal solution would be to combine all of these spaces to create a generous, publicly accessible space. Visitors could enter the southeast corner of the building and from there could access the Shuttle platform, the B1 Intermodal Connector, the B1 retail space, or the second floor retail.

As a result of discussions with the Borough President, the applicant has submitted an alternate application that will enable them to adjust the mix of uses on this corner of the building. City Planning has also committed to recommending that the requirement for retail be modified to active uses within the text to provide flexibility and ensure a lively and vibrant streetscape along East 42nd Street and Vanderbilt Place. The applicant has agreed to combine the two retail spaces into one, which will have an entrance onto the Vanderbilt Public Place and a staircase to a larger retail space on the second floor. Further, the applicant has agreed to reduce the linear frontage of the retail space, where it meets the subway entrance, by 24 feet. The Borough President believes that this agreement by the applicant and the opportunity it presents should be used to accommodate a wider, more prominent subway entrance. The CPC and the City Council should further consider whether this reduction will allow adjustments to the design for a more open layout of this entrance, and whether the staircase in the subway entrance can be widened.

Waiver of District Plan Elements

The Special Midtown District requires that all new buildings of a certain size contain public amenities. Of note, these District Plan Elements would require 3,000 square feet of pedestrian circulation space on this site, and would require off-street access to a mass transit facility. The SL Green application and the associated text amendment would allow these elements, which would normally be required, to count towards a floor area bonus. As proposed, however, these elements will be included in a form that is of a much higher quality than would be achieved with the requirement. The zoning text enables these requirements to be waived so that all of the public circulation space can be viewed as a whole. In consideration of whether the proposed improvements merit the additional floor area, the CPC should keep in mind that some amount of transit connection and ground-level public space would have been a part of an as-of-right building. The proposed building includes sidewalk widenings on Madison Avenue and East 42nd Street. On Madison Avenue, the area of widened sidewalk will not be open to the sky, as required by the Mandatory District Plan Elements. The overhang over this portion of sidewalk, however, will not occur until a height of 60 feet and will likely not be noticeable to pedestrians or negatively impact the pedestrian realm. Furthermore, the Special Midtown District requires a through-block connection for buildings with lobby entrances on opposite frontages. As proposed, a connection would not be available through the SL Green lobby and building core. It is not clear in this case that this connection would be beneficial to the public. It is difficult to imagine the need to pass from the midblock on Madison Avenue to the midblock on Vanderbilt Avenue when 42nd and 43rd streets are less than 100 feet away. Given the number of connections that are being provided through this building on the lower levels, the Borough President feels that this waiver is appropriate.

Sustainable Design Elements

The applicant proposes to increase the energy efficiency of this building by 14 percent over a baseline building, based on the 2010 standard of measurement. While this is an improvement, it is unclear that this is an improvement worthy of a building of this caliber, or whether this meets the finding that buildings must substantially reduce energy use over comparable buildings. The standards for energy efficiency get more stringent every few years as technology improves and the cost of these new technologies fall. The New York City Energy Conservation Code mandates the use of the ASHRAE 90.1-2007 standard to develop a baseline building for energy use comparison. By the time construction of the building is expected to begin, the ECC will have been updated to mandate the ASHRAE 90.1-2010 standard, which is 18.9 percent more efficient than a building based on the 2007 standard. By the time construction on this building is completed in 2020, therefore, there is a significant chance that the building's 14 percent improvement over the 2010 standard will be closer to a baseline building than to an efficient one.

Though the findings for the proposed special permit require the applicant to show reduced energy use over comparable buildings, the applicant's Statement of Findings compares energy use to a baseline building. In order to effectively evaluate the efficiency of this building, the applicant should provide comparisons to other Class A office buildings that are currently under construction. The CPC should evaluate whether this finding has been met based on improvement over those other buildings. In a letter to the Borough President, the applicant commits to

continue to explore new and additional methods of achieving increased efficiency and to use commercially reasonable efforts to incorporate new technologies to continue to maximize One Vanderbilt's energy efficiency and sustainability. Based on the sustainable measures incorporated in other SL Green buildings, the Borough President feels that this commitment is real, and looks forward to continuing to work with the applicant to achieve this goal.

Access to Light and Air

In order to accommodate all of the bonus floor area into this small lot, the applicant is seeking significant waivers to the height and setback requirements of the Special Midtown District. These waivers occur on almost every floor and on all four sides of the building. Daylight scoring for One Vanderbilt has an average score of -62.10, with scores ranging from -32.98 along the 42nd Street frontage and a score of -94.37 along the Vanderbilt frontage. While these numbers seem abstract, when the building is constructed they will be readily apparent: for someone standing on the Vanderbilt Public Place, the building will almost entirely fill the sky. In some circles this would be considered abysmal and unreasonable on its face. However, in consideration of the daylight scores, the CPC has always had the discretion to determine if the encroachment or degradation of daylight would be acceptable in the evaluation of a benefit to the general public. While that public benefit was traditionally landmark preservation, there is nothing in the zoning text to prevent the CPC from weighing the value of transit improvements over landmark preservation, nor to prevent the CPC from determining that any loss in one benefit trumps the gains in another.

Special Permit for Transfer of Development Rights

The proposed transfer of unused floor area from the Bowery Savings Bank will enable the perpetual preservation of that landmark and is in keeping with both the goals of the Grand Central Subdistrict and the new Vanderbilt Corridor proposal. A restoration plan for that building has been approved by the LPC, as has a plan for continued maintenance. While there has been some criticism of the proposed text amendment for failing to balance the goals of preservation and improvement of the public realm, the 115,000 square feet of landmark floor area being transferred to One Vanderbilt shows that such balance is possible within the framework of this proposal.

