

# MANHATTAN COMMUNITY BOARD FIVE

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## Tri-Board Task Force on East Midtown Rezoning

### *PRINCIPLES FOR A NEW EAST MIDTOWN*

From the beginning we, as Community Boards, have aspired to be partners in planning the future of East Midtown. We are open to considering new development but it needs to be in the context of a carefully developed plan. As we have stated several times, the issues involved are too important to hastily reach conclusions that will affect New Yorkers for decades to come.

Unfortunately, the approach the Department of City Planning has taken thus far sends a clear signal that a political timetable is guiding this work, not an effort to study the issues carefully and reach a consensus on Midtown's many challenges and opportunities. More time is needed to consider the implications of the issues we and others have raised and we continue to urge the City to carefully address these questions before putting forward a ULURP application.

A class "A" Office District is not just about Class "A" Office *buildings*. It's about efficient, comfortable, and convenient transportation options. It's about diversity of tenants, populations, and ideas. It's about having a civic experience that is worthy of the grandeur of Grand Central Terminal. It's about protecting critical buildings. The focus of this proposal is overwhelmingly on facilitating real estate development. Instead, we should start from what we want to see in East Midtown, what kind of experience we want office workers, tourists, and residents to have, and *then* determine the kind of development that can provide this experience and how best to encourage it.

In order to help frame our vision of Midtown and guide the work of the Department of City Planning, we have developed the following principles that we believe should guide a more careful and comprehensive plan.

These principles will, in part, help shape our response to future land use applications.

- **Infrastructure should precede development**
  - o The MTA made clear in their presentation that even in the absence of any new development there is an overwhelming need for transit improvements in this area. Given the overcrowded subway platforms, the train delays, and poor rider circulation, the additional density that would be added as a result of the City's proposal would only exacerbate the need for improvements. There is no clear commitment that sufficient funds will be available to address this infrastructure need which the MTA has estimated to be approximately \$350-500 million in 2012 dollars. We need to

explore alternate funding sources to ensure that East Midtown gets the comprehensive improvements to the infrastructure network it needs in order to be a competitive Class A office district before additional density is added. Among the options we believe merit consideration include the creation of a tax increment finance mechanism which we understand from the Department would require modifications to state legislation, the creation of a PILOT mechanism, the creation of a special assessment district, or a mixture of New York City capital funding, MTA funding, and federal funding. We trust the Department, in conjunction with the MTA, could develop even more sophisticated approaches to garner the financial resources required. In a neighborhood that is competitive because of the historic commitment to infrastructure represented by Grand Central, we need to continue to innovate. The need to study these possibilities provides a clear rationale for taking more time before moving to ULURP.

- **A comprehensive public realm strategy**

- We support the concept of incentivizing developers to make public improvements. However, the public realm improvements are simply too vague. How can we begin to assess the virtues of a zoning plan when one of the plan's principle objectives is left completely undefined? Without a clear concept of what we're trying to accomplish with this rezoning, we may lose a critical opportunity to reshape East Midtown for the better. In addition to the reconfiguration of Vanderbilt Avenue, we believe studies should be done to examine the following: potential improvements to Pershing Square; widening sidewalks along 3<sup>rd</sup> Avenue, Lexington, and Madison; widening the Park Avenue Malls; and improving key crosstown streets including 42<sup>nd</sup>, 47<sup>th</sup>, 48<sup>th</sup>, and 53<sup>rd</sup> Streets. We would welcome the opportunity to have a more detailed conversation with DOT, DCP, and DPR about how to think more creatively and ambitiously about open space. Furthermore, we believe that incentivized zoning can be used to address not only mass transit and pedestrian needs, but also to mitigate adverse impacts of a rezoning and support community initiatives more broadly.

- **A mixed use future**

- We have seen numerous areas of the city shift toward mixed use with great success. The financial district is an example of how injecting a variety of uses (residential, hotel, cultural, etc.) into a primarily office-dominated area can enliven and improve it. Mixed use can be and has been an effective tool within buildings - the Bloomberg building and the Time Warner Center are examples of buildings that have proved successful without compromising their commercial character. It is time to recognize that a diverse mix of uses supports rather than impedes the development of a Class A office district.

- **Protecting potential landmarks**

- We are concerned that the proposal's process does not protect historically valuable buildings. While landmarked buildings are protected, potential landmarks are not. There are scores of buildings throughout the proposed area that are not landmarked (e.g. The Graybar Building and the Roosevelt Hotel) that contribute greatly to the legacy and wonder of East Midtown. A clear preservation plan needs to be described

before ULURP to understand what resources will be protected. One method of preservation is to carve out certain sites in order to protect important buildings from development pressure created by this re-zoning. We strongly believe that the preservation of key buildings will enhance this vibrant, uniquely New York commercial district.

- **An environmentally class “A” district**

- We believe the proposal fails to clearly layout an environmental agenda for Midtown. We need to continue to push the boundaries of what is possible and show the world that a successful partnership between private and public interests can create a responsible legacy for future generations. If the existence of aging building stock is truly problematic, there should be incentives for developers to reach energy efficiency targets and minimize their negative environmental impact. There are no particular features of this proposal which exhibit an innovative approach to thinking about the environment, such as net-zero construction or co-generation.

- **Careful citywide planning**

- This proposal, while aimed at addressing the purported needs of East Midtown, lacks cohesion with any development plan for the rest of New York. The effect this proposed development would have on the growth and ongoing change in newer office districts such as downtown Brooklyn and Long Island City should be studied and taken into consideration. We need to meaningfully support a strategy that capitalizes on the underutilized transit capacity of other parts of our city through a comprehensive five borough economic strategy. We cannot afford to move backward by upending our policy of encouraging development in places outside of East Midtown.

- **Protecting public investments**

- The City (and indeed the State and Federal government) has made a large investment in office development in both Lower Manhattan and Hudson Yards. The structure and timing of this proposal has the potential to threaten those investments. If new development falters at Hudson Yards, the City could face higher interest rates on bonds that were floated to pay for the number 7 line transit improvements, increasing the project’s cost and delaying its completion. During a time of slow economic growth, when many of these new office developments are having trouble finding tenants, we fail to see the urgency to redevelop East Midtown. The “sunrise” provision is designed to prevent this sort of harmful competition, however with such an uncertain economic future ahead of us, a three and half year sunrise after the adoption of the proposal is hardly enough time to predict with certainty that Hudson Yards and Lower Manhattan will be on their feet. We should not put tax payers at such risk.

- **How about our skyline?**

- This proposal encourages the development of buildings that will be among the tallest and largest buildings in New York City. Does this proposal consider the effect on our skyline? Does the Chrysler or Empire State Building deserve any special protections?

The creation of the extraordinary or iconic building special permit raises many profound concerns about the role (or lack thereof) of design review. Furthermore, the lack of public review for most of the buildings that will result from this proposal will ensure that the public has no role in shaping the future of our skyline. The proposal needs to be re-thought to allow for additional discretion in the review of these extraordinarily large buildings and needs to carefully consider the implications for our skyline.

We firmly believe that meaningful engagement with all the challenging questions we have outlined here must come before a full-fledged proposal is certified.