Chapter 1: Project Description

1.1 Introduction

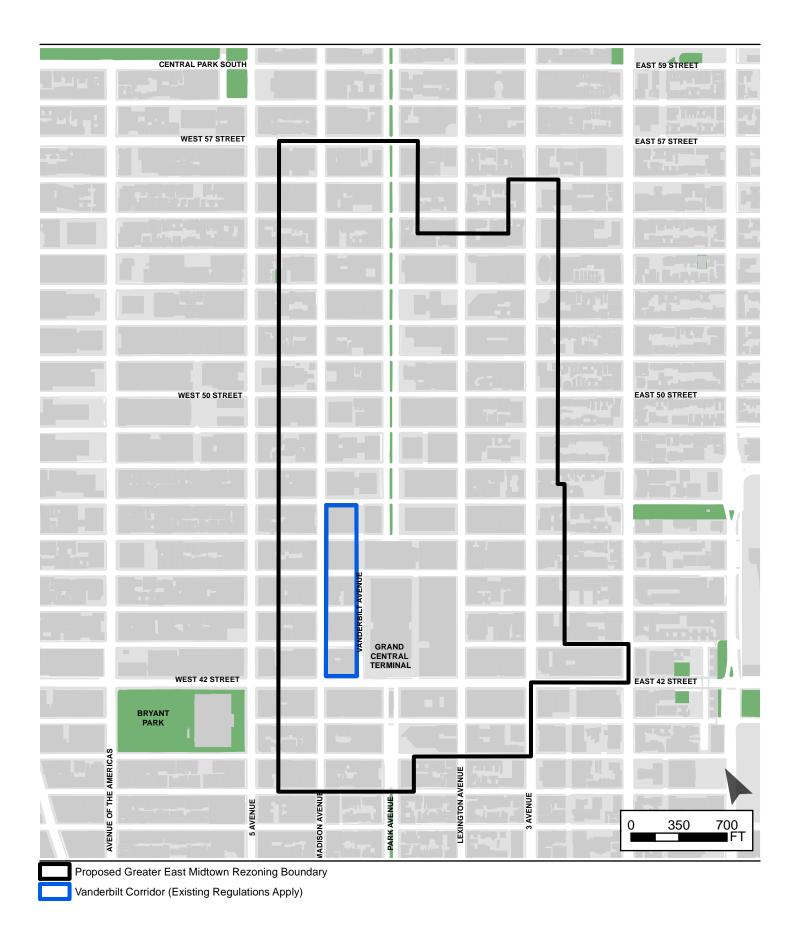
The New York City Department of City Planning (DCP) proposes zoning text and zoning map amendments (collectively, the "Proposed Action") within the East Midtown neighborhood of Manhattan Community Districts 5 and 6. The rezoning area is generally bounded by East 57th Street to the north, East 39th Street to the south, a line generally between 150 and 200 feet easterly of Third Avenue and a line 250 feet westerly of Madison Avenue (see Figure 1-1). Known as the Greater East Midtown Rezoning project, the Proposed Action includes a zoning text amendment to establish the East Midtown Subdistrict within an approximately 78-block area. The Proposed Action is intended to reinforce the area's standing as a premier central business district, support the preservation of landmarked buildings, and provide for public realm improvements.

The City Planning Commission (CPC) has determined that an Environmental Impact Statement (EIS) for the Proposed Action should be prepared in conformance with City Environmental Quality Review (CEQR) guidelines, with DCP acting on behalf of CPC as the lead agency. The environmental analyses in the EIS assume a development period of twenty years for the reasonable worst-case development scenario (RWCDS) for the Proposed Action (i.e., analysis year of 2036), and identify the cumulative impacts of other projects in areas affected by the Proposed Action. DCP has conducted a coordinated review of the Proposed Action with involved and interested agencies.

Since the issuance of the Draft EIS, DCP filed an amended zoning text amendment (referred to hereafter as the "Amended Text," "Amended Application," and ULURP application number N 170186(A) ZRM) that addresses issues raised during the Uniform Land Use Review Procedure (ULURP) process. The Amended Application was analyzed in a technical memorandum issued on March 27, 2017, and is further analyzed in this FEIS in a new chapter, Chapter 25, "Amended Application Analysis."

The Proposed Action encompasses the following discretionary actions that are subject to review under the ULURP, as well as pursuant to Section 200 of the City Charter:

- Zoning Text Amendment The East Midtown Subdistrict (the "Subdistrict") would be within the Special Midtown District. The proposed Subdistrict would supersede the existing Grand Central Subdistrict, and would allow for increased floor area ratios (FARs) between 18.0 and 27.0. The text amendment would also create five new discretionary mechanisms within the Subdistrict. Two of the special permits would enable additional floor area bonuses in connection with developments that provide public concourses and transit improvements, one special permit would allow new or enlarged hotels and one would allow modifications to the subdistrict's bulk and Qualifying Site regulations as appropriate, and one CPC Authorization would allow enlargements that make significant renovations to use the Subdistrict's increased FAR framework.
- Zoning Map Amendment An existing C5-2 district (bounded by East 43rd Street to the north, East
 42nd Street to the south, Second Avenue to the east, and a line 200 feet easterly of Third Avenue
 to the west) would be replaced by a C5-3 district, and would be included in the proposed East
 Midtown Subdistrict. The Special Midtown District would be extended to encompass the
 proposed C5-3 district.





1.2 Background and Existing Conditions

The Greater East Midtown business district is one of the largest job centers in New York City and one of the highest-profile business addresses in the world. The area between Second and Fifth Avenues and East 39th and East 57th Streets contains more than 60 million square feet of office space, more than a quarter million jobs, and numerous Fortune 500 companies.

This area is anchored by Grand Central Terminal (the "Terminal" and "Grand Central"), one of the city's major transportation hubs and most significant civic spaces. Around the Terminal and to the north, some of the city's most iconic office buildings, such as Lever House, Seagram Building, 550 Madison (formerly AT&T then Sony Building), 601 Lexington (formerly the Citigroup Building) and the Chrysler Building, line the major avenues—Park, Madison, and Lexington Avenues—along with a mix of other landmarks, civic structures and hotels.

The area's transportation network is currently under expansion through two major public infrastructure projects: East Side Access and the Second Avenue subway. East Side Access will, for the first time, permit Long Island commuters one-seat access to East Midtown through a new below-grade Long Island Railroad station at Grand Central. Construction is expected to be completed in 2022. The Second Avenue subway—whose first phase from East 63rd to East 96th Streets is planned for passenger service at the end of 2016—is expected to alleviate congestion on the Lexington Avenue subway line, which runs through the Greater East Midtown office district.

Current Status and Recent Trends

Greater East Midtown continues to be one of the most sought-after office addresses in the New York City metropolitan region. The area straddles two Midtown office submarkets: Grand Central and the Plaza districts. The Grand Central district is typically considered an older submarket, with a higher vacancy rate and lower rents than the overall Midtown market. The Plaza district, centered on the Park and Madison Avenues near 57th Street, is one of the most expensive submarkets in the country, and generally has more recent construction. Nonetheless, it too exhibits a higher than average vacancy rate compared to Midtown as a whole.

Greater East Midtown's tenants have historically included financial institutions and law firms. The area is home to numerous Fortune 500 companies and serves as the headquarters for many corporations. Recent trends have both reinforced and altered this role. First, the area has become home to the city's hedge fund and private equity cluster—due, in part, to the area's cachet and easy access to the Grand Central 42nd Street subway station and the Metro-North Railroad. Rents for high-quality space in the area's top buildings have greatly increased as this industry competes for these locations. Conversely, as rents dropped with the economic downturn beginning in 2008, the area has developed a more diverse roster of tenants, as non-profits, technology, and media firms that were previously priced out of the Greater East Midtown office market have moved in. Both trends have helped the area recover from the 2008 recession, with vacancy rates beginning to fall within a more stable range.

Other recent trends have affected the overall level of employment in the area, which dropped during the economic downturn but has since risen. In 2000, approximately 255,000 persons worked in the area. As of 2016, employment has increased to almost 257,000 persons working in the area¹, up from a reported drop to 235,000 in 2009. Even with this marginal rise in the area's employment since 2000, the

¹ 2016, ESRI.com Business Analyst

Grand Central and Plaza districts continue to exhibit higher vacancy rates than other nearby markets. Further, the older office stock of Class B and C office buildings in the Grand Central district has become less competitive, especially compared to the newer office construction in the Plaza District and elsewhere in the City, including Hudson Yards and Lower Manhattan.

Additionally, the area has experienced a shift from a singular high travel period—typically at a rush 'hour'—toward an overall more dispersed daily ridership. This has resulted in part from people working more flexible and varied hours, a trend which has been seen throughout the city.

1.3 Purpose and Need for Proposed Action

While the Greater East Midtown area currently performs well in terms of overall office district cachet, rents, and vacancy rates, DCP has identified a number of long-term challenges that must be addressed in order to reinforce the position of Greater East Midtown as one of the region's premier job centers and one of the most attractive business districts in the world. A primary challenge is the area's office building stock, which DCP is concerned may not—in the long run—offer the kinds of spaces and amenities that are desired by tenants, and which can only be provided through new construction. As a result, Greater East Midtown faces several challenges that compromise its long-term competitiveness as a premier business district. These include aging building stock, limited recent office development and few available office development sites, public realm challenges, and an existing zoning framework that hinders new office development. Each long-term challenge is discussed in detail below. In light of these factors, DCP has projected that the area's importance as a premier business district could diminish over time and the large investment in transit infrastructure, including the East Side Access and Second Avenue subway projects, will fail to generate its full potential of jobs and tax revenue for the city and region.

Challenges Affecting East Midtown

Aging Building Stock

The Greater East Midtown area contains approximately 475 buildings, of which over 300 are more than 50 years old; the average age of office buildings in the area is approximately 75 years. For an office district competing for tenants regionally and globally, this is a comparatively aged building stock. In the Grand Central district, most buildings are considered to be Class B or Class C type buildings.

Much of the office space in the area's office buildings is already or may soon become outdated in relation to tenant needs. Today, this is seen in the area with office buildings more than 50 years old having notably higher vacancy rates and lower rents. Reasons for this include limited technology and amenity offerings, which can at least partially be ameliorated through full-scale renovations of the buildings. However, some of the most challenging features cannot be dealt with through renovations, particularly low floor-to-floor heights and the numerous immovable interior columns.

Many prospective tenants looking for office space in Midtown today desire large expanses of columnfree space in order to have flexibility in creating office layouts, which are trending toward more open organization. Columns and low floor-to-floor heights cannot accommodate such flexible open layouts or modern technology requirements, and thus older buildings with such features are not desirable. With such a large amount of the office stock having these outdated features, DCP is concerned this area's buildings cannot offer the kinds of space and amenities that new construction offers, and therefore can no longer compete for the occupants who have typified the Greater East Midtown area.

Instead, DCP believes that in the long term the area's outdated office buildings may begin to convert to other uses—particularly residential buildings and/or hotels. Given the area's concentration of rail public transit infrastructure and the current expansion of this network, this outcome does not align with the city's long-term economic goals. While DCP has undertaken many initiatives over the last decade to accommodate new office construction in the city (including at Hudson Yards, Downtown Brooklyn, and Long Island City), all of these were predicated on East Midtown remaining a center for office jobs, and none contemplated the diminishment of this area as one of the city's premier business districts.

Finally, since most of the area's buildings were constructed before sustainability and energy efficiency became key features of office building design and operation, many of the area's buildings are far less efficient than new construction.