City Map Amendment

The proposed city map amendment to close a portion of Vanderbilt Avenue between East 42nd Street and East 43rd Street, changing its designation from street to "public place" is appropriate. This change will close this portion to vehicular traffic and allow for its permanent improvement as a pedestrian plaza. Given Vanderbilt Place's prominent location adjacent to Grand Central Terminal and its proximity to multiple existing and proposed transit entrances, the addition of approximately 12,000 square feet into the public pedestrian realm is a real and tangible benefit as long as it is well designed and maintained. The application for this action promises a public space that would provide significant benefits to workers and visitors of the surrounding area.

Conclusion

Much time has been spent describing the outdated and crumbling nature of both the existing office buildings in this district and the infrastructure that serves them. I do not disagree with this premise. There is need for new, state-of-the-art buildings if this district is to maintain its vitality and significance. However, I strongly believe that a number of buildings in the broader area are eligible for and deserving of landmark designation. Within the Vanderbilt Corridor, I believe that the Roosevelt Hotel and the Yale Club are worthy of such consideration. This proposal creates new opportunities for the redevelopment of those sites, and the CPC should seriously consider the real possibility of the destruction of these landmarks as a consequence of this proposal. I do have confidence, however, that any proposal that would harm these two landmarks would have the full review of the public, and I will use my role in the ULURP process to fight for their preservation. Additionally, the built context of Vanderbilt Avenue is important. The buildings standing there today were the result of a form of comprehensive planning that is rare in the history of New York. These buildings speak to each other and to the development history of this neighborhood as one of the first examples of development based around, and supportive of, mass transit. Any new building in this corridor should fit within the built context of these blocks and should relate harmoniously to the Terminal.

With the incorporation of the changes discussed above, the Vanderbilt Corridor text amendment and related map amendment will produce real benefits to the citizens of New York and will be in keeping with the longstanding goals of the Grand Central Subdistrict. The proposal from SL Green will dramatically improve platform and mezzanine conditions on the 4/5/6 subway line. In fact, the adjustments to the mezzanine will increase the size of Grand Central's subway mezzanine by 38 percent. One Vanderbilt's unique location will allow for new underground corridors that will be fully integrated into Grand Central Terminal. Finally, the proposal will open up new pedestrian-accessible space that will relieve congestion in this busy neighborhood.

BOROUGH PRESIDENT'S RECOMMENDATION

As a result of ongoing discussions, which began following the two Community Board recommendations in December, the Department of City Planning and SL Green sent the Borough President letters committing to adjustments of the proposal.

In a letter from Edith Hsu-Chen, Director of the Manhattan Office, dated January 28, 2015, the Department of City Planning committed to advising the City Planning Commission to make adjustments to the method for determining the Grand Central Public Realm Improvement bonus size, language clarifying the standards for evaluating sustainability, and application requirements relating to ongoing maintenance of proposed improvements.

In a letter from Marc Holliday, Chief Executive Officer of SL Green, dated January 28, 2015, SL Green committed to adjustments to their proposal to ensure maximum public benefit. The applicant committed to working out a final agreement for the maintenance of Vanderbilt Place, and agreed to seed a fund for ongoing capital improvement. They agreed to provide a bathroom at the Transit Hall, to provide at least seven benches within that space, and to continue to refine their design of the space and to work with the Community Boards and Borough President's Office to do so. They have agreed to adjust the retail spaces on East 42nd Street to be combined into a single space that would be reduced in size by 24 linear feet, adjacent to the subway entrance. The retail space would further have an entrance onto the Vanderbilt plaza. Finally, the applicant agreed to beautify the East 43rd Street frontage to minimize the impact of the loading docks on the character of the neighborhood.

Based on these commitments from the applicant the Borough President believes that the proposal will be beneficial to the citizens of Manhattan and entire New York region.

Therefore, the Manhattan Borough President recommends approval of ULURP Application Nos. C 140440 MMM, N 150127 ZRM, C 150128 ZSM, C 150129 ZSM, and C 150130 (A) ZSM provided that:

1. **SL Green** honor its stated commitment to:
 - a. Consolidation and reduction of retail frontage at Vanderbilt Avenue and East 42nd Street;
 - b. Providing for ongoing maintenance of the Vanderbilt Public Place;
 - c. Construct and ADA-compliant unisex restroom beneath the Transit Hall
 - d. Work with the Department of City Planning, Community Boards 5 and 6, and the Borough President to finalize interior design of the Transit Hall and to enshrine a completed design in the special permit drawings or a future public process;
 - e. Install an entrance from the retail space at East 42nd Street and Vanderbilt Avenue onto the Vanderbilt plaza and an entrance from the Transit Hall to the One Vanderbilt lobby;
 - f. Continue to improve the energy efficiency of the proposed building as technology improves;
 - g. Use every effort to preserve the decorative façade elements of 51 East 42nd Street and to provide for their future display; and

- h. Use materials and details on the East 43rd Street façade of the building at grade that are consistent with the overall aesthetic of One Vanderbilt;
2. **The City Planning Commission**, on the recommendation of staff, modify the proposed text amendment to reflect more consistently and clearly the goals of the proposed action, as outlined in the January 28 letter; and
3. **The City Planning Commission** also, in exercising its discretionary approval, approve plans memorializing all key entrances connecting the plaza, transit hall, lobby, and retail use so that building connects to the plaza via exits other than the office lobby and so that the locations of such are not subject to change.

In addition to the above, there are a number of aspects of the proposed actions that the Borough President feels warrant further attention:

1. **The City Planning Commission** should consider whether the findings of the Grand Central Public Realm Improvement Bonus relating to sustainability have been met by the SL Green proposal; and
2. **The City Planning Commission and the City Council** should use the reduction in retail frontage on East 42nd Street to provide for a wider and more open subway entrance at this location;
3. **The City Planning Commission** should consider any recommendations of the East Midtown Steering Committee concerning the use of a public realm improvement bonus in conjunction with the use of landmark development rights to balance the need for transit improvements and historic preservation.
4. **The City Planning Commission** should consider whether plans for the Transit Hall should be revised to include a door directly on to the Vanderbilt Public Place.



Gale A. Brewer
Borough President

Green 317 Madison LLC
c/o SL Green Realty Corp.
420 Lexington Avenue, 19th Floor
New York, NY 10170

January 28, 2015

Honorable Gale A. Brewer
Manhattan Borough President
One Centre Street, 19th Floor
New York, NY 10007

Re: One Vanderbilt
ULURP Nos. 150128 ZSM, 150129 ZSM, 150130 ZSM, 150130(A) ZSM

Dear Madame Borough President:

Thank you for your thoughtful consideration of our special permit applications for the One Vanderbilt project. From our numerous meetings with you and your staff we have received a number of suggestions to improve the proposed development. We have carefully considered these suggestions, and, in response, we are prepared to make the following commitments and modifications:

1. We commit to reach an agreement with the Grand Central Partnership to undertake the long-term maintenance of Vanderbilt Plaza, including provision for capital repairs and replacements. SL Green will also commit to provide \$500,000 to a fund which will be established to assure the long-term capital needs of Vanderbilt Plaza.
2. We will construct and maintain an ADA-compliant unisex restroom for use by the public on the B1 level, below the Transit Hall, within the footprint of One Vanderbilt. Together with the additional new restrooms being constructed by the MTA within Grand Central Terminal underneath 335 Madison, these improvements will provide convenient facilities for commuters and other users of the Terminal and the Transit Hall. Further, we will ensure that all public spaces are accessible for people with disabilities.
3. As we progress the interior design of the Transit Hall, we will share our plans with Community Board 5 and the Borough President for review and feedback. We will also work with the Department of City Planning to either update or finalize the special permit drawings to reflect the completed design or include in the project approvals a requirement for a CPC Chairperson certification process with respect to the design of the Transit Hall. Additionally, we commit that the Transit Hall will contain at least seven benches seating 14 to 21 people, which we believe will make the transit Hall more useful and convenient for the public. We will maintain the Transit Hall for the life of the project.

4. We will install an entrance from the retail space at the corner of East 42nd Street and Vanderbilt Avenue directly onto the new Vanderbilt Plaza, which will further activate the plaza. We will also install a direct connection from the Transit Hall into the lobby of One Vanderbilt. These additional connections will help to activate the ground floor of the building and Vanderbilt Plaza. These connections will be open to the public, but we will reserve the right to close them if security matters make that necessary.
5. We will modify the design of the ground floor of One Vanderbilt in order to reduce the retail/amenity space linear frontage east of the MTA Access space on East 42nd Street by 24 feet.
6. As described in detail to your staff, we have made every effort to achieve the maximum energy efficiency and sustainability reasonably permitted by current technology. However, technology changes quickly and we commit to continue to explore new and additional methods of achieving increased efficiency and we will use commercially reasonable efforts to incorporate new technologies to continue to maximize One Vanderbilt's energy efficiency and sustainability.
7. Although the original decorative façade features of 51 East 42nd Street have had extensive exposure to the elements, and, we have been advised by our construction team that their condition may not permit their removal from the building intact and suitable for public display, we will use great care and effort to preserve these features when the building is demolished.
8. We commit to the use of materials and details on the 43rd Street façade of the building at grade that are consistent with the overall aesthetic and quality of One Vanderbilt, including but not limited to the loading dock doors.

These commitments will be included in a restrictive declaration which will be recorded against the development site and will bind successive owners and mortgagees of the property.

We believe these modifications to the design and operation of the project are responsive to the concerns that you and your staff have expressed to us and will improve the quality of the development and the public benefits. We thank you for the assistance you and your staff have provided as we move through the public review process.

Sincerely,



Marc Holliday



DEPARTMENT OF CITY PLANNING
CITY OF NEW YORK
Manhattan Office

January 28, 2015

The Honorable Gale A. Brewer
Borough President, Borough of Manhattan
One Center Street, 19th Floor North
New York, NY 10007

RE: Vanderbilt Corridor

Dear Borough President Brewer,

Thank you for your ongoing discussion with our Chairman and for staff-to-staff dialogue on the Vanderbilt Corridor proposal. This zoning text amendment and map change will facilitate commercial development along Madison and Vanderbilt Avenues in Manhattan, improve pedestrian circulation within Grand Central Terminal and its vicinity, and allow greater opportunity for area landmarks to transfer their unused development rights. We appreciate your focus on this critically important proposal to ensure the long-term strength of the area around Grand Central as a world-class business district, dense job center, and transit center for the city of New York.

We understand that in your review of the application, you have made specific recommendations to clarify and improve the text as proposed. We have considered your comments. During the City Planning Commission's upcoming review of the text amendment, the Department staff will recommend to the Commission the following:

- The Grand Central Public Realm Improvement Bonus should be modified to better clarify how the determination of the bonus floor area permitted via the special permit mechanism should be made. We will recommend the text be modified to make clear that additional floor area be granted as a result of consideration of the at-grade and below-grade improvements only, and that additional floor area should not be granted through the findings relating to the building's design and sustainability features. In addition, per your suggestions, we will recommend modifications to the findings for above-grade improvements to include consideration of their improvement to pedestrian circulation in the area, and on-site spaces provide or be surrounded by active uses.
- Regarding sustainability, we will recommend that the findings be modified so that buildings would be required to meet or exceed the best practices in sustainable design and clarify how buildings demonstrate their reduced energy use compared to comparable buildings. We will further recommend that the text be modified to require application materials that demonstrate energy use compared with the then-current New York City Energy Conservation Code.
- On the issue of maintenance of the improvements, the Department agrees that it is in the public's interest for the applicant to identify the expected maintenance plan for

improvements associated with the special permit as part of the public review of future proposals. We will recommend that additional application materials be required to describe the expected maintenance plan for the improvements.

We believe these recommendations to the City Planning Commission, made in response to your input, will improve the Vanderbilt Corridor proposal. Thank you for the thoughtful input you have provided us and others as our proposal moves through the public review process.

Sincerely,

A handwritten signature in black ink, appearing to read 'Edith Hsu-Chen', with a long horizontal line extending to the right.

Edith Hsu-Chen
Director, Manhattan
NYC Department of City Planning

MANHATTAN BOROUGH BOARD

RESOLUTION

RECOMMENDING CONDITIONAL DISAPPROVAL OF THE APPLICATION FOR ACTIONS RELATING TO THE ONE VANDERBILT DEVELOPMENT (C 150128 ZSM, C150129 ZSM and C 150130 ZSM), THE PROPOSED TEXT AMENDMENT CREATING A VANDERBILT CORRIDOR (N 150127 ZRM) AND A CITY MAP AMENDMENT (C 140440 MMM) TO DESIGNATE THE BLOCK OF VANDERBILT AVENUE BETWEEN EAST 42nd STREET AND EAST 43rd STREET A PUBLIC PLACE, UNLESS UNRESOLVED ISSUES ARE ADDRESSED

WHEREAS, The Department of City Planning (DCP) seeks a text amendment to the Zoning Resolution (N 150127 ZRM) to facilitate commercial development and pedestrian circulation and to allow greater opportunities for area landmarks to transfer unused development rights; and

WHEREAS, the proposed text amendment would create a five block Vanderbilt Corridor within the Grand Central Subdistrict of the Special Midtown District in which a new Special Permit for Grand Central Public Realm Improvement Bonus (Section 81-64) will be available that will allow buildings to achieve a floor area ratio (FAR) of 30.0 through the completion of significant improvements to the pedestrian or mass transit circulation network; and

WHEREAS, the proposed text amendment would also allow landmarks within the Grand Central Subdistrict to transfer unused development rights to receiving sites in the Vanderbilt Corridor to achieve an FAR on the receiving sites of up to 30.0; and

WHEREAS, the proposed text amendment would create a new special permit for transient hotels within the Vanderbilt Corridor to encourage the development of business oriented new hotels; and

WHEREAS, DCP seeks a City Map Amendment (C 140440 MMM) to designate the block of Vanderbilt Avenue between East 42nd and East 43rd Streets a Public Place; and

WHEREAS, Green 317 Madison, LLC seeks a special permit (C 150128 ZSM) to transfer development rights from a landmark building in order to facilitate construction of an approximately 1.3 million square foot mixed-use development called One Vanderbilt between East 42nd and East 43rd Streets, and Madison and Vanderbilt Avenues; and

WHEREAS, Green 317 Madison, LLC seeks a special permit pursuant to the proposed Section 81-641 of the Zoning Resolution (C 150129 ZSM) for a Grand Central Public Realm Improvement Bonus of 12.3 FAR; and

WHEREAS, Green 317 Madison, LLC seeks a special permit pursuant to the proposed Section 81-642 of the Zoning Resolution (C 150130 ZSM) for modification of street wall, curb cut, height and setback, and mandatory district plan element regulations; and

WHEREAS, the proposed off-site improvements include:

1. The creation of a Public Place on Vanderbilt Avenue to be used as a pedestrian plaza;
2. A new stair in the cellar of the Pershing Square Building that would connect the Grand Central subway station mezzanine with the Lexington Avenue line platform; and
3. A new subway entrance with two new street-level subway stairs on the sidewalk at the southeast corner of East 42nd Street and Lexington Avenue that would connect to and open an existing 4,100 square foot below-grade passageway; and
4. Modification of columns in the Grand Central subway mezzanine to provide more pedestrian circulation space and improve pedestrian flow; and
5. 8,475 square feet of expanded Grand Central subway mezzanine space in the cellar of the Grand Hyatt Hotel and the creation of two new stairs from the new mezzanine area to the platform; and
6. Replacement and widening of an existing street-level subway entrance at the northwest corner of Lexington Avenue and East 42nd Street; and

WHEREAS, the proposed on-site improvements would include:

1. A new subway entrance on East 42nd Street with escalator, elevator and stairways providing access to the shuttle subway station and providing below-grade connections through the Intermodal Connector to the 4, 5, 6, and 7 subway lines at the Grand Central Terminal concourse level and to the Long Island Rail Road at the East Side Access concourse level; and
2. a new 4,000 square foot "Transit Hall," with entrances at East 43rd Street, providing stairway and elevator connections to the new Intermodal Connector, with connections to East Side Access, the shuttle, Grand Central Terminal, and the 4, 5, 6, and 7 subway lines; and
3. new elevator and escalator connections from East Side Access through the development site that will allow for connection from the East Side Access concourse to street level or the 4, 5, 6, 7, or Shuttle subway lines; and

WHEREAS, the proposed Vanderbilt Corridor is located above the future concourse of the Long Island Railroad's East Side Access, which will be 50 feet below the buildings on the west side of Vanderbilt Avenue; and

WHEREAS, the Yale Club, the Roosevelt Hotel, and 52 Vanderbilt are located in the Vanderbilt Corridor, are considered eligible landmarks by the Landmark Preservation Commission (LPC), and would be put at greater risk of redevelopment by the proposed actions; and

WHEREAS, the proposed Public Place on Vanderbilt Avenue will generate bonus floor area for the One Vanderbilt development, but the scope of improvements to the space will not be determined until after approval of this application, nor has the applicant provided for the ongoing maintenance of this space; and

WHEREAS, more than half of the proposed One Vanderbilt's frontage on the proposed Vanderbilt Avenue Public Place will be taken up by a private office lobby; and

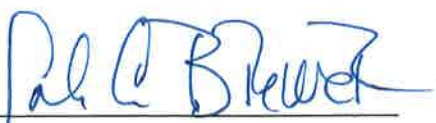
WHEREAS, concurrent with this application the East Midtown Steering Committee, co-chaired by Councilmember Dan Garodnick and Borough President Gale Brewer, is evaluating potential zoning changes and other planning issues in the wider East Midtown neighborhood; and

WHEREAS, Community Boards 5 and 6 approved resolutions recommending denial with conditions of all actions unless:

1. The text amendment is limited to sites for which the City and the MTA have a coordinated plan for improvements to the public realm; and
2. The text amendment provides guidelines for what type of improvements may merit a given FAR increase; and
3. The text amendment requires that any building granted a Grand Central Public Realm Improvement Bonus be designed to perform 30 percent better than ASHRAE 90.1, 2010; and
4. The East Midtown Steering Committee fully consider the five blocks between East 42nd and East 47th Street and Vanderbilt and Madison Avenues; and
5. The text amendment require the LPC to issue a letter in support of the harmonious relationship to the Grand Central Terminal for any proposed building; and
6. The text amendment be altered such that only sites fronting on two wide streets, overlooking Grand Central Terminal, adjacent to a subway station and with access to the Grand Central Terminal circulation system could merit the full 15 FAR bonus; and
7. The One Vanderbilt project achieve a LEED v4 Platinum certification; and
8. A major public space is created at street and concourse level, through or adjacent to and connecting with the main lobby of One Vanderbilt, and connecting the corner of Madison Avenue and East 42nd Street and the main concourse of Grand Central; and

WHEREAS, the two affected Community Boards additionally questioned many elements of the proposal including subway entrance placement, sidewalk widths, and the size of the proposed office lobbies;

THEREFORE, the Manhattan Borough Board recommends disapproval of ULURP numbers C 150128 ZSM, C150129 ZSM and C 150130 ZSM (One Vanderbilt Development), N 150127 ZRM (text amendment) and C 140440 MMM (City Map amendment) unless a responsible conclusion is reached on issues of public access and public space relating to the Grand Central Terminal circulation network, the environmental sustainability requirements of the proposed zoning text for the Vanderbilt Corridor, and the language of the zoning text relating to, and the method for, achieving significant FAR bonuses.



Gale A. Brewer

Manhattan Borough President
Chair of the Manhattan Borough Board

MANHATTAN COMMUNITY BOARD FIVE

Vikki Barbero, Chair

450 Seventh Avenue, Suite 2109
New York, NY 10123-2199
212.465.0907 f-212.465.1628

Wally Rubin, District Manager

December 12, 2014

Hon. Carl Weisbrod
Chair of the City Planning Commission
22 Reade Street
New York, NY 10007

Re: Resolution on Zoning Text Changes Sought by the Department of City Planning for the Vanderbilt Corridor

Dear Chair Weisbrod:

At the monthly meeting of Community Board Five on Thursday, December 11, 2014, the Board passed the following resolution with a vote of 33 in favor, 0 opposed, 1abstaining:

WHEREAS, The Department of City Planning (DCP) seeks to rezone a five block area bordered by Vanderbilt and Madison Avenues and 42nd and 47th Streets; and

WHEREAS, DCP seeks to amend (application N 150127 ZRM) sections of the zoning resolution for the Special Midtown District to facilitate commercial development, pedestrian circulation and allow greater opportunities for area landmarks to transfer their unused development rights; and

WHEREAS, DCP seeks a City Map change (application 140440 MMM) to transform the block of Vanderbilt Avenue between East 42nd and East 43rd Streets into a Public Place; and

WHEREAS, The goal of the proposed zoning changes is to strengthen East Midtown's global competitiveness in the 21st Century; and

WHEREAS, An additional goal of the proposed Vanderbilt Corridor is to improve pedestrian circulation and access to transit, including East Side Access; the Vanderbilt Corridor would be located above the future concourse of the Long Island Rail Road, which will be 50 feet below the buildings on the west side of Vanderbilt Avenue; and

WHEREAS, CB5 and CB6 agree that these parcels between Vanderbilt and Madison should be examined and the goal of reinvigorating the area around Grand Central Terminal is necessary and worthy; and

WHEREAS, This proposal will have significant transit, planning, and economic impacts that may set a precedent beyond this defined area; and

WHEREAS, Under the new proposal, DCP mandates that any new development would be subject to a special permit with full public review, and stipulates that public improvements must precede the completion of added density with no Temporary Certificate of Occupancy granted before public improvements are completed, and

that responsibility for public improvements are now the required domain of the developer, with no monetary transaction between a developer the City and the MTA; and

WHEREAS, Under this new application, many of the previous objections have been addressed in that there are specified public realm improvements, and all development is under a Special Permit with full public review; and

WHEREAS, While we are appreciative of the ongoing East Midtown visioning process and the Steering Committee that was created under the leadership of Borough President Gale Brewer and Councilmember Dan Garodnick, we believe the planning of the Vanderbilt Corridor should be a part of the Steering Committee conversation; and

WHEREAS, A compelling case has not been made for separating out the entire five blocks of the Vanderbilt Corridor from the review of the greater East Midtown area; and

WHEREAS, **In the Vanderbilt Corridor**, we propose the following:

A. Infrastructure and the Public Realm

As whatever agreements are established between SL Green and the City at One Vanderbilt will set a precedent for all future agreements in the Corridor and East Midtown, a comprehensive plan identifying all the infrastructure and public space needs in the area is essential prior to the completion of ULURP;

B. Sustainability and the Environment

Any development facilitated through the proposed discretionary special permits must be designed to perform to 30 percent better than ASHRAE 90.1, 2010 and as determined by the methodology prescribed in the most current New York City Energy Conservation Code (NYCECC).

C. Daylighting

We are concerned that the requested modifications to the Special Midtown District Height and Setback regulations (Daylight Compensation and Daylight Evaluation) are excessive, radically lowering daylight levels in Midtown to pre-1916 pre-zoning daylight levels (Daylight Evaluation score is negative 62% [-62%] v. 75% of the sky left open); that this reduction in daylight is not adequately addressed by either DCP or the DEIS; and that the magnitude of reduction in daylight will set a precedent for future development in East Midtown;

D. Preservation

LPC must determine which sites in the Corridor and in the Greater East Midtown area are considered historic resources and worthy of designation, and those that are deemed landmark-worthy should be calendared prior to the completion of ULURP, and we further request that any new buildings proposed in the Corridor, whether development rights are purchased or not, be reviewed with respect to their compatibility/harmonious relationship to Grand Central Terminal;

E. FAR Bonus Size

We are concerned that the criteria for granting of the special permit for a Grand Central Public Realm Bonus (GCPRB) of up to 15 FAR is undefined unlike, for example, what is required for a Covered Pedestrian Space and that there must be more specific design guidelines; and

WHEREAS, Vanderbilt Avenue is considerably narrower than Madison Avenue and the intersecting side streets, we are deeply concerned about the “canyon effect” if a series of 30 FAR buildings were to be permitted along the Vanderbilt Corridor, which, other than at 42nd Street, front on only one wide street and we are also concerned what effect such a canyon of 30 FAR buildings will have as it relates to environmental concerns not only at the Corridor but in the greater midtown area; and

WHEREAS, Additionally, the Vanderbilt Corridor, as proposed could have a detrimental effect on surrounding historic and visual resources for the following reasons:

- the massive FAR bonus for transit improvements is far above comparable precedents and could eliminate the need for applicants to purchase development rights from existing landmarks, thus possibly vacating a key mechanism of the landmarks law. FAR bonus from transit improvements must work in tandem with transfers of development rights rather than compete against each other; and
- if a 30 FAR can be reached without transfer of development rights, we are concerned about the mechanism under which the existing development rights will be transferred as well as the sites where they can be transferred; and
- in the “worst-case” scenario, all five blocks being developed to the maximum possible 30.0 FAR would result in development that is not harmonious or contextual to the adjacent Grand Central Terminal; and
- in the “worst-case” scenario, development of the Vanderbilt Corridor would cast substantial shadows on a number of sunlight-sensitive historic resources, including the landmarked Bryant Park and the New York Public Library (cf. DEIS, Chapter 5, pages 7, 8, 21, 22); and
- in the “worst-case” scenario, the landmarked Chrysler Building, when considered a visual resource, would be negatively impacted by new buildings that would essentially screen it from many vantage points on the skyline; and
- The Yale Club, Roosevelt Hotel and 52 Vanderbilt are located in the Vanderbilt Corridor and are listed in the DEIS as eligible historic resources, according to LPC criteria as well as the criteria of the State and National Register of Historic Places. Unless reviewed and designated by LPC, all three buildings are at heightened risk of being demolished; and

WHEREAS, We are concerned that public space currently required but unbonded by the Special Midtown District could be credited toward the Grand Central Public Realm Improvement Bonus; and

WHEREAS, Given the efforts to look at East Midtown comprehensively, we will not consider any new proposed rezoning of a similar small scale within the East Midtown Study Area; and

WHEREAS, We are also concerned that the requirement for pedestrian circulation space pursuant to the existing 81-625, Transfer of Development Rights by Special Permit, could be modified and result in a decreased public benefit if not carefully considered as part of an overall development plan; therefore be it

RESOLVED, Manhattan Community Boards Five and Six **recommend denial** of the Department of City Planning’s application N 150127 ZRM **unless** the following conditions are met:

1. The text amendment is limited to sites for which the City and MTA have a coordinated plan for improvements to the public realm; and
2. The text amendment provides guidelines for what type of improvements may merit a given FAR percentage increase for the affected zoning lots; and
3. The text amendment requires that any building granted a Grand Central Public Realm Improvement Bonus be designed to perform 30 percent better than ASHRAE 90.1, 2010 and as determined by the

methodology prescribed in the most up-to-date New York City Energy Conservation Code (NYCECC); and

4. The East Midtown Steering Committee must fully consider the five blocks between 42nd and 47th streets and Vanderbilt and Madison avenues in their decision making; and
5. The text amendment be specific in requiring LPC to issue a letter in support of the harmonious relationship to the Grand Central Terminal for any proposed building; and
6. The text amendment specify that a site
 - i. fronting on more than one wide street;
 - ii. overlooking the Grand Central "air park";
 - iii. adjacent to a subway station;
 - iv. with access to the pedestrian circulation system of Terminal City and other sites;

could potentially merit the full 15 FAR bonus pursuant to the proposed GCPRB, but sites not meeting these criteria would not qualify; and be it further

RESOLVED, These conditions are necessary to recommend approval and therefore unless and until these conditions are met, we recommend denial at this time.

Thank you for the opportunity to comment on this matter.

Sincerely,



Vikki Barbero
Chair



Eric Stern
Chair, Land Use, Housing and Zoning Committee

SANDRO SHERROD
CHAIR

VICE-CHAIRS
RICHARD EGGERS, 1ST
CLAUDE L. WINFIELD, 2ND



THE CITY OF NEW YORK
MANHATTAN COMMUNITY BOARD SIX
866 UNITED NATIONS PLAZA, SUITE 308
NEW YORK, NY 10017

DAN MINER
DISTRICT MANAGER

BEATRICE DISMAN, TREASURER
CHARLES BUCHWALD, ASST. TREASURER

AARON HUMPHREY
SECRETARY
KATHY THOMPSON
ASST. SECRETARY

VIA E-MAIL: CalendarOffice@planning.nyc.gov

December 29, 2014

Mr. Carl Weisbrod
Chairman
New York City Planning Commission
22 Reade Street
New York, NY 10007

RE: Zoning Text Changes Sought by the Department of City Planning for the Vanderbilt Corridor

Dear Chairman Weisbrod:

At the December 10th Full Board meeting of Community Board 6, the Board adopted the following resolution:

WHEREAS, The Department of City Planning (DCP) seeks to rezone a five block area bordered by Vanderbilt and Madison Avenues and 42nd and 47th Streets; and

WHEREAS, DCP seeks to amend (application N 150127 ZRM) sections of the zoning resolution for the Special Midtown District to facilitate commercial development, pedestrian circulation and allow greater opportunities for area landmarks to transfer their unused development rights; and

WHEREAS, DCP seeks a City Map change (application 140440 MMM) to transform the block of Vanderbilt Avenue between East 42nd and East 43rd Streets into a Public Place; and

WHEREAS, The goal of the proposed zoning changes is to strengthen East Midtown's global competitiveness in the 21st Century; and

WHEREAS, An additional goal of the proposed Vanderbilt Corridor is to improve pedestrian circulation and access to transit, including East Side Access; the Vanderbilt Corridor would be located above the future concourse of the Long Island Rail Road, which will be 50 feet below the buildings on the west side of Vanderbilt Avenue; and

WHEREAS, CB5 and CB6 agree that these parcels between Vanderbilt and Madison should be examined and the goal of reinvigorating the area around Grand Central Terminal is necessary and worthy; and

WHEREAS, This proposal will have significant transit, planning, and economic impacts that may set a precedent beyond this defined area; and

WHEREAS, Under the new proposal, DCP mandates that any new development would be subject to a special permit with full public review, and stipulates that public improvements must precede the completion of added density with no Temporary Certificate of Occupancy granted before public improvements are completed, and that responsibility for public improvements are now the required domain of the developer, with no monetary transaction between a developer the City and the MTA; and

WHEREAS, Under this new application, many of the previous objections have been addressed in that there are specified public realm improvements, and all development is under a Special Permit with full public review; and

WHEREAS, While we are appreciative of the ongoing East Midtown visioning process and the Steering Committee that was created under the leadership of Borough President Gale Brewer and Councilmember Dan Garodnick, we believe the planning of the Vanderbilt Corridor should be a part of the Steering Committee conversation; and

WHEREAS, A compelling case has not been made for separating out the entire five blocks of the Vanderbilt Corridor from the review of the greater East Midtown area; and

WHEREAS, In the Vanderbilt Corridor, we propose the following:

A. Infrastructure and the Public Realm

As whatever agreements are established between SL Green and the City at One Vanderbilt will set a precedent for all future agreements in the Corridor and East Midtown, a comprehensive plan identifying all the infrastructure and public space needs in the area is essential prior to the completion of ULURP;

B. Sustainability and the Environment

Any development facilitated through the proposed discretionary special permits must be designed to perform to 30 percent better than ASHRAE 90.1, 2010 and as determined by the methodology prescribed in the most current New York City Energy Conservation Code (NYCECC).

C. Daylighting

We are concerned that the requested modifications to the Special Midtown District Height and Setback regulations (Daylight Compensation and Daylight Evaluation) are excessive, radically lowering daylight levels in Midtown to pre-1916 pre-zoning daylight levels (Daylight Evaluation score is negative 62% [-62%] v. 75% of the sky left open); that this reduction in daylight is not adequately addressed by either DCP or the DEIS; and that the magnitude of reduction in daylight will set a precedent for future development in East Midtown;

D. Preservation

LPC must determine which sites in the Corridor and in the Greater East Midtown area are considered historic resources and worthy of designation, and those that are deemed landmark-worthy should be calendared prior to the completion of ULURP, and we further request that any new buildings proposed in the Corridor, whether development rights are purchased or not, be reviewed with respect to their compatibility/harmonious relationship to Grand Central Terminal;

E. FAR Bonus Size

We are concerned that the criteria for granting of the special permit for a Grand Central Public Realm Bonus (GCPRB) of up to 15 FAR is undefined unlike, for example, what is required for a Covered Pedestrian Space and that there must be more specific design guidelines; and

WHEREAS, Vanderbilt Avenue is considerably narrower than Madison Avenue and the intersecting side streets, we are deeply concerned about the “canyon effect” if a series of 30 FAR buildings were to be permitted along the Vanderbilt Corridor, which, other than at 42nd Street, front on only one wide street and we are also concerned what effect such a canyon of 30 FAR buildings will have as it relates to environmental concerns not only at the Corridor but in the greater midtown area; and

WHEREAS, Additionally, the Vanderbilt Corridor, as proposed could have a detrimental effect on surrounding historic and visual resources for the following reasons:

- the massive FAR bonus for transit improvements is far above comparable precedents and could

- eliminate the need for applicants to purchase development rights from existing landmarks, thus possibly vacating a key mechanism of the landmarks law. FAR bonus from transit improvements must work in tandem with transfers of development rights rather than compete against each other; and
- if a 30 FAR can be reached without transfer of development rights, we are concerned about the mechanism under which the existing development rights will be transferred as well as the sites where they can be transferred; and
 - in the “worst-case” scenario, all five blocks being developed to the maximum possible 30.0 FAR would result in development that is not harmonious or contextual to the adjacent Grand Central Terminal; and
 - in the “worst-case” scenario, development of the Vanderbilt Corridor would cast substantial shadows on a number of sunlight-sensitive historic resources, including the landmarked Bryant Park and the New York Public Library (cf. DEIS, Chapter 5, pages 7, 8, 21, 22); and
 - in the “worst-case” scenario, the landmarked Chrysler Building, when considered a visual resource, would be negatively impacted by new buildings that would essentially screen it from many vantage points on the skyline; and
 - The Yale Club, Roosevelt Hotel and 52 Vanderbilt are located in the Vanderbilt Corridor and are listed in the DEIS as eligible historic resources, according to LPC criteria as well as the criteria of the State and National Register of Historic Places. Unless reviewed and designated by LPC, all three buildings are at heightened risk of being demolished; and

WHEREAS, We are concerned that public space currently required but unbonused by the Special Midtown District could be credited toward the Grand Central Public Realm Improvement Bonus; and

WHEREAS, Given the efforts to look at East Midtown comprehensively, we will not consider any new proposed rezoning of a similar small scale within the East Midtown Study Area; and

WHEREAS, We are also concerned that the requirement for pedestrian circulation space pursuant to the existing 81-625, Transfer of Development Rights by Special Permit, could be modified and result in a decreased public benefit if not carefully considered as part of an overall development plan; therefore be it

RESOLVED, Manhattan Community Boards Five and Six **recommend denial** of the Department of City Planning’s application N 150127 ZRM **unless** the following conditions are met:

1. The text amendment is limited to sites for which the City and MTA have a coordinated plan for improvements to the public realm; and
2. The text amendment provides guidelines for what type of improvements may merit a given FAR percentage increase for the affected zoning lots; and
3. The text amendment requires that any building granted a Grand Central Public Realm Improvement Bonus be designed to perform 30 percent better than ASHRAE 90.1, 2010 and as determined by the methodology prescribed in the most up-to-date New York City Energy Conservation Code (NYCECC); and
4. The East Midtown Steering Committee must fully consider the five blocks between 42nd and 47th streets and Vanderbilt and Madison avenues in their decision making; and
5. The text amendment be specific in requiring LPC to issue a letter in support of the harmonious relationship to the Grand Central Terminal for any proposed building; and
6. The text amendment specify that a site
 - i. fronting on more than one wide street;
 - ii. overlooking the Grand Central "air park";
 - iii. adjacent to a subway station;
 - iv. with access to the pedestrian circulation system of Terminal City and other sites;
 could potentially merit the full 15 FAR bonus pursuant to the proposed GCPRB, but sites not meeting these criteria would not qualify; and be it further

RESOLVED, These conditions are necessary to recommend approval and therefore unless and until these conditions are met, we recommend denial at this time.

VOTE: 39 In Favor; 0 Opposed; 1 Abstain; 0 Not Entitled

Yours Truly,



Dan Miner
District Manager

Cc:

Honorable Gale Brewer
Honorable Brad Hoylman
Honorable Liz Krueger
Honorable Dan Quart
Honorable Dan Garodnick
Dominick Answini, DCP
Frank Ruchala, DCP
Edith Hsu-Chen, DCP Applicant
Sandro Sherrod
Terrence O'Neal, FAIA