

NEW YORK STATE URBAN DEVELOPMENT CORPORATION
d/b/a EMPIRE STATE DEVELOPMENT

**MOYNIHAN STATION CIVIC AND LAND USE IMPROVEMENT
PROJECT**

James A. Farley Post Office Building and Annex,
bounded by Eighth and Ninth Avenues and 33rd and 31st Streets,
421 Eighth Avenue, New York, New York 10199

MODIFIED SUPPLEMENT TO THE GENERAL PROJECT PLAN

January 23, 2017

I. INTRODUCTION

The New York State Urban Development Corporation d/b/a Empire State Development (“**ESD**”) adopts this Modified Supplement to the General Project Plan for the Moynihan Station Civic and Land Use Improvement Project (the “**Project**”) in accordance with the New York State Urban Development Corporation Act (the “**UDC Act**”) in order to effectuate certain modifications to the August 2006 General Project Plan (“**2006 GPP**”) for the Project, as amended in March 2007 and June 2010 (the GPP as so amended the “**Existing GPP**”). The Existing GPP, together with the modifications set forth in this Modified Supplement (this “**Supplement**”), shall constitute the amended General Project Plan for the Project (collectively, the “**GPP**”).

II. LOCATION SUMMARY

The land and improvements known as 421 Eighth Avenue, also known as The James A. Farley Post Office Building and Annex (“**Farley**”), are located on the superblock bounded by West 31st and West 33rd Streets and Eighth and Ninth Avenues in the Borough of Manhattan, County, City and State of New York, Manhattan Tax Block 755, Lot 40. The site is approximately 455 by 800 feet. Farley covers the entire superblock site to the surrounding public sidewalk and contains approximately 1.374 million square feet of usable space. The building rests on supporting columns and a slab above the western portion of the New York Pennsylvania Station (“**Penn Station**”) tracks and passenger platforms that are located approximately forty feet beneath the Farley building in a space (the “**Train Shed**”) that is in the possession and control of National Railroad Passenger Corporation (“**Amtrak**”) and in which The Long Island Railroad (“**LIRR**”) and New Jersey Transit conduct commuter rail passenger services and Amtrak conducts inter-city passenger rail service.

The western portion of Manhattan Tax Block 783 (“**Block 783**”) is located between 33rd and 34th Streets on the east side of Eighth Avenue in the Borough of Manhattan, County, City and State of New York, and that site is approximately 179 feet in width, from Eighth Avenue to the site’s eastern boundary and 197.5 feet in length, from 33rd to 34th Streets with a footprint of approximately 35,352 square feet (the “**Off-Site Premises**”).

III. PROJECT DESCRIPTION

Generally

The Project continues to include the design, redevelopment, construction, and operation of Farley, improvements in the Train Shed, and the mixed-use redevelopment of the Off-Site Premises. As to uses and architectural and engineering matters, the Project remains substantially similar to the Project set forth in the Existing GPP. Farley will be long-term net leased to one or more private tenants (collectively “**Tenant**”) that will construct, operate, and maintain the Farley improvements. The United States Postal Service (“**USPS**”) is expected to continue to operate its historic retail lobby at Eighth Avenue and lease for nominal rent approximately 228,000 square feet of space within the Farley building subject to the future requirements of USPS. The Farley building’s historic features will be repaired, preserved and protected, including façade restoration, exterior lighting, and sidewalk improvements. The Project still calls for redevelopment of the Off-Site Premises as a mixed-use development utilizing approximately 1,000,000 square feet of development rights associated with the Farley building.

This Supplement’s changes to the Existing GPP include the following: (i) LIRR, and potentially its sister Metropolitan Transportation Authority (“**MTA**”) operating entity, Metro-North Commuter Railroad (“**Metro North**”), and Amtrak will be the principal railroads using the new Daniel Patrick Moynihan Train Hall (the “**Train Hall**”) and each of LIRR and Amtrak will have a substantial presence in the Train Hall; (ii) the Tenant will be a new special purpose entity owned by subsidiaries of Vornado Realty, L.P. and The Related Companies L.P., and the Tenant work described in this Supplement replaces the Tenant Work set out in the Existing GPP; (iii) in addition to the transportation related uses, the Farley building will contain office, retail, restaurant, hospitality, and other commercial uses and ancillary uses thereto, but will not include a primarily warehouse store or wholesale club use and will not have any retail use in which a single retail store has more than ninety-nine thousand contiguous square feet of floor area; (iv) the Farley building’s redevelopment will comply with the requirements of the New York State Uniform Fire Prevention and Building Code; and (v) this Supplement overrides ZR 93-13 (the special office use regulations of the Special Hudson Yards District). These changes enhance the Project benefits set forth in the Existing GPP and do not alter the fundamental benefits and utility to be derived from the Project.

Train Hall Improvements

The new iconic Train Hall will be approximately 250,000 square feet. The Train Hall will include the Farley building’s interior courtyard enclosed by a sky-lit glass roof-scape. The Train Hall will provide multiple points of passenger vertical access to the redeveloped West End Concourse (“**WEC**”) and Train Shed’s passenger platforms below. The public will access the Train Hall through the new entrances at the corners of 31st and 33rd Streets on Eighth Avenue, a new entrance from Ninth Avenue, and new mid-block entrances, on 31st and 33rd Streets. The new mid-block entrances will lead to a large sky-lit public circulation hall, located one level up from the Train Hall concourse (accessed from the Train Hall concourse by wide staircases and elevators) and connected to a taxi drop-off and pick-up area. In order for the Farley building

(including the Train Hall) to connect to the new development west of Ninth Avenue, the Project will also include within the Farley building an interior, high ceilinged, well lit, through-block corridor (the “**32nd Street Pedestrian Corridor**”) between that public circulation hall and the new Ninth Avenue entrance so that the public can enter the Farley building through that entrance and proceed to the Train Hall.

The Train Hall will include new passenger amenities, including information displays, ticketing facilities, waiting areas, customer service, and ADA accessibility. The Train Hall’s interior walls will be restored, and the stonework and mortar will be cleaned and refurbished. Within the Train Hall, LIRR, and potentially Metro North, will have new facilities in addition to those in the LIRR corridor of Penn Station. Amtrak will transfer to spaces within and adjacent to the Train Hall most of Amtrak’s operations from Penn Station, including: (i) boarding and detraining for Amtrak trains; (ii) passenger-facing operations (*e.g.*, ticketing, arrival and departure information, waiting, baggage, *etc.*); and (iii) some back-of-house employee functions (although some functions are expected to remain at Penn Station and/or the Amtrak Service Building on 31st Street).

Nine platforms, including all LIRR platforms, and 17 tracks will be vertically accessible from Train Hall. These new vertical access points will: (i) increase passenger access/egress and circulation space, which will relieve congestion at platform and concourse levels throughout the Penn Station complex as a whole; (ii) reduce train dwell time, thereby reducing delays for passengers and permitting additional train movements; and (iii) improve safety and security by providing better passenger circulation to platforms, corridors, and concourses. As compared to the existing Penn Station, the new Train Hall vertical access and passenger circulation space would result in an approximately thirty percent (30%) increase in the combined total of passenger stairs, escalators, and elevators and an approximately fifty percent (50%) increase in passenger circulation space.

Transit-oriented retail development (“**Train Hall Retail**”) will be located adjacent to the Train Hall. Train Hall Retail will not compromise or impede passenger access to or movement through the Train Hall or connecting corridors.

Annexed as Attachment A are Train Hall Improvements Illustrative Plans which shall be subject to modification as further developed.

Train Shed Improvements

Improvements to the Penn Station train shed (the “**Train Shed**”) below the Train Hall will support the construction and operation of the Train Hall. The structure supporting the Train Hall will be reinforced and modified as required for the construction of the Train Hall skylight and for the installation of passenger escalators connecting the Train Hall to the Train Shed boarding platforms. Eleven passenger escalators with enclosures will be constructed and installed between the Train Hall and six of the Train Shed’s passenger boarding platforms. These new vertical circulation elements will improve egress time from platforms to street exits. Four freight elevators will be installed in four former mail elevator shafts to support Amtrak checked baggage service on four Train Shed platforms. One new elevator shaft will be

constructed for the installation of a freight elevator to support Amtrak checked baggage service on platform six of Penn Station. The optional renovation and activation of the “Diagonal” (or “Mail”) Platform (a/k/a “Platform 12”) will not occur because its operation would interfere with the functioning of tracks connecting to other platforms.

New components of a segment of the Penn Station emergency smoke evacuation system will be constructed and installed in the area of the Train Shed below the Train Hall. These components include three fan room platforms to be constructed above the tracks along the south perimeter of the Train Shed. Also included is the installation of seven ventilation fans, with their related operating machinery and power/communications conduits, into a total of seven of these fan room platforms (four of which were previously constructed as part of the Project’s Phase 1). The new components will improve adherence, to the maximum extent practicable subject to preexisting structures, to guidelines established by the *National Fire Protection Association (NFPA) Standard 130: Standard for Fixed Guideway Transit and Passenger Rail Systems (“NFPA 130”)*.

Structural reinforcement of the slabs and walls of the depressed moats adjacent to the north and south facades of the Farley building will be performed to prevent water infiltration into the Farley building and the Train Shed to protect against damage and disruption from severe weather.

Commercial Development

Private commercial development, in addition to the Train Hall Retail, will include approximately 675,000 square feet within the Farley building that is expected to consist primarily of commercial office, retail, restaurant and hotel uses and ancillary uses thereto. Annexed as Attachment B are Commercial Development Illustrative Plans, which shall be subject to modification as further developed. If USPS reduces its space (other than the historic lobby, which USPS is expected to retain), it is expected that such surrendered space would become additional private commercial development and/or Amtrak space.

Off-Site Premises

In accordance with a letter submitted to ESD dated December 1, 2016 from the New York City Planning Commission (the “**CPC Letter**”), ESD has modified the Off-Site Premises design requirements of the 2006 GPP as follows: (i) a 3’6” sidewalk widening area shall be provided along Eighth Avenue; (ii) above 150 feet, the building shall setback 10 feet from the property line along Eighth Avenue; (iii) subway stair relocations shall be provided, the design of which shall be subject to the approval of the New York City Transit Authority; (iv) new entrances to Penn Station (LIRR concourse level) shall be provided, the design of which shall be subject to the approval of the Long Island Rail Road; and (v) signage shall comply with the design requirements of the Penn Center Subdistrict zoning regulations but any signage that does not comply with the design requirements of the underlying C6-4 signage regulations shall be subject to the approval of the Chair of the City Planning Commission, in consultation with ESD and the State Historic Preservation Office (“**SHPO**”). The height of the building to be constructed on the Off-Site Premises shall not exceed 720 feet from street level (inclusive of

building mechanicals) unless approved by ESD after consultation with the Chair of the City Planning Commission and subject to further review to determine whether new or different significant adverse environmental impacts (*i.e.*, other than those impacts disclosed in the Final Environmental Impact Statement and Technical Memoranda for the Project) would result from a proposed increase in such building height. The building shall have a strong street wall design subject to the approval of ESD. The foregoing design requirements replace those incorporated in the 2006 GPP and the site plan annexed thereto as Attachment E. Accordingly, in light of the changes described above, the Off-Site Premises would no longer be required to include the Interior Public Space or Through-Block Passage between West 33rd Street and West 34th Street identified in Attachment E. ESD may acquire fee title to or other legal interest in the Off-Site Premises. If the redevelopment of the Off-Site Premises requires Block 783 garage-related changes to the parking reservoir or queuing space (*e.g.*, garage and driveways) on Block 783 that are inconsistent with applicable zoning requirements for Block 783, ESD shall present such proposed changes to and consult with the New York City Department of Transportation (“NYCDOT”) and New York City Department of City Planning (“NYCDCP”).

2006 GPP, Section VI.D(ii)(b) provides:

Tenant also will make payments directly to The City of New York or its designee (“City”), on behalf of ESDC/MSDC, for the Off-Site Premises in an amount not less than that than the PILOT schedule attached hereto as Attachment D, it being understood and agreed that such payment schedule requires participation of the Off-Site premises in the 80/20 affordable housing program or other affordable housing program acceptable to the City. It being further understood and agreed that the failure of the Off-Site premises to so participate in any such affordable housing program will require the payment of full real estate taxes applicable to the Off-Site premises. Tenant can request any tax incentive available at the time from the City. Prior to and after such period, Tenant will make payments equivalent to the actual real estate taxes that would otherwise be due but for ESDC interest in the Off-Site Premises.

The language of Section VI.D(ii)(b) is incorporated into this Supplement with the following modifications:

- (i) The words “Tenant also will make payments directly to The City of New York or its designee (“City”), on behalf of ESDC/MSDC” are replaced with “Developer will make payments to the ESD PILOT trustee”;
- (ii) Attachment D and the words “in an amount not less than that than the PILOT schedule attached hereto as Attachment D” are replaced with:
“an amount not less than actual real estate taxes with such incentives and abatements as would be available if the Off-Site Premises were subject to real estate taxes”;
- (iii) the reference to “the 80/20 affordable housing program acceptable to the City” is replaced with:

“any new Real Property Tax Law (“RPTL”) Section 421-a type plan (which is expected to include a 75 market rate rent/25 affordable rate rent split) enacted at the time that the programming of Off-Site Premise is committed to; or (b) if such plan is not enacted, then (x) the RPTL 421-a previously in effect coupled with (y) the affordable housing requirements of Section 23-154 (d)(3)(iii) of the City’s Zoning Resolution”; and

- (iv) The understanding concerning the payment of “full real estate taxes applicable to the Off-Site Premises” is modified to be “subject to the Off-Site Premises Fixed Period (defined below)”.

ESD may establish a fixed PILOT schedule for Farley and the Off-Site Premises as follows: (i) with respect to Farley, the first ten years of PILOT payments to be made after substantial completion of construction of the Train Hall, but in any event for at least the first thirteen years following full financial close for the Farley redevelopment (the "**Farley Fixed Period**"); and (ii) with respect to Off-Site Premises, up to the first 20 years of PILOT payments to be made after substantial completion of the Off-Site Premises redevelopment construction (the "**Off-Site Premises Fixed Period**"). Thereafter, PILOT for Farley and Off-Site Premises generally shall be equal to the taxes that would have been payable on the applicable portion of each building had the same not been owned by ESD and shall be calculated on a year-by-year basis (with the involvement and assistance of the New York City Department of Finance). The PILOT to be paid with respect to Farley and the Off-Site Premises will be used to pay for and finance the Train Hall Improvements (as defined below), including reserve, administrative and other costs for the applicable financings, hard and soft construction costs (including any payments advanced for such costs), the repayment of the outstanding mortgage loan, and the creation and future maintenance of a residual capital improvement fund as described below (collectively, the "**Train Hall PILOT Uses**"). Such PILOT proceeds shall be paid directly to an ESD PILOT trustee; provided, however, the (i) Farley PILOT paid from and after the Farley Outside PILOT Date (as defined below) shall be used to fund and replenish a fifty million dollar (\$50,000,000) reserve capital improvement fund for ESD to use for Farley capital improvements (the "**Reserve Fund**"), with any excess Farley PILOT paid by ESD to The City of New York (the "**City**") and (ii) Off-Site Premises PILOT paid from and after the Off-Site Premises Outside PILOT Date (as defined below) shall be paid to the City. As used herein, "**Farley Outside PILOT Date**" shall mean the last day of the period for which Farley PILOT is needed for the Train Hall PILOT Uses, and "**Off-Site Premises Outside PILOT Date**" shall be the last day of the period for which Off-Site Premises PILOT is needed for the Train Hall PILOT Uses.

IV. ESSENTIAL TRANSACTION TERMS FOR FARLEY

Except as expressly provided above with respect to 2006 GPP Section IV.D(ii)(b) as modified by this Supplement, the Essential Transaction Terms set out in this Supplement replace the Essential Transaction Terms in the in the 2006 GPP portion of the Existing GPP.

Landlord/Tenant Relationship

ESD will long-term net lease to Tenant in one or more leases the Farley building subject to the existing USPS space leases. At the initial closing, ESD will lease to the Tenant for a term of approximately one year with possible extensions all of Farley (the "Interim Lease") and enter into a development agreement. During the Interim Lease term, the Tenant and its contractors will conduct pre-construction work for the Train Hall and Train Shed related portions of the Project, including, among other things, demolition and abatement work, contracting for long-lead time materials and fixtures (e.g., skylight glass and steel, elevators, escalators), additional design work, and negotiating subcontracts. ESD will provide funding for this work in the amount of up to \$150,000,000. The funds disbursed to Tenant for this work during the Interim Lease period will be part of the aggregate Train Hall Improvement Funding (as defined below).

At full financial close for the Farley building transaction, the Interim Lease and the development agreement will be amended. Pursuant to the amended lease, Farley will be net leased to the Tenant for a ninety-nine-year term (the "**Long Term Lease**"). Tenant will also assume ESD's obligations under the USPS leases which allow USPS to lease the USPS Unit for a nominal amount and provide for USPS to pay a specified portion of the common costs of Farley based on the ratio of the square footage of USPS leased premises to the aggregate gross square footage of the Farley building. At commencement of the Long Term Lease, Tenant shall deposit \$230,000,000 into an account to be disbursed for the Train Hall Improvements (as defined below). Tenant shall make to ESD periodic payments that will include rent and amounts based on property taxes that would have been due, subject to as of right abatements, as if the Tenant, rather than ESD, owned the Train Hall Retail Unit (as defined below) and the Commercial Unit (as defined below). Long Term Lease payments shall be absolute and unconditional and net to ESD.

Leasehold Improvements

ESD and the Tenant will enter into a development agreement that makes the Tenant responsible for leasehold improvements. Tenant will have responsibility for the design and construction of the Train Hall related improvements (the "**Train Hall Improvements**"), including: (i) improvements in the Train Shed; (ii) the Train Hall, including main passenger concourse, the new public mid-block circulation hall and other new circulation spaces, entrances from Eighth and Ninth Avenues and 31st and 33rd Streets, new vertical access connecting the Train Hall to the Train Shed, skylights, and other new facilities for rail passengers such as waiting areas and baggage handling; (iii) the core and shell of the LIRR Unit (as defined below), the Amtrak Unit (as defined below), and the Train Hall Retail Unit; (iv) replacement of building systems and infrastructure; (v) new entrance canopies; (vi) mid-block taxi drop-off and pick-up areas; (vii) restoration of the Farley building's exterior, plazas, and moats; (viii) perimeter sidewalk improvements; and (ix) other improvements inferable from the plans prepared by Skidmore, Owings & Merrill LLP (the "**SOM Plans**") and provided to the Tenant by ESD. The Tenant may revise or supplement those plans, and ESD will consider such changes for approval. Generally, the various element of the Train Hall Improvements can be classified either part of a transportation project or a transportation oriented development project. The Tenant will agree to complete the Train Hall Improvements for approximately \$1,264,000,000 with such adjustments for certain excluded concealed and environmental conditions and as may otherwise be agreed to by the Tenant and ESD (the "**Train Hall Improvements Cost**"). ESD will provide to the

Tenant funding in the amount of the Train Hall Improvements Cost to be used to fund the cost of the Train Hall Improvements. ESD plans to utilize funding from Amtrak, MTA, and PANYNJ, payments to be made by Tenant including monetization of such payments, and funding from other ESD sources to fund the Train Hall Improvements Cost.

Condominium Regime

Subsequent to the commencement of the Long Term Lease, ESD will make Farley a commercial condominium (the “**Condominium**”). The Condominium units (each, a “**Unit**”) are expected to include: (i) the LIRR space unit (the “**LIRR Unit**”), (ii) the Amtrak space unit (the “**Amtrak Unit**”), (iii) the Train Hall Retail unit (the “**Train Hall Retail Unit**”), (iv) the USPS space unit (the “**USPS Unit**”), and (v) one or more commercial space units (collectively, the “**Commercial Unit**”). The Train Hall, the main passenger concourse, mid-block public circulation space, entrances from Eighth and Ninth Avenues and mid-block at 31st and 33rd Streets, the 32nd Street corridor from the Ninth Avenue entrance to the mid-block public circulation space, new vertical access facilities connecting the Train Hall to the Train Shed, Eighth Avenue plazas, the moats, and other spaces in and around the Farley Building will be common elements of the Condominium. The common elements are expected to be operated and maintained by a professional management company retained by the Condominium; however, transportation related operations and maintenance are expected to be overseen by a special sub-board of the Condominium and day to day passenger transportation operations are expected to be managed by a station manager designated by Amtrak and/or LIRR.

Upon commencement of the condominium plan (the “**Condominium Plan**”) for the Condominium, ESD shall own and lease to Tenant all of the Units. Each Unit shall have an undivided interest in the common elements of the Condominium and pursuant to the Long Term Lease and the Condominium Plan Tenant shall have the Unit owner’s rights and obligations with respect to the Condominium’s common elements. With respect to Tenant’s Units, Tenant will: (i) arrange and