Limited Recent Office Development and Few Available Office Development Sites

With much of the Greater East Midtown's existing office stock aging, the area has also experienced little new office development. Only five office buildings have been constructed in East Midtown since 2001, representing a significant drop from preceding decades. Of the almost 60 million square feet of office space currently in the area, less than three percent was constructed within the last two decades. Whereas the area had an overall annual space growth rate of approximately one percent between 1982 and 1991, the area's growth rate began to decline in the next decade—with an annual growth rate of approximately 0.14 percent. During the last decade, the rate of growth has continued to fall, with the period between 2002 and 2014 exhibiting an annual growth rate of only 0.02 percent.

Since 1982, the area's average age of buildings increased from 52 years to over 70 years—although four major office developments are currently underway or in the planning stages. The most prominent of these, One Vanderbilt Avenue, will be a 30-FAR office building directly west of Grand Central Terminal, and is being developed pursuant to the 2015 Vanderbilt Corridor text amendment's provisions. In exchange for bonus floor area, the development provided numerous transit improvements, a new marquee public space on a pedestrianized portion of Vanderbilt Avenue, and an on-site transit hall with connections to commuter rail lines. The transit improvements were valued at approximately \$225 million. Also contemplated is the redevelopment of 343 Madison Avenue, pursuant to the Vanderbilt Corridor zoning text. Like the One Vanderbilt development, 343 Madison Avenue would contribute to the goal of improving public circulation and transit access in the area around Grand Central Terminal. The other two developments that are underway, 425 Park Avenue and 380 Madison Avenue, are replacing existing office buildings in-kind and do not add office floor area to East Midtown.

The area is highly built up and contains few remaining development sites based on typical "soft site" criteria, i.e., sites where built FAR is less than half of the permitted base FAR, excluding landmarks. Of the possible development sites that do exist, few would accommodate a major new office building. Beyond the difficulty of assembling appropriately-sized sites, there are a number of other challenges to new development. These include the need to vacate existing tenants which, depending on existing leases, can be a long, multi-year process that is not economically viable for many property owners. Large existing buildings must then be demolished, further extending the period during which the property produces no revenue. These issues have led to very limited new office construction in the area

and many owners attempting instead to renovate their buildings, often on a piecemeal basis, to compete in the overall market.

Public Realm Challenges - Pedestrian Realm and Transit Network

East Midtown contains some of the city's best known public and civic spaces, including Grand Central Terminal's main hall, the Seagram Building Plaza, and Park Avenue itself. The public realm, however, encompasses more than just iconic or grand civic spaces—it exists both above and below grade, and includes sidewalks, roadways, parks and open spaces, indoor and outdoor privately-owned public spaces (POPS), and publicly-accessible transit-related infrastructure. An example of the below-grade public realm is the extensive subterranean pedestrian network that connects Grand Central Terminal to the Grand Central 42nd Street subway station and to surrounding streets and buildings, allowing for a more efficient distribution of pedestrians in the area.

East Midtown is one of the most transit-rich locations in the city, and the public realm, both above and below grade, is one of the area's unique assets. However, the area faces a number of challenges to creating a pedestrian network that matches the area's role as a premier business district, and allows pedestrians to easily access its public spaces, transit amenities, office buildings and institutions. Specifically, challenges to the above and below-grade public realm include:

- The area's below-grade transit system is heavily utilized. Grand Central 42nd Street subway station is one of the busiest, second only to Penn Station, with nearly half a million daily users. Like other stations in the area, Grand Central 42nd Street 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. The transit upgrades associated with One Vanderbilt will help alleviate pressure on the Lexington Line at the Grand Central 42nd Street station. However, the Flushing line (No. 7) at Grand Central 42nd Street is in need of critical upgrades, and the area's other two transit hubs, at Lexington Avenue-51st/53rd Streets and Fifth Avenue-53rd Street stations, require targeted improvements to improve pedestrian circulation and transfers between train lines.
- Several stations outside the Subdistrict boundaries serve East Midtown, through transfers or as final destinations. These stations face a similar series of connectivity and circulation-related challenges that make it difficult for users to access the area.
- The area's sidewalks and pedestrian circulation spaces can be crowded during the work week. Vehicular congestion can be pronounced in the area, especially during rush hours, which exacerbates these negative aspects of the pedestrian experience. Such crowded spaces include the sidewalks of Madison and Lexington Avenues, which are extremely narrow—both less than 12 feet wide. Effective widths (the unobstructed area available to pedestrians) are even narrower, when subway grates and other sidewalk furniture are considered. The Department of Transportation (DOT) implemented protected sidewalk extensions at key pedestrian crossings on the west side of Lexington Avenue, adjacent to Grand Central, which have helped improve pedestrian safety. However, similar measures are needed throughout the area's north-south corridors, particularly near transit hubs, which are highly trafficked by pedestrians
- Given the area's built density, there are seemingly limited means to expand its open spaces or public spaces oriented towards passive activities. The city is working to address this issue in

publicly owned property through the creation of Vanderbilt Place and the planned pedestrianization of Pershing Square. Over 40 developments in the area contain POPS. Since 2007, nine of these spaces have been redesigned, and one new space has been built. POPS are a key component of East Midtown's above-grade public realm, but the current zoning and built-out fabric yield few opportunities to add to the inventory of these spaces on private property.

Challenges of Current Zoning

East Midtown's current zoning framework is broadly intended to strengthen the area's role as a central business district and to promote and incentivize high-density development where appropriate. DCP has identified a number of issues with the current framework that serve to limit new construction. One of the most prominent challenges is with permitted density. The increment between a building's maximum permitted FAR and built FAR is a driving factor in whether redevelopment is feasible; the greater the increment, the more feasible redevelopment becomes.

East Midtown is generally zoned C5-3 and C6-6 along wide streets and in Grand Central's vicinity, and C5-2.5 and C6-4.5 along midblocks. The entire area, save a portion of Block 1316 bordering Second Avenue between East 42nd and East 43rd Streets, is located within the Special Midtown District. The C5-3 and C6-6 districts permit a maximum as-of-right density of 15.0 FAR and the C5-2.5 and C6-4.5 districts permit 12.0 FAR.

Existing built densities are commonly higher than the allowable 15.0 and 12.0 FAR, which makes new construction of office space a challenge. As a whole, the area contains approximately 2.3 million square feet more development than currently permitted under zoning. The "overbuilt" condition is particularly true for buildings which were constructed before 1961, when the concept of floor area ratio was first instituted under the Zoning Resolution, and thus these buildings contain more floor area than would be permitted under existing zoning. As discussed above, many of these "overbuilt" buildings contain obsolete features that make them less marketable, but the lesser amount of square footage that could be constructed in a new building on the site presents a significant disincentive to new construction. Under current zoning, up to 75 percent of the floor area could be removed and reconstructed as modern office space, but this would still leave a building with 25 percent of floor space below contemporary standards, and the construction issues caused by this requirement make it extremely challenging to undertake. As indicated, two buildings, 425 Park Avenue and 390 Madison Avenue, are being redeveloped in this manner at great cost. These two redevelopments, however, are in-kind replacements and add no new office space to the area.

There are two main options for a development site to increase its on-site density without changing its underlying zoning. One is to transfer and incorporate unused development rights from contiguous area landmarks, and the second is to pursue a floor area bonus through either an as-of-right or discretionary zoning action. In practice, however, it can be difficult for development sites in East Midtown to successfully utilize these mechanisms.

East Midtown's landmarked properties with unused development rights (i.e., potential "granting sites") hold considerable reserves of unused floor area—approximately 3.5 million square feet in total. Among the largest granting sites are Grand Central Terminal, St. Patrick's Cathedral and St. Bartholomew's Episcopal Church, each containing between 850,000 and 1.2 million square feet of unused development rights. As-of-right granting sites may only transfer development rights to contiguous "receiving sites" via zoning lot merger. Section 74-79 of the Zoning Resolution allows

landmarked properties to transfer unused development rights to receiving sites that are adjacent or across the street via CPC Special Permit. In high-density locations, the CPC can require public improvements as a condition to the special permit's approval, such as public open spaces and plazas, arcades or below-grade connections to public transit. Even with this expanded range of potential receiving sites, only two developments in East Midtown (610 Lexington Avenue and 120 Park Avenue) have utilized this action, and the majority of the area's landmark development rights remain unused with limited prospects for transfer.

The Grand Central Subdistrict of the Special Midtown District was adopted in 1992, in part to address this issue by permitting the transfer of development rights from Grand Central Terminal and other nearby landmarks to a wider range of surrounding development sites, and to create an improved pedestrian realm in the area. In the Core area of the subdistrict (between Madison and Lexington Avenues, from East 41st to East 48th Streets), the maximum permitted FAR through transfer is 21.6 and requires a special permit from CPC that finds that a significant pedestrian improvement is being provided as part of the project. Only one building, 383 Madison Avenue, has utilized this provision, providing covered circulation space and transit access improvements as part of the approval for a 6.6 FAR beyond the permitted base FAR. Additionally, through a certification process, 1.0 FAR transfers are permitted in the Core and a larger area which includes the other sides of Madison and Lexington Avenues. This mechanism has been used three times since 1992. In total, more than 1.2 million square feet of development rights remain unused on the Grand Central Terminal site.

Besides Section 74-79 and the Grand Central Subdistrict mechanisms, the current zoning framework provides two land use actions that permit increased density. First, subway bonuses are permitted for sites directly adjacent to subway entrances (up to 20 percent more than the permitted base FAR) through the provision of an improvement to the subway network (pursuant to Sections 81-292 and 74-634 of the Zoning Resolution). However, the geographic applicability, discretionary nature of the action, and long-term collaboration requirement with the Metropolitan Transportation Authority (MTA) make this mechanism comparatively challenging to pursue. To date, two developments over 20 years apart, 599 Lexington Avenue and 885 Third Avenue, have been granted this special permit.

Additionally, in the portions of East Midtown outside the Grand Central Subdistrict, as-of-right bonuses of 1.0 FAR are permitted through the provision of public plazas.

The Special Midtown District formerly provided a 20 percent bonus via special permit for the provision of publicly accessible Covered Pedestrian Spaces (CPS) pursuant to Section 74-87. This permit was responsible for notable indoor public spaces at the Sony/ATT building (550 Madison Avenue), and IBM building (590 Madison Avenue). In 1998, this typology was prohibited in the Special Midtown District along with the Through Block Arcade, another type of bonusable public space that was popular during the 1970s and 1980s.

Beyond density regulations, the provisions governing height and setback in the Special Midtown District can limit new development. The District has two alternative sets of as-of-right height and setback regulations—daylight compensation and daylight evaluation. They were developed over thirty years ago in 1982 in response to concerns that midtown's built density and future development would compromise the public's access to light and air. These regulations were crafted with larger, regularly shaped development sites in mind, and have proven restrictive on smaller or irregular sites, particularly for the development of high-density office buildings.

Consequences of Long Term Challenges

DCP believes that the long-term consequence of failing to address the aging of the existing office stock, the lack of replacement office development, the area's public realm issues, and the challenges of its current zoning would be a decline in the diverse and dynamic business district in East Midtown. The needs of the full range of tenants that East Midtown serves today would be unmet if current challenges are not addressed. In particular, tenants of state-of-the-art Class A office space, who have been attracted to the area in the past, would begin to look elsewhere for space. This would likely not only affect the top of the market, but also the Class B and C office space since tenants in these buildings would lose proximity to other important businesses in their cluster. As a result, Class B and C buildings would become ripe for conversion to other uses. In sum, East Midtown would become less desirable as a business district and the significant public investment in the area's transit infrastructure would fail to maximize its full potential to generate jobs and tax revenues for the city.

Prior Studies in the East Midtown Area

2013 Proposed Action

Acknowledging the challenges discussed above, the City created an East Midtown Proposal in 2013 (the "2013 Proposed Action") to reinforce the area's standing as a premier business district. It was developed to encourage new, predominantly office development in Greater East Midtown. To do so, it proposed 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 commercial development on large sites with full block frontage on avenues around Grand Central Terminal and its concentration of transit access by permitting the highest as-of-right densities for these sites and slightly lesser densities allowed along the Park Avenue corridor and elsewhere.
- Provided a District Improvement Bonus mechanism to generate funding for area-wide pedestrian network improvements through new development.
- Streamlined the process for landmarked buildings to transfer their unused floor area.

The 2013 Proposed Action was approved by CPC in September 2013, but was withdrawn by the City in November of that year before reaching the City Council vote with the understanding that the project lacked City Council support for adoption. After taking office in 2014, Mayor Bill de Blasio committed the City to developing a new plan to ensure the area's long-term success as a business district. This new plan included a stakeholder-driven process to determine a new framework for the overall East Midtown area.

Although the 2013 Proposed Action was withdrawn, it garnered stakeholders' broad consensus and agreement with DCP's analysis that the current zoning impedes replenishment of office space and that without a change in zoning, the office stock will continue to age and the overall competitiveness of the business district will gradually decline, eroding one of the most important job centers and tax bases in the city. Key concerns raised by stakeholders during the public review process included:

- The effectiveness of the district improvement bonus mechanism in providing the critically needed infrastructure improvements in the area, coupled with uncertainty over which above and below grade public realm improvements the public could expect.
- The need to balance new development with preservation of the area's existing buildings, and to identify ways for the area landmarks to transfer their unused development rights.
- The specific uses that should be allowed in new development in the area, with particular concern about as-of-right hotel development.

The Vanderbilt Corridor

In 2014, DCP sought to address the challenges to East Midtown in a more targeted area, as a first phase of the East Midtown rezoning effort. A five-block area along the west side of Vanderbilt Avenue between East 42nd and East 47th Streets, (the "Vanderbilt Corridor") was the subject of a 2015 zoning text amendment (N 150127 ZRM). In particular, the text amendment created mechanisms to increase density in exchange for substantial public realm improvements, and permitted greater transfer of unused landmark development rights in order to allow them to be a primary driver of growth. Sites in the corridor could apply for one or a combination of both special permits to achieve a maximum of 30.0 FAR. Creation of the Vanderbilt Corridor also included a City Map amendment (C 140440 MMM) to designate the portion of Vanderbilt Avenue between East 42nd and East 43rd Streets as a "public place" dedicated to pedestrian uses, in part to alleviate the public realm challenges identified earlier.

The Vanderbilt Corridor plan addressed several development sites along Vanderbilt Avenue that met the criteria to provide modern commercial space in the immediate vicinity of Grand Central Terminal, and created a special permit mechanism linking new commercial development to significant transit and public realm improvements in the overall Grand Central area. In particular, this process facilitated the development of One Vanderbilt Avenue, a new 30 FAR, 1.3 million square foot commercial tower that received a special permit floor area bonus for the provision of approximately \$225 million in improvements to transit and the public realm in the Grand Central area. Construction is underway on this new building and the public place at Vanderbilt Avenue. Also contemplated in conformance with the Vanderbilt Corridor zoning text is the redevelopment of 343 Madison Avenue. Like the One Vanderbilt development, 343 Madison Avenue would contribute to the goal of improving public circulation and transit access in the area around Grand Central Terminal. Since the 343 Madison Avenue development would be subject to a separate discretionary approval process, with projectspecific analysis, the associated transit improvements are not assigned to this development site in this analysis. While the Vanderbilt Corridor area would be included in the proposed East Midtown Subdistrict, the Proposed Action does not contemplate any modifications to the provisions currently applicable in the corridor.

East Midtown Steering Committee

Following the withdrawal of the 2013 Proposed Action, Mayor de Blasio established the East Midtown Steering Committee in May 2014 and requested that the Manhattan Borough President and local City Council member serve as co-chairs. The Steering Committee included representatives from Community Boards 5 and 6, real estate and business interests, and citywide civic and labor organizations. It was tasked with developing a new planning agenda for the future of East Midtown that would inform future rezoning, funding and capital commitments, and other policy decisions there.

The Steering Committee met 19 times between 2014 and 2015, and met several more times in 2016. The Steering Committee report included a set of recommendations intended to serve as a framework for the Proposed Action. Their recommendations covered the following topics.

Land Use and Density:

- Higher as-of-right densities should be permitted dependent upon both the location of a
 development site (such as proximity to transit), and upon proposed improvements to transit
 and the wider public realm.
- Designated landmarks should be permitted to transfer their existing unused development rights throughout the entire district on an as-of-right basis.
- A percentage of the sale of landmark transfer development rights (TDR) would be made as a contribution to an "Improvement Fund" for area-wide public realm improvements, with a persquare-foot minimum contribution.

Improvement Fund and Place-making:

- Revenue secured through a percentage of sale of landmark TDRs should be held in the Improvement Fund. A Governing Group with appointees from the Mayor, local elected officials and representation by Community Boards and other stakeholders should set planning and project management priorities, as well as the use of funding for specific projects once available.
- Parameters should be employed to ensure funding for both above- and below-grade improvements over time.
- Key corridors should receive special attention for place-making and pedestrian improvements.

Landmark Designation:

• The New York City Landmarks Preservation Commission (LPC) should calendar for landmarks designation as many historic resources as it deems appropriate and do so by the certification date of the rezoning of Greater East Midtown.

In response to the Steering Committee's recommendations, DCP, in concert with other city agencies and the MTA, collaborated to produce an interagency Proposed Action for Greater East Midtown, of which the Proposed Action is a main component. These included:

- LPC reviewed the area's buildings and calendared 12 buildings within the proposed Subdistrict, and intends to designate all 12 before the end of 2016.
- MTA studied the area's transit network to identify its primary issues, and conducted extensive
 engineering and costing analyses to deliver a list of feasible transit improvements to address
 them.
- DOT examined the Steering Committee's recommendations regarding sidewalks, roadways
 and similar elements of the above-grade public realm. Their study provided cost estimates
 and a list of improvements and place-making strategies.

Based upon the previous work prepared by DCP, the development strategies established through the Vanderbilt Corridor rezoning and the guidance provided by the East Midtown Steering Committee, DCP has developed the Proposed Action as described following.

1.4 The Proposed Action

The City's vision for Greater East Midtown is that it will continue to be a premier central business district that complements office development throughout the city and facilitates the long-term expansion of the city's overall office stock. The addition of new office buildings would reinforce the area's standing, support the preservation and continued maintenance of cherished landmarks, provide for public realm improvements essential for both a functional and dynamic commercial district, and reflect the public commitment to the area commensurate with the major infrastructure investments already under construction (East Side Access and Second Avenue Subway). It is envisioned that the majority of buildings would continue to be used as offices.

Since the issuance of the DEIS, DCP filed an amended zoning text amendment (referred to hereafter as the "Amended Text," "Amended Application," and ULURP application number N 170186(A) ZRM) that addresses issues raised during the Uniform Land Use Review Procedure (ULURP) process. The Amended Application is further analyzed in this FEIS in a new chapter, Chapter 25, "Amended Application Analysis."

Goals of the Proposed Action

The goals of the Proposed Action are to develop a largely as-of-right framework which produces predictable results that:

- Protect and strengthen Greater East Midtown as a regional job center and premier central business district by seeding the area with new modern and sustainable office buildings;
- Help preserve and maintain landmarked buildings by permitting their unused development rights to transfer within the district's boundary;
- Permit overbuilt buildings to retain their non-complying floor area as part of a new development;
- Upgrade the area's public realm through improvements that create pedestrian friendly public spaces and that facilitate safer, more pleasant pedestrian circulation within the transit stations and the street network; and
- Maintain and enhance key characteristics of the area's built environment such as access to light
 and air, active retail corridors, and the iconic street wall character in the area surrounding
 Grand Central Terminal.

It is expected that enactment of the Proposed Action would lead to the development of approximately 16 new buildings, predominantly for office use. These buildings would be located throughout the Subdistrict with concentrations along Madison Avenue between East 39th and 46th Streets, and around the Lexington Avenue-51st/53rd Streets subway station. A more limited number of developments are projected along Park Avenue and east of Grand Central Terminal. This construction would utilize all of the unused floor area from the Subdistrict's landmarked sites, and provide significant opportunities for above- and below-grade public realm improvements, all of which would serve to address key challenges in the area. Projected building heights would range from 482 to 846 feet. New construction permitted through the Proposed Action would translate into an increase of less than 6.5 percent above the approximately 90 million square feet of total space in the Subdistrict today. Table 1.1 lists the blocks and lots that would be affected by the Proposed Action.

Table 1.1: Blocks and Lots within the Rezoning Area

	Blocks and Lots within the Rezoning Area				
Block	Lot				
869	16, 20, 22, 24, 25, 26, 27, 34, 49, 54, 58, 61, 64, 66, 74, 7501				
895	1				
1275	6, 8, 11, 12, 14, 16, 23, 27, 44, 50, 59, 60, 61, 63, 64, 66, 143				
1276	1, 22, 23, 24, 33, 42, 51, 58, 65, 66, 999				
1277	6, 8, 14, 20, 27, 46, 52, 67				
1278	1, 8, 14, 20, 62, 63, 64, 65				
1279	6, 9, 17, 23, 24, 25, 28, 45, 48, 57, 63, 65, 69, 7501				
1280	1, 10, 30, 54, 90, 154, 7501				
1281	1, 9, 21, 30, 56, 59, 61, 62, 64, 65, 66, 7501				
1282	1, 17, 21, 30, 34, 64, 7501				
1283	7, 8, 9, 10, 11, 12, 13, 14, 15, 17, 21, 58, 61, 62, 63, 64				
1284	7, 12, 13, 14, 17, 21, 26, 33, 52, 55, 56, 59, 60, 152, 7501				
1285	13, 15, 21, 36, 46, 59, 7501				
1286	1, 21, 30, 35, 43, 53				
1287	8, 9, 10, 14, 21, 27, 28, 33, 52, 58, 61, 62, 63, 7501				
1288	6, 7, 10, 11, 21, 24, 27, 33, 51, 56, 63				
1289	6, 8, 14, 21, 23, 24, 28, 36, 45, 52, 59, 65, 67, 107, 149				
1290	6, 14, 15, 16, 17, 21, 27, 28, 31, 36, 37, 44, 50, 52, 56, 61, 62, 115, 127, 7501, 7502				
1291	10, 21, 28, 38, 45, 47, 51, 127, 7501				
1292	8, 15, 33, 37, 41, 42, 47, 48, 52, 64, 66, 7501				
1295	1, 17, 20, 23, 33, 40, 58				
1296	1, 14, 7501, 7502				
1297	23, 27, 31, 33				
1298	23, 28, 33, 34, 36, 37, 38, 40, 41, 45, 127, 136				
1299	22, 23, 27, 33, 37, 38, 40, 41, 48, 7501				
1300	1, 6, 14, 20, 21, 23, 24, 25, 26, 33, 42, 44, 46, 47, 50, 122, 124, 145, 146				
1301	1, 23, 33				
1302	21, 22, 23, 24, 25, 27, 28, 29, 30, 33, 43, 51, 123, 127, 7501				
1303	1, 14, 30, 33, 41, 45, 46, 53, 7501, 7502				
1304	1, 20, 25, 26, 29, 33, 41, 45				
1305	1, 13, 20, 23, 28, 32, 33, 40, 60, 128, 7501				
1306	1, 23, 33, 42, 50				
1307	1, 14, 23, 29, 43, 59, 7501				
1308	33, 7501, 7502				
1309	1, 5, 6, 7, 8, 23, 32, 39, 41, 69, 72, 107, 7502				
1310	1, 33, 34, 35, 36, 37, 38, 39, 40, 133, 140				
1311	1, 5, 65				
1316	1, 12, 23, 30, 7501				
1317	1, 7				
1318	1, 43, 44, 143				
1319	1, 2, 3, 7, 8, 11, 47, 103, 104, 7503				
1320	46, 7503, 7506				
1321	1, 42, 47				
1322	1, 7, 8, 9, 42, 43, 44, 107, 143				
1323	1, 8, 42, 43, 47				
1324	1, 9, 42, 47, 48, 49				
1325	1, 47, 48, 50, 7503, 7504				
1326	1, 7, 41, 140				
1327	1, 37, 7501				
1328	1				
1329	1				

To accomplish these goals, the City is proposing a zoning text amendment and a zoning map amendment (collectively the "Proposed Action"), described below.

Description of the Proposed Action

Proposed Zoning Text Amendment

The proposed zoning text amendment (the "Amendment") would establish an East Midtown Subdistrict (the "Subdistrict") within the Special Midtown District. The proposed Amendment would focus new development on sites that are near transit stations and along wide streets. The greatest as-of-right density would be around Grand Central Terminal with lesser densities dissipating out from the Grand Central core. Development generated through the proposed mechanisms would provide greater opportunity for landmarks to transfer unused development rights throughout the Subdistrict and would provide district-wide public realm improvements. The proposed Subdistrict would supersede the existing Grand Central Subdistrict, and most of the existing zoning regulations of the Grand Central Subdistrict would be incorporated into the proposed Amendment. The proposed zoning text is presented in Appendix B.

Amended Application

As stated above, DCP filed an Amended Application that addresses issues raised during the Uniform Land Use Review Procedure (ULURP) process. These modifications address conditions in which the location of landmarked buildings would preclude development and circumstances under which transit easement volumes would be deemed necessary on a development site. The Amended Application also includes minor clarifications and modifications to the Proposed Action that do not require additional environmental analysis. Specifically, the Amended Text would modify the ULURP application N 170186 ZRM, but would not alter the proposed mapping application contained in C 170187 ZMM. Appendix B.2 provides the full proposed Amended Text. The amended application is analyzed in Chapter 25, "Amended Application Analysis."

Density Framework to Permit and Promote New Development

The Proposed Action addresses the limited growth potential (due to the current maximum permitted FARs), and development challenges associated with the special permit process through a primarily as-of-right framework. The Proposed Action would permit additional density by varying degrees based on locational criteria such as proximity to transit and adjacency to wide streets. This would create a scenario whereby the public can be assured that the densest new developments will be appropriately located (i.e., near transit and along wide streets), and whereby the predictable as-of-right process and increased permitted densities will serve as incentives for developers to undergo the resource intensive effort associated with redevelopment projects in this area. The as-of-right process is elaborated upon throughout this section of the document and the proposed maximum densities are detailed here.

The area around Grand Central Terminal is mapped as a C5-3 zoning district on both wide and narrow streets. This designation permits a maximum of 15.0 FAR. The remainder of the area is mapped with C5-3 and C6-6 districts along the avenues, which permit a maximum of 15.0 FAR, and C5-2.5 and C6-4.5 districts along the midblocks, which permit a maximum of 12.0 FAR. The Proposed Action would

enable sites to utilize three as-of-right mechanisms to achieve specific maximum densities in excess of these base FARs.

New as-of-right maximum densities proposed for the Subdistrict range from 18.0 to 27.0 FAR based on geography. Broadly, this translates to higher permitted FARs in locations proximate to transit nodes and along Park Avenue, an especially wide street. In the area immediately surrounding Grand Central Terminal, the as-of-right maximum density would be 27.0 FAR. This would be the highest as-of-right density allowance in the East Midtown Subdistrict, reflecting DCP's planning policy of focusing density in areas with excellent access to transit. In the area east and west of the Grand Central core and the area surrounding the Fifth Avenue-53rd Street and Lexington Avenue-51st/53rd Streets subway stations, the as-of-right maximum density would be 23.0 FAR. These areas of the district with a 23.0 or 27.0 FAR are further defined as Transit Improvement Zones, which is explained in further detail below. In the area encircling the Grand Central Transit Improvement Zone, the as-of-right maximum density would be 21.6 FAR for the blocks nearest Grand Central Terminal's below-grade network and 18.0 FAR for blocks further away. Generally, the areas that flank the Fifth Avenue-53rd Street and Lexington Avenue-51st/53rd Streets Transit Improvement Zones would have as-of-right maximum densities of 18.0 FAR. The exception is along Park Avenue, where the as-of-right maximum density would be 25.0 FAR (see Figure 1-2).

Qualifying Site Requirements

Development of new high-quality office space requires appropriate sites. Consequently, sites that are eligible for the proposed Subdistrict's as-of-right framework must have cleared frontage along a wide street, dedicate no more than 20 percent of the building's floor area for residential use, and comply with environmental standards in order to be considered a Qualifying Site. Qualifying Sites may use three new as-of-right zoning mechanisms to achieve additional floor area: (1) the transfer of landmark development rights, (2) the rebuilding of legally non-compliant floor area, and (3) the completion of direct improvements to below-grade transit infrastructure.

Transfer of Landmark Development Rights

Under existing regulations, a landmark is only permitted to transfer its unused floor area to "adjacent" sites via a special permit. Adjacency is defined pursuant to Zoning Section 74-79, which governs landmark transfers, as those lots that abut the landmark's zoning lot or are located across a street. The Proposed Action would permit greater flexibility in the transfer of those development rights by allowing landmarks the ability to transfer to development sites anywhere in the proposed Subdistrict. This mechanism would allow for the redistribution of unused floor area for the construction of office space, support the restoration and continued maintenance of landmarks, and generate funds for public realm improvements.

<u>Redistribution of unused commercial floor area</u> – Unused floor area from landmark sites could conceivably be built, however, is not, due to regulations that curtail modifications to landmarked structures. The redistribution of this unused floor area presents an opportunity to require that transferred floor area from these sites be developed for office use in the most appropriate portions of the proposed Subdistrict.

<u>Landmark restoration and maintenance</u> – As is the procedure under Zoning Section 74-79, landmarks that transfer development rights will be required to develop a restoration and continuing maintenance plan that is approved by LPC. The sale of development rights will aid landmark property owners in



funding these preservation plans and help ensure that landmarked structures continue their significant contribution to the area's overall character.

<u>Public realm improvement support</u> – Each landmark development rights transfer transaction will generate a contribution to the Public Realm Improvement Fund that will facilitate improvements to the area. The contribution rate will be 20 percent of the sale of each development rights transfer from a landmark, or a minimum contribution of \$78.60 per square foot, whichever is greater. This will help to ensure that new developments appropriately support public realm improvements. The City Planning Commission will, by rule, review and adjust the floor pursuant to the City Administrative Procedure Act every three to five years.

This as-of-right mechanism alleviates the need for a discretionary process by CPC to require improvements as part of floor area transfers in high density locations, which is the only mechanism available under current zoning. The public realm improvements are more fully described below.

Rebuilding Overbuilt Buildings

There are a number of pre-1961 buildings in East Midtown that do not comply with current zoning regulations, particularly with regard to the amount of floor area permitted, since they were constructed prior to introduction of FAR regulations in the Zoning Resolution. This Proposed Action would allow for the amount of floor area that exceeds the base FAR to be utilized as-of-right in a new development on the site and in conjunction with a contribution to the Public Realm Improvement Fund, which is detailed below.

Rebuilding non-complying floor area – This Proposed Action would eliminate the requirement that 25 percent of a building's structure be retained in order to utilize the building's non-complying (i.e., overbuilt) floor area as part of a new development. Instead, it would allow the amount of overbuilt floor area to be utilized in a new development as-of-right, and would permit additional floor area to be attained through a landmark development rights transfer and/or a transit infrastructure project. All floor area would be subject to the Proposed Action's use regulations.

<u>Public realm improvement support</u> – The amount of non-complying floor area rebuilt on these sites would be subject to a contribution into the Public Realm Improvement Fund. The contribution amount would be the same as the minimum contribution (i.e., \$78.60 per square foot and adjusted every three to five years). This will facilitate improvements to the area that are designed to address the increased density generated by these new developments, which traditionally have lower vacancy rates and more efficient floor layouts that allow for a greater number of workers per square foot than the existing building they would replace.

Pre-identified Transit Improvements

Under the Proposed Action, developments on Qualifying Sites within a Transit Improvement Zone (TIZ) would be required to undertake one or more pre-identified transit improvements in exchange for increases to their permitted floor area. Development sites located outside of a TIZ would not be required, or permitted, to undertake transit improvements.

<u>Eligible Stations and Improvements</u> – The Subdistrict is one of the most transit-rich in the city due to its access to Metro-North Railroad and the Grand Central 42nd Street subway station, the Fifth Avenue-53rd Street subway station, and the Lexington Avenue-51st/53rd Streets subway station. Three

additional stations also function as critical components of Greater East Midtown's interdependent transit network by serving as stations from which riders enter and exit the Subdistrict on foot and as stations from which riders transfer to and from trains that are entering and exiting the Subdistrict. These subway stations include 42nd Street Bryant Park-Fifth Avenue, 47th-50th Streets-Rockefeller Center, and Lexington Avenue-59th Street.

The MTA has identified specific improvements that would most benefit Greater East Midtown office workers, visitors, and residents. These projects will address current issues that impact the area's transit network and anticipate potential needs of the area based on future development. As detailed below, the types of projects identified relate to handicap accessibility, improved access within station areas and circulation between platforms, and new points of access into subway stations from street level.

To facilitate this requirement, the pre-identified transit improvements are assigned a standardized amount of floor area. Transit improvements fall into three categories of floor area, based upon project scope and public benefit ranging from 40,000 sf, 80,000 sf or 120,000 square feet.

New developments built pursuant to this proposed framework that are located in the Transit Improvement Zones would be required to generate between 10 and 20 percent of the development's maximum permitted floor area by completing one or more pre-identified transit improvements. For developments in 23.0 FAR districts, this would equate to between 2.3 and 4.6 FAR of transit improvements, and for developments in the 27.0 FAR district this would equate to between 2.7 and 5.4 FAR of transit improvements. All permitted floor area above these amounts would be through the transfer of unused floor area from the area's landmarks. The exception to this would be for any eligible development that undertakes the improvements identified for the Fifth Avenue-53rd Street (E-M) station, detailed below. It is expected that these improvements need to be completed simultaneously in order to prevent operational complications for NYC Transit in the station. Therefore, a development would be permitted, as-of-right, to increase their additional floor area beyond 20 percent to complete improvements at this station. The Zoning Resolution will detail how individual development select transit improvements, with priority given to those improvements closest to the development site.

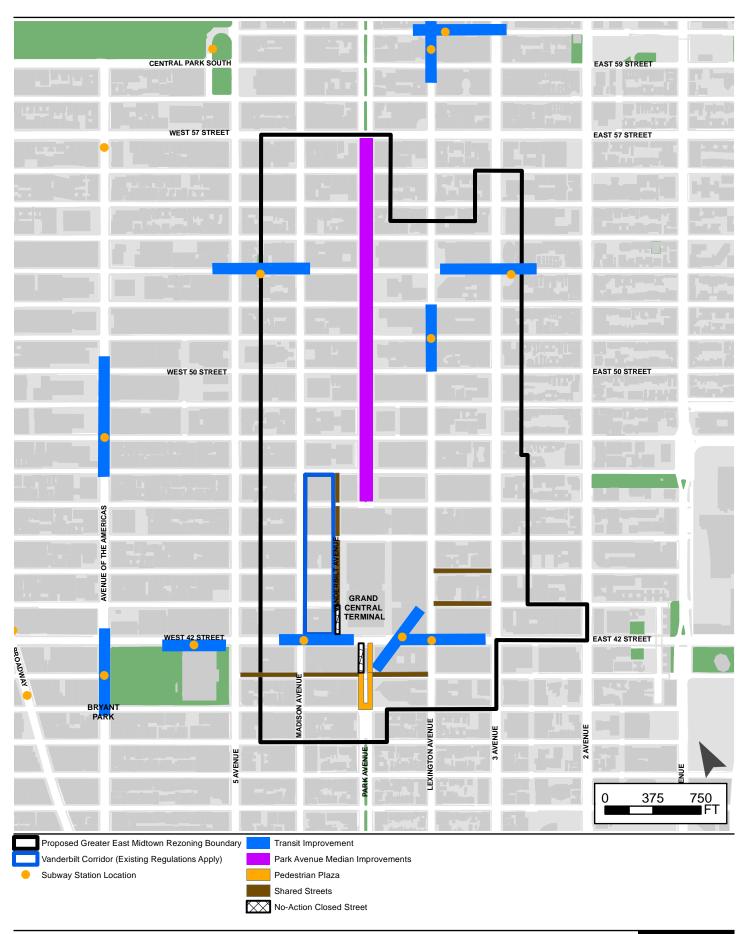
<u>Pre-identified Transit Improvement List</u> – Projects on the pre-identified transit improvement list will be included in the zoning text. As shown on Figure 1-3 and detailed in Chapter 12, "Transportation," these improvements include:

Grand Central 42nd Street (4-5-6-7-S): Suites of improvements are contemplated to improve accessibility to and from the Flushing Line platforms, including a new platform staircase to the escalator core serving the upper mezzanine, widening of staircases leading down from the <u>northbound</u> Lexington Avenue Line platform, and a widening of the platform stair at the east end of the station.

Lexington Avenue-51st/53rd Streets (E-M-6): Proposed improvements include widening an escalator at the 53rd Street portion of the station, replacement of an escalator at the 51st Street portion of the station with a wider staircase, and the addition of new street entrance to the uptown Lexington Avenue Line platform at 50th Street.

Lexington Avenue-59th Street (N-R-W-4-5-6): At this station, proposed improvements include adding more stair capacity between the N-R-W and Lexington Avenue Line express platforms and the provision of ADA access.

Fifth Avenue-53rd Street (E-M): Proposed improvements include a new street entrance on the west side of Madison Avenue, a new mezzanine and fare control area, and new vertical circulation elements



Greater East Midtown Rezoning Manhattan, New York

Public Realm Improvements

Figure 1-3



to the upper and lower platform levels. In addition, a new elevator would make the station fully accessible.

47th-50th Streets-Rockefeller Center (B-D-F-M): Capacity improvements at this station would result from the addition of two new platform stairs and the widening of existing platform stairs.

42nd Street Bryant Park-Fifth Avenue (B-D-F-M-7): Proposed improvements at this station include a new street entrance to the Flushing Line mezzanine from the north side of West 42nd Street, midblock between Fifth and Sixth Avenues. ADA access would also be provided between the mezzanine level and the Flushing Line platform as well as between the mezzanine level and the Sixth Avenue Line platform.

East Midtown Public Realm Improvement Fund, Governing Group and Concept Plan

As indicated, the Proposed Action would establish the East Midtown Public Realm Improvement Fund (the "Public Realm Improvement Fund" or "Fund") for the deposit and administration of contributions generated by the transfer of landmark development rights, or the redevelopment of overbuilt buildings with legally non-complying floor area. The Fund shall be utilized, at the discretion of a Public Realm Improvement Governing Group (the "Governing Group"), to implement improvements within the proposed Subdistrict, and in its immediate vicinity.

The Governing Group will consist of nine members: five members shall be mayoral appointees from City agencies, a representative of the Office of the Manhattan Borough President, a representative of the New York City Council Member representing Council District 4; a representative of Manhattan Community Board 5; and a representative of Manhattan Community Board 6.

The Governing Group will adopt procedures for the conduct of its activities, which shall be consistent with the goals of the proposed Subdistrict. The Governing Group will *also* adopt and maintain a Concept Plan containing a list of priority above- and below-grade improvements (the "Concept Plan"). To inform the initial Concept Plan, a suite of conceptual above- and below-grade public realm improvements have been prepared by DOT and MTA. The MTA improvements are those listed in the previous section, titled "Pre-identified Transit Improvements."

The above-grade improvements included in the Concept Plan include new passive open space resources and other improvements as identified by DOT. The public realm improvements, also known as PRIs, include pedestrian plazas, shared streets, widening of the Park Avenue median, bus bulbs, curb extensions and sidewalk widenings, and turn bays. These resources would be built as part of the improvements preliminarily outlined in the Concept Plan and described below. The Concept Plan's above-grade public realm improvements fall into four categories and are shown on Figures 1-4 and 1-5, including:

• Pedestrian Plazas: Streets would be closed to vehicular traffic to create pedestrian plazas in limited portions of the Subdistrict. Pedestrian Plazas are contemplated for Pershing Square East, and on the east and west sides of the Park Avenue viaduct between East 40th and 41st Streets.

Pedestrian Plaza proposals must be deemed viable by DOT, in accordance with their existing Pedestrian Plaza program. The DOT criteria provide that a proposal is viable if it where such proposal would not result in a significant adverse impact to the transportation network; surrounding land uses are appropriate to support a pedestrian plaza, and where the size and



FOR ILLUSTRATIVE PURPOSES ONLY



FOR ILLUSTRATIVE PURPOSES ONLY

shape of the proposal will support the projected range of activities that take place in pedestrian plazas.

Once a Pedestrian Plaza is identified and evaluated by the Governing Group in concert with DOT, DOT will work with community stakeholders to develop a plaza concept which considers the following factors: pedestrian circulation, transit connections, building access, sanitation, deliveries, ADA accessibility, emergency access, utilities, events and programming, and maintenance requirements.

As part of the design process, DOT would conduct extensive stakeholder outreach and public surveys, hold multiple public workshops, and ultimately present a design to the community board(s) for their review, in accordance with the outreach requirements of the DOT Pedestrian Plaza program.

Shared Streets: Shared Streets are designed to accommodate high pedestrian volumes and low traffic volumes and speeds. Shared Streets would include seating areas, distinctive paving materials, and traffic calming measures, with vehicle speeds reduced to 5 mph. Access to all buildings and businesses would be maintained, allowing for servicing and deliveries. Shared Street corridors are contemplated along East 41st Street between Fifth and Lexington Avenues, on Vanderbilt Avenue between East 43rd and 47th Streets, and on East 43rd and East 44th Streets between Lexington and Third Avenues.

Shared Street proposals in Greater East Midtown would take into account the needs of all property and business owners along the street. Designs would accommodate access to buildings and loading docks, deliveries, sanitation, pick-up and drop-offs (both for-hire vehicles & private vehicles), overall circulation and parking. The process for implementation of the Shared Streets would be the same as for the Pedestrian Plazas, described above.

- Median Widenings: In the existing condition, Park Avenue medians between East 46th and East 57th Streets include planting and decorative lighting. The Concept Plan for this corridor would widen the median in efforts to improve traffic patterns with right and left-turn bays and create safer, shorter crossing distances for pedestrians. This could be achieved by rededication of one moving lane of traffic on Park Avenue in the northbound and southbound directions. The widened median would provide the opportunity to improve the space for pedestrian use with seating areas, expanded landscaping, and opportunities for public art.
- Thoroughfare Improvements: DOT has also identified several different types of improvements that could be applied across the study area. These include bus bulbs, curb extensions and sidewalk widenings, and turn bays. Streetscape improvements, including enhancements such as circulation, seating and landscape planting are contemplated along five blocks of East 53rd Street between Second and Fifth Avenues.

<u>It should be noted that streetscape improvements and shared streets are not considered open space resources and are not evaluated as such in this FEIS.</u>

The Governing Group will have the ability to amend, add to, or remove projects from the Concept Plan, and to prioritize the funding of projects. All projects must meet a set of criteria outlined in the Zoning Resolution and be a capital project under Section 210 of the New York City Charter.

The PRIs that were identified and analyzed qualitatively as part of the DEIS have been analyzed quantitatively where appropriate as part of the FEIS. Specifically, the following chapters have been updated with further information and analysis of the PRIs: Project Description; Land Use, Zoning and

<u>Public Policy; Open Space; Shadows; Urban Design and Visual Resources; Transportation; Air Quality; Noise; Neighborhood Character; Mitigation; Alternatives; Conceptual Analysis; Unavoidable Adverse Impacts; and Amended Application Analysis.</u>

Height and Setback Modifications

Compliance with the Special Midtown District's height and setback regulations is based on a calculation of the amount of daylight and openness to the sky made available to pedestrians through the proposed building's design. Under the Section 74-79 Landmark Transfer Special Permit, as well as permits available in the Grand Central Subdistrict, modifications to these regulations are allowed to accommodate the higher FAR made available through the floor area transfer. To extend a similar flexibility to the as-of-right framework included in the Proposed Action, limited modifications to underlying height and setback regulations would be granted to Qualifying Sites so as to permit as-of-right development at the levels allowed through the proposed framework and to better take account of the smaller development sites and higher street walls found in the East Midtown area. Specific modifications would include:

- The requirement that new buildings either meet the existing minimum daylight score for individual Midtown streets (66 percent), or achieve at least the same daylight score of the buildings they replace;
- The removal of unintended penalties for building designs looking to match the area's higher street wall context; provide street wall recesses and at-grade setbacks; or place more of their bulk higher in the air where it has less on-street visual impact; and
- The allowance for buildings along Park Avenue to measure height and setback compliance based on the avenue's actual dimensions. (Current regulations do not recognize Park Avenue's greater width.)

Other Modifications Affecting Qualifying Sites

Environmental standards – In order to ensure that new office construction supports the City's goals for reducing greenhouse gas emissions and achieves a high standard for energy efficiency, all developments on Qualifying Sites shall meet one of the following two requirements. New developments must either (1) utilize a district steam system for the building's heating and hot water systems; or (2), if it does not use district steam, the building's core and shell must exceed the stringent energy efficiency standards of the 2016 New York City Energy Conservation Code (NYCECC) by at least three percent. The CPC may update this standard by rule to keep pace with evolving codes and building practices.

Stacking rules – In order to enliven the program of future buildings, the 'stacking' rules will be relaxed. Under the existing 'stacking' rules, non-residential uses, such as restaurants, observation decks, and other similar uses, are not permitted above or on the same story as residential uses, limiting the ability to develop such uses in mixed-use buildings with residential uses. In order to permit these active uses, the Proposed Action would allow these uses to be developed above residential uses as-of-right, provided that the residential and non-residential uses above are not accessible to each other on floors above the ground level.

<u>Urban design</u> – The Special Midtown District contains a series of requirements tailored to the unique conditions of the area. These include special street wall, pedestrian circulation space, and loading requirements. These requirements would be modified to ensure appropriate as-of-right development in the East Midtown Subdistrict, and would include elements such as the following:

- Sidewalk widening requirement While existing street wall requirements for Madison and Lexington Avenues permit sidewalk widenings of up to 10 feet along these streets, fullfrontage sites would now be required to provide sidewalk widenings that would translate into sidewalks with a minimum width of 20 feet along these streets.
- Retail continuity Existing retail requirements on wide streets (including Madison and Lexington Avenues) would be maintained, but developments in the area around Grand Central Terminal would also be required to devote a minimum of 50 percent of their side street frontage to retail uses.

Other Modifications Affecting Entire Subdistrict

<u>Hotel use</u> – Hotels in Greater East Midtown provide a vital service to the business community. To ensure that new development, conversion, or enlargement of hotels in the Subdistrict will provide onsite amenities and services that support the area's role as a business district, hotel uses will be permitted only through special permit.

Discretionary Actions

While the vast majority of the Proposed Action provides an as-of-right framework to achieve the development and public realm improvements desired for the area, there are limited scenarios in which a discretionary action, subject to a separate public review process (for example, ULURP), is the most appropriate mechanism. This is the case for projects that would include any of the following improvements or uses. The following special permit mechanisms and authorization would be created through the Proposed Action, and would occur only through additional discretionary actions:

<u>Public Concourse Special Permit</u> – To create new opportunities for publicly accessible space on Qualifying Sites, the Proposed Action includes a new special permit will be created within the proposed Subdistrict to allow an on-site Public Concourse in exchange for up to 3.0 FAR of additional floor area. A Public Concourse can be an enclosed or unenclosed public space that reflects contemporary best practices in urban design. The 3.0 FAR bonus would be in addition to the proposed as-of-right maximum FAR. Therefore, a Qualifying Site could, through this discretionary action, increase its maximum FAR as follows:

- Northern Subarea: 18.0 FAR to 21.0 FAR
- Southern Subarea: 21.6 FAR to 24.6 FAR
- Other Transit Improvement Zone Subarea: 23.0 FAR to 26.0 FAR
- Park Avenue Subarea: 25.0 FAR to 28.0 FAR; and
- Grand Central Transit Improvement Zone Subarea: 27.0 FAR to 30.0 FAR.

<u>Transit Improvement Special Permits</u> – To allow for new opportunities for transit improvements on Qualifying Sites beyond those made possible through the as-of-right framework, the existing Subway

Station Improvements bonus, pursuant to Zoning Sections 74-634 and 81-292, will be permitted within the Transit Improvement Zones of the proposed Subdistrict. These special permits allow 3.0 FAR increase of the maximum permitted FAR in exchange for improvements to transit infrastructure. This bonus of up to 3.0 FAR would be in addition to the proposed as-of-right maximum FAR. Therefore, a Qualifying Site could, through this discretionary action, increase its maximum FAR as follows:

- Other Transit Improvement Zone Subarea: 23.0 FAR to 26.0 FAR
- Grand Central Transit Improvement Zone Subarea: 27.0 FAR to 30.0 FAR.

<u>Special Permit Modification of Subdistrict Regulations</u> – It is anticipated that over the analysis period, some new developments may require modifications to the proposed subdistrict's regulations in order to utilize the new as-of-right FAR framework, or to realize their maximum permitted floor area within the subdistrict's as-of-right envelope. This special permit would primarily allow modifications to the proposed subdistrict's provisions governing height and setback, the definition of a Qualifying Site, and may extend to use and additional bulk regulations as appropriate.

<u>Hotel Special Permit</u> – Hotels in Greater East Midtown must appropriately serve the needs of the business community by providing business-oriented amenities and services, such as conference facilities and advanced telecommunication tools, at a scale proportionate to the needs of the area. To ensure that new floor area for hotel use in the Subdistrict meet these requirements, a special permit similar to that of the Special Permit for Transient Hotels in the Vanderbilt Corridor, would be created within the proposed Subdistrict.

<u>Authorization for Enlargements</u> – The Proposed Action permits enlargements to use the Qualifying Site provisions by CPC Authorization. Buildings that could not meet the cleared avenue frontage requirement for a Qualifying Site (where, at the time of development, no existing buildings or other structures can remain along the site's wide street frontage, or a portion thereof) could utilize this authorization to increase its maximum permitted as-of-right floor area to the equivalent amount for a Qualifying Site in the same subarea. It would achieve this additional floor area through the use of the as-of-right floor area increase mechanisms in the same manner as a Qualifying Site. The enlargement must include significant renovations to the existing building that will bring it up, to the greatest extent possible, to contemporary standards. The authorization may be used in combination with any of the other discretionary actions.

Proposed Zoning Map Amendment

The rezoning area is currently zoned predominantly as high density commercial (zoning districts C5 and C6) within the Special Midtown Subdistrict. The area between Second and Third Avenues along East 42nd Street is entirely commercial in character, with a number of existing aging office buildings with potential for redevelopment. The Special Midtown Subdistrict generally follows the boundary of Midtown's commercial areas and thus this area would more appropriately be located in the Midtown Subdistrict, and additionally as part of the East Midtown Subdistrict. By incorporating the area into Midtown, the Special Subdistrict regulations, including height and setback and streetscape requirements, would become applicable. These are more tailored to the needs of the area than the generic 1961 high-density commercial zoning provisions that now apply.

In order to do this, the rezoning would replace the existing C5-2 district (10.0 FAR) with a C5-3 district (15.0 FAR), and extend the Special Midtown District and the East Midtown Subdistrict over the proposed C5-3 district in the area bounded by East 43rd Street to the north, East 42nd Street to the

south, Second Avenue to the east, and a line 200 feet easterly of Third Avenue to the west. As both the existing and proposed designations are C5 districts, they share the same permitted uses. Existing Zoning is shown on Figure 1-6, and Proposed Zoning is shown on Figure 1-7.

1.5 Framework for Environmental Analysis

Reasonable Worst-Case Development Scenario (RWCDS)

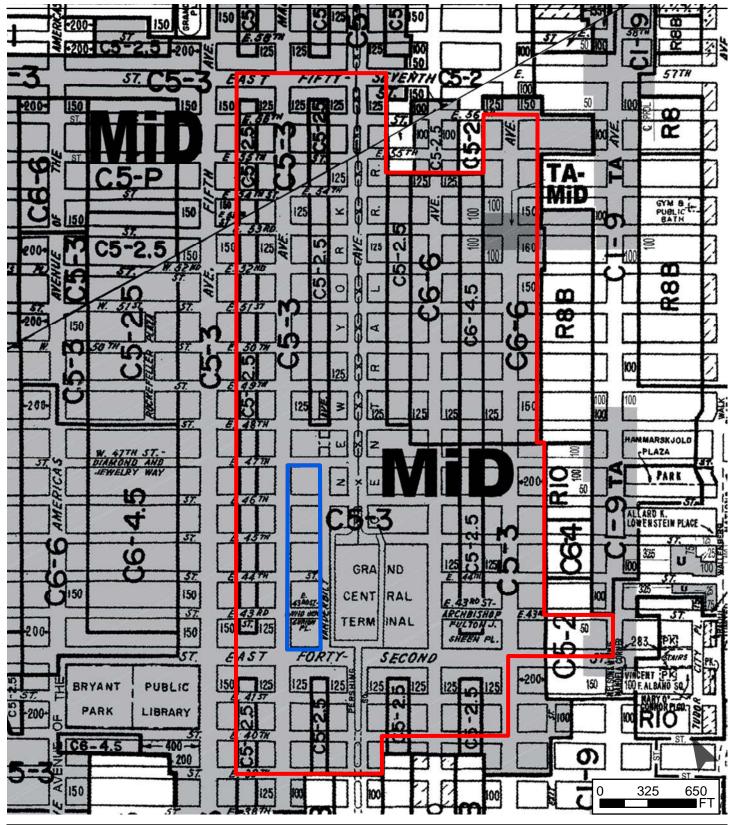
In order to assess the possible effects of the Proposed Action, a Reasonable Worst-Case Development Scenario (RWCDS) was established using both the current zoning (No-Action) and proposed zoning (With-Action) conditions projected for the build year of 2036 (the year by which the projected development predicted by the proposed zoning would be in place). The incremental difference between the No-Action and With-Action Conditions is the basis of the impact category analyses of the DEIS and the FEIS. To determine the No-Action and With-Action Conditions, standard methodologies have been used following the 2014 CEQR Technical Manual guidelines employing reasonable assumptions. These methodologies have been used to identify the amount and location of future development, as discussed below.

Development Site Criteria

In projecting the amount and location of new development, several factors have been considered in identifying likely development sites. These include known proposed development actions, past development trends, and the development site criteria described below. Generally, for area-wide rezonings, new development can be expected to occur on selected, rather than all, sites within the rezoning area. The first step in establishing the development scenario was to identify those sites where new development or conversion could reasonably occur. The following site criteria were used to assess different aspects of the Proposed Action and long-term trends in the area.

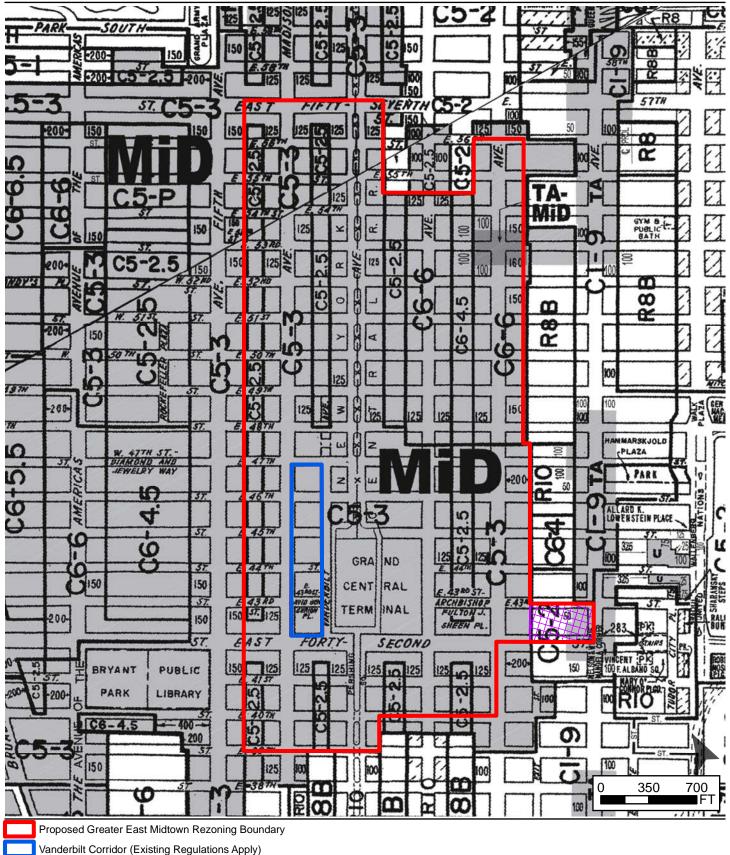
Given the challenges for new development in East Midtown, considering its existing density and built character, the typical development site criteria utilized for development scenarios in other contexts would not be practical in East Midtown. For example, limiting the assessment of development sites to only those that are built to less than 50 percent of permitted FAR would produce few development sites in East Midtown given its already built-up character. It is anticipated that the proposed increases in maximum proposed FAR would be sufficient to incentivize redevelopment of sites built well over this 50 percent threshold. Therefore, site criteria more reflective of Existing Conditions and development history were developed. To identify sites within the East Midtown rezoning area that could utilize the new zoning mechanisms of the Proposed Action, an assessment of all existing buildings in the area was undertaken. All the following were then excluded from the analysis:

LPC-designated landmarks.





Vanderbilt Corridor (Existing Regulations Apply)



Proposed Zoning Map Change*

*Extension of C5-3 and Special Midtown Zoning District

Greater East Midtown Rezoning Manhattan, New York

Proposed Zoning Amendments

Figure 1-7



- Condominiums, co-ops, or residential buildings that contain six or more rent-stabilized units.
 Discretion was given to site assemblages that contained in sum more than six rent stabilized units, but that provided considerable land use rationale for inclusion within the analysis.²
- Post-1982 buildings (given their relatively recent construction).
- All other buildings over 1 million square feet, or towers with 35 stories or more (given their size and the difficulties inherent in emptying and demolishing the structure).

The sites were then assessed, conservatively, to see whether the existing built FAR was less than 85 percent of what could be constructed based on the proposed maximum as-of-right FAR permitted under the proposed East Midtown Subdistrict. Sites with existing built FAR greater than 85 percent were removed.

New Construction Development Assumptions

To produce a reasonable conservative estimate of future growth with and without the Proposed Action (With-Action and No-Action Conditions, respectively), the RWCDS assumes that, based on recent trends, both Projected and Potential Sites would develop to the maximum developable square footage pursuant to current zoning without the Proposed Action. Potential Development Sites are less likely to be developed because they are not easily assembled into single ownership, have an irregular shape, are in active use, reflect a significant amount of relatively recent renovation or alteration, or have some combination of these features. The development sites are distributed throughout the rezoning area.

Developments were assumed to have 1.0 FAR of retail on the ground floor and office floor area occupying all above stories. Ground floor retail on developments with less than 40,000 square feet of lot area was assumed to be 100 percent local retail. Development sites with more than 40,000 square feet of lot area were assumed to include 0.5 FAR of local retail and 0.5 FAR of destination retail. Mechanical space was assumed to account for approximately 15 percent of gross floor area for office developments. Residential developments are assumed to have a mechanical space rate of 5 percent. For mixed residential and commercial developments, the entire building is assumed to utilize 15 percent of gross floor area for mechanical space. Accessory off-street parking in East Midtown is permitted, but not required. Subsequently, recent commercial development trends in the wider area indicate a shift away from providing off-street parking. Developments sites are therefore assumed not to provide accessory off-street parking. Building heights and massing are dictated by either of the Special Midtown District's alternative height and setback regulations, daylight evaluation and daylight compensation. Under either framework, developments are assumed to be developed up to the tallest permissible limits of their envelope while ensuring viable office floorplates.

Projected and Potential Development Sites

To produce a reasonable, conservative estimate of future growth, development sites were further divided into two categories (i.e., Projected Development Sites and Potential Development Sites). The

Projected Site 14 and Potential Site C contain more than six rent stabilized dwelling units. Site 14 warrants inclusion because it is built to less than 20 percent of its proposed maximum floor area—the lowest figure among all sites. The upside of its redevelopment potential was considered sufficient to overcome the costs associated with relocating residential rental tenants. Site C is also considerably underbuilt given the surrounding context, and contains seven rent stabilized dwelling units, which is considered only marginally greater than the cutoff of six. The site's location and the age and construction of its existing structures render it a reasonable candidate for redevelopment.

Projected Development Sites are considered more likely to be developed within the analysis period for the Proposed Action, while Potential Development Sites are considered less likely to be developed over the same period. The process utilized to determine which Development Sites were Projected versus Potential is discussed below. Sites were assessed and ranked based on a variety of criteria in order to determine which would be most likely to develop, and hence be classified as Projected Development Sites. These were:

- Age of existing buildings (older buildings were considered more likely to be development sites);
- Ratio of existing built FAR to proposed new maximum as-of-right FAR (sites with lower builtto max ratios were considered more likely to be development sites); and
- Number of lots required for assemblage (sites made up of fewer lots were considered more likely to be development sites).

Sites that exhibited the strongest combination of these factors were considered those most likely to utilize the new proposed new zoning mechanisms, and were considered to be Projected Development Sites (Projected Sites). The remainder were determined to be Potential Development Sites (Potential Sites). Any selected site with more than six rent stabilized units was automatically determined to be a Potential Site given the difficulties in vacating tenants. In determining Projected vs. Potential Sites, some discretion was used to account for geographic distribution of development.

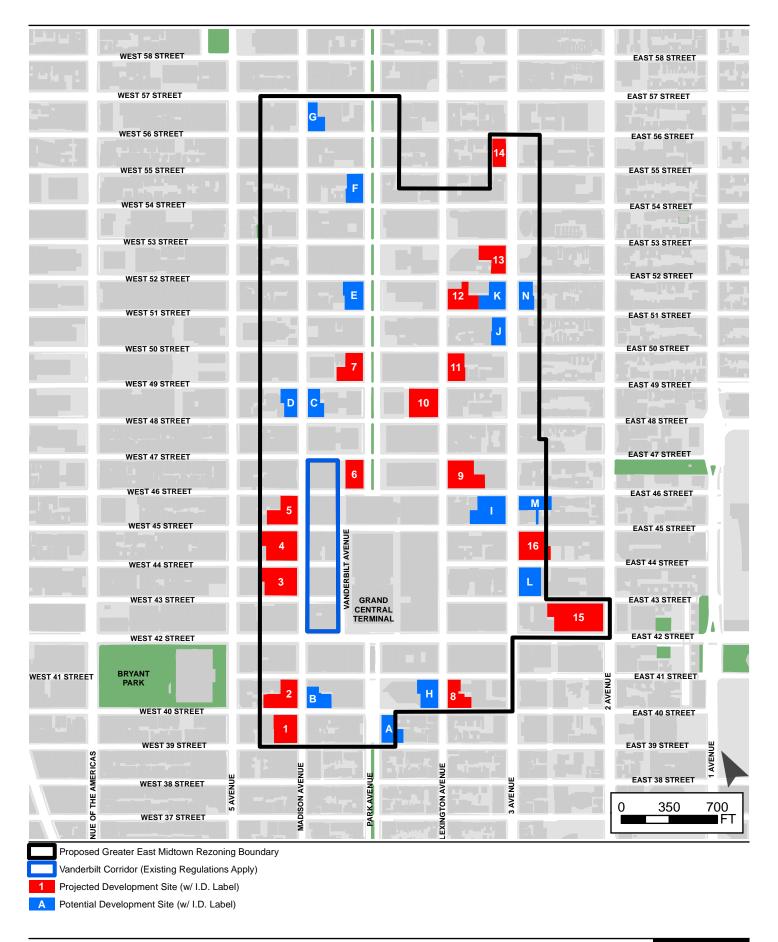
The number of Projected Sites (versus Potential Sites) was constrained by the fixed amount of unused landmark development rights available for transfer, since this would be the primary mechanism to allow a site to develop to its maximum permitted FAR. There are approximately 3.6 million square feet of unused landmark development rights within the Subdistrict.

The amount of development rights necessary to reach the as-of-right maximum FAR was calculated for the 16 highest ranked sites according to the criteria listed in the previous section. Included in this calculation was the fact that sites with TIZs would be required to undertake transit infrastructure projects before being permitted to utilize landmark development rights. These improvements would generate floor area equivalent to not less than 10 and no more than 20 percent of the site's maximum floor area (i.e., a maximum of 5.4 in a 27.0 FAR area, or 4.6 FAR in a 23.0 FAR area, and a minimum of 2.7 or 2.3 FAR, respectively). Sites located within designated mandatory transit improvement areas were assumed to undertake improvements ranging from 2.3 FAR to 5.4 FAR. Accounting for these transit improvements, the highest-ranked 16 Projected Sites would use all 3.6 million square feet of available landmark development rights.

Summary

Thirty Development Sites (16 Projected and 14 Potential) have been identified in the rezoning area. Figure 1-8 shows these Projected and Potential Development Sites, and Appendix A (Tables 1A and 1B) identifies the uses expected to occur on each of those sites under No-Action and With-Action Conditions. Table 1.2 below provides a summary of the RWCDS for each analysis scenario. It is noted that the New York Public Library on Projected Site 9 is assumed to remain in place in the No-Action and With-Action Conditions, but is analyzed as retail space to provide a conservative analysis.

The environmental review will assess both density-related and site specific potential impacts from the development on all Projected Development Sites. Density-related impacts are dependent on the





amount and type of development projected on a site and the resulting impact on traffic, air quality, and open space.

Site-specific impacts relate to individual site conditions and are not dependent on the density of projected development. Site-specific impacts typically include potential noise impacts from development, the effects on historic resources, and the possible presence of hazardous materials. Development is not anticipated on the Potential Development Sites within the foreseeable future; therefore, these sites have not been included in the density-related impact assessments. However, a number of Potential Development Sites could be developed under the Proposed Action in lieu of one or more of the Projected Development Sites in accommodating the development anticipated during the foreseeable future as the result of the Proposed Action. The Potential Development Sites are therefore addressed in the EIS for site-specific effects in order to ensure a conservative analysis.

The Future without the Proposed Action (No-Action Condition)

In the future without the Proposed Action, given the existing zoning and land use trends in the area, it is anticipated that the rezoning area would experience negligible growth in commercial uses and modest growth in residential uses over the next 20-year period. Anticipated development on the Projected and Potential Development Sites identified in the RWCDS in the future without the Proposed Action is presented in Appendix A, Tables 1A and 1B.

As discussed above, the RWCDS projects that sites currently zoned to permit commercial use would develop pursuant to current zoning in the No-Action Condition. As shown in Table 1.2 below, it is anticipated that, in the future without the Proposed Action, there would be a total of approximately 163 residential units, 6.8 million gross square feet (gsf) of office space, and 0.4 million gsf of retail space on the 16 Projected Development Sites.³ The future without the Proposed Action also assumes the development of approximately 1,246 hotel rooms on up to 12 sites within the study area.

The Future with the Proposed Action (With-Action Condition)

In the future with the Proposed Action, higher density commercial development is expected to occur throughout the rezoning area. The Proposed Action is expected to result in new development, including 119 dwelling units and 14.2 million gsf of commercial space (13.4 gsf of office space and 0.6 million gsf of total retail space) on the 16 Projected Development Sites. This estimate is based on the above soft-site criteria and the available sites within the rezoning area. The number of projected dwelling units is based on an average dwelling unit size of 2,000 gsf, which is consistent with the area's market trends. In addition, some uses on the Projected Development Sites that are expected in the future without the Proposed Action would be redeveloped, although in most cases such No-Action uses would remain. No parking spaces are projected to be constructed on the Development Sites. The projected incremental (net) change, between the No-Action and With-Action Conditions would be a

³ In the No-Action Condition, the analysis assumes that a 44-unit residential project could be developed on Projected Site 3, and a 113-unit residential development would be developed on Projected Site 14, each with ground floor retail space. Further, to assure a conservative analysis, the New York Public Library space on Projected Site 9 is analyzed as retail space for trip generation purposes, in the No-Action and With-Action Conditions.

decrease of 0.8 million gsf of hotel use, a decrease of 78,000 gsf of residential use and a reduction of 564 parking spaces.

The Projected Development Sites, with projected No-Action and With-Action development, are summarized in Table 1.2, and also presented in Appendix A, Table 1A. A total of 14 sites were considered less likely to be developed within the foreseeable future, and were thus considered Potential Development Sites (Table 1B in Appendix A lists all 14 Potential Development Sites).

Table 1.2: RWCDS and Population Summary for Projected Development Sites

Use	Existing Conditions (gsf)	No-Action Condition (gsf)	With-Action Condition (gsf)	No-Action to With-Action Increment (gsf)		
Office	6,856,059	6,812,920	13,394,777	6,581,857		
Retail	467,202	462,874	601,899	139,025		
Hotel	810,171	810,171	0	-810,171		
Hotel Rooms	1,246	1,246	0	-1,246		
Residential	50,813	316,120	237,841	-78,278		
Residential Units	68	163	119	-44		
Parking	158,441	158,441	0	-158,441		
Parking Spaces	564	564	0	-564		
POPULATION/EMPLOYMENT ¹						
Residents	111	266	194	-72		
Workers	29,31 <u>2</u>	2 <u>9,131</u>	55,390	<u>26,259</u>		

Notes

The Potential Development Sites are deemed less likely to be developed because they did not closely meet the criteria listed above. However, as discussed above, the analysis recognizes that a number of Potential Sites could be developed under the Proposed Action in lieu of one or more of the Projected Sites in accommodating the development anticipated in the RWCDS. The Potential Sites are therefore also addressed in the environmental review for site-specific effects.

As such, the environmental impact statement document will analyze the projected developments for all technical areas of concern and also evaluate the effects of the potential developments for site-specific effects such as archaeology, shadows, hazardous materials, air quality, and noise.

Conceptual Analysis of the Discretionary Actions

The Proposed Action, as discussed above, would establish or modify provisions related to several special permits and one authorization (refer to Section C, above, for a full description of the discretionary actions). A special permit would be created to allow on-site, publicly accessible areas to be integrated into a new development site in exchange for up to a 20 percent increase of the maximum permitted base FAR (up to 3.0 FAR). As an example, a Qualifying Site in the Southern Subarea may increase its maximum achievable FAR from 21.6 to 24.6 via this special permit. The existing Subway Station Improvements Special Permit, pursuant to Zoning Sections 74-634 and 81-292, will be modified in order to allow it to be utilized by new developments in the Subdistrict that are within close proximity to transit nodes. This will permit a bonus of up to 20 percent of the maximum permitted base FAR. (up

Assumes 1.63 persons per residential unit (based on 2014 American Community Survey data for rezoning area), 200 sf per parking space, 650 sf per hotel room, 1 employee per 250 square foot (sf) of office, 3 employees per 1,000 sf of retail, 1 employee per 2.67 hotel rooms, 1 employee per 25 residential units, and 1 employee per 10,000 sf of parking floor area.

to 3.0 FAR). As an example, a site within the Other Transit Improvement Zone Subarea could utilize this special permit to increase its maximum achievable FAR from 23.0 to 26.0. As new hotel floor area will not be permitted as-of-right within the Subdistrict, a new special permit that would allow for the development, conversion, or enlargement of hotels within the Subdistrict will be created. The Proposed Action would also include a special permit to allow for waivers of various provisions of the East Midtown Subdistrict, including height and setback and the definition of a Qualifying Site. The Proposed Action would also create a CPC authorization to allow enlargements to take advantage of the Qualifying Site provisions.

Because it is not possible to predict whether one or more special permits or an authorization would be pursued on any one site in the future, the RWCDS does not include specific development sites that would include a new or enlargement of hotel use and/or achieve the higher maximum FAR. Instead, a conceptual analysis is presented in Chapter 21, "Conceptual Analysis," to generically assess the potential environmental impacts that could result from development at higher FARs pursuant to the special permits and authorization. The conceptual analysis considers the potential environmental effects of the use of these new special permits, and includes a comparison of those effects with those found under the RWCDS for the Proposed Action.

Conceptual Construction Schedule

At this time, there are no specific construction plans for any development that is projected to result from the Proposed Action. For the purposes of assessing potential construction impacts, a conceptual construction phasing and schedule for the RWCDS was developed to illustrate how development of the rezoning area could occur over the next 20 years, as described in Chapter 18, "Construction." The conceptual construction schedule anticipated that construction activities would be initiated in 2019, and conservatively assumes that construction of all Projected Development Sites would be completed by the end of the 2036 analysis year. Construction of various components of the Projected Development Sites would occur over a number of years, with construction activities and intensities varying, depending upon which components of the overall development sites are underway at a given time.

Alternatives

CEQR requires that a description and evaluation of reasonable alternatives to the Proposed Action be included in an EIS at a level of detail sufficient to allow a comparative assessment of the alternatives. Alternatives and the rationale behind their selection are important in the disclosure of environmental effects of a Proposed Action. Alternatives provide options to the Proposed Action and a framework for comparison of potential impacts. If the environmental assessment and consideration of alternatives identify a feasible alternative that eliminates or minimizes adverse impacts while substantially meeting an action's goals and objectives, the lead agency considers whether to adopt that alternative as the Proposed Action. Alternatives considered include a No Unmitigated Impact Alternative, a Lesser Density Alternative and CEQR also requires consideration of a "No-Action Alternative," which evaluates environmental conditions that are likely to occur in the future without the Proposed Action. Additionally, a Modified Rezoning Boundary Alternative, where the East Midtown Subdistrict would be mapped excluding the east side of Third Avenue above East 46th Street was considered. A new Alternative was added to the FEIS, in response to public comments on the DEIS - the Mandatory Privately Owned Public Space (POPS) Alternative. This alternative would require indoor or outdoor POPS on the Projected Development Sites with building footprints over 40,000 square feet, exclusive of additional FAR bonuses. Chapter 20, "Alternatives," assesses alternatives considered for this EIS.

1.6 Public Review Process for the Proposed Action

Environmental Review

The environmental review process established under State and City rules provides a means for decision makers to systematically consider environmental effects along with other aspects of project planning and design; to evaluate reasonable alternatives; and to identify, and mitigate when practicable, any significant adverse environmental effects. The rules guide environmental review through the following steps:

- Establishing a Lead Agency Under CEQR, the "lead agency" is the public entity responsible for conducting the environmental review. Usually, the lead agency is the entity principally responsible for carrying out, funding, or approving the Proposed Action. The CPC is the lead agency for the Proposed Action.
- **Determination of Significance** The lead agency's first charge is to determine whether the proposed project may have a significant impact on the environment. To do so, it must prepare an Environmental Assessment Statement (EAS). The proposed project was the subject of an EAS that was issued on August 22, 2016. The lead agency determined that the Proposed Action may have a significant adverse effect on the environment and issued a Positive Declaration, requiring that an EIS be prepared.
- Scoping Once the lead agency has issued a Positive Declaration, it must then issue a draft scope of work for the EIS. "Scoping," or creating the scope of work, is the process of focusing the environmental impact analyses on the key issues that are to be studied. CEQR requires a public scoping meeting as part of the process. Such a meeting was held for the Proposed Action and EIS Draft Scope of Work on September 22, 2016, and additional comments were accepted during a 10-day period that followed (thereafter, the City accepted additional comments). Modifications to the Draft Scope of Work were made as a result of public and interested agency input during the scoping process, and a Final Public Scoping Document for the project was issued on December 30, 2016.
- **Draft Environmental Impact Statement** In accordance with the Final Scope of Work, a Draft EIS (DEIS) is prepared. Once the lead agency is satisfied that the DEIS is complete, it issues a Notice of Completion and circulates the DEIS for public review. The CPC issued a Notice of Completion for this DEIS on December 30, 2016.
- **Public Review** Publication of the DEIS and issuance of the Notice of Completion signal the start of the public review period. During this time, which is a period of not less than 30 days, the public has the opportunity to review and comment on the DEIS either in writing or at the public hearing convened for the purpose of receiving such comments. Where the CEQR process is coordinated with another City process that requires a public hearing, such as the Uniform Land Use Review Procedure (described below), the hearings may be held jointly. The joint public hearing on the DEIS and the ULURP was held on April 26, 2017. The lead agency must publish a notice of the hearing at least 14 days before it takes place and must accept written comments for at least 10 days following the close of the hearing. The public notice for the hearing was published in the City Record and the New York Post on April 10, 2017, as well as appearing in the New York State Department of Environmental Conservation Environmental News Bulletin on April 12, 2017. Comments were accepted through May 8,

<u>2017.</u> All substantive comments received at the hearing become part of the CEQR record and <u>have been</u> summarized and responded to in t<u>his</u> Final EIS (FEIS).

- Final Environmental Impact Statement After the close of the public comment period on the
 DEIS, the lead agency prepares the FEIS. The FEIS must incorporate relevant comments on the
 DEIS, either in a separate chapter or in changes to the body of the text, graphics, and tables.
 Once the lead agency determines that the FEIS is complete, it issues a Notice of Completion
 and circulates the FEIS. The Notice of Completion for this FEIS was issued on May 26, 2017.
- **Findings** The lead agency will adopt a formal set of written findings based on the FEIS, reflecting its conclusions about the significant adverse environmental impacts of the proposed project, potential alternatives, and potential mitigation measures. The findings may not be adopted until at least 10 days after the Notice of Completion has been issued for the FEIS. Once findings are adopted, the lead agency may take its actions. This means that the CPC must wait at least 10 days after the FEIS is complete to take action on a given application.

Uniform Land Use Review Procedure

The city's Uniform Land Use Review Procedure (ULURP), mandated by Sections 197-c and 197-d of the New York City Charter, is a process specifically designed to allow public review of a Proposed Action at four levels: Community Board, Borough President, CPC, and City Council. The procedure sets time limits for review at each stage to ensure a maximum total review period of approximately seven months.

The process begins with certification by CPC that the ULURP application is complete, which includes satisfying CEQR requirements (see discussion above). The application is then referred to the relevant Community Boards (in this case, Manhattan Community Boards 5 and 6). The Community Boards will have up to 60 days to review and discuss the Proposed Action, hold a public hearing, and adopt an advisory resolution regarding the actions. Once this is complete, the Borough President will have up to 30 days to review the actions. CPC then has up to 60 days to review the application, during which time a public hearing is held. Following the hearing, CPC may approve, approve with modifications, or deny the application. As noted above, the CEQR public hearing may be held jointly with the CPC ULURP hearing. Comments are received on the ULURP applications at the hearing, and comments made with respect to the DEIS are incorporated into an FEIS; the FEIS must be completed at least 10 days before the CPC action.

If the ULURP application is approved, or approved with modifications, it moves to the City Council for review. Council jurisdiction for zoning map changes is mandatory. The City Council has 50 days to review the application and hold a public hearing on the Proposed Action. In the event the Council proposes to modify the application, the modifications are referred to the CPC for a determination whether they are within the scope of the land use and environmental review; the referral of modifications to the CPC tolls the Council time clock by 15 days. The Council may thereafter act to approve, approve with modifications, or disapprove. The City Council vote is final, unless the Mayor chooses to veto the Council's decision. The City Council can override the Mayoral veto by a two-thirds vote. The mayor has 5 days in which to veto the City Council's actions, and the City Council may override the Mayoral veto with 10 days.

The review of a zoning text amendment pursuant to Section 200 of the City Charter follows the same time clock as described above when coupled with a ULURP application, and is subject to the same procedures governing CPC, City Council, and Mayoral action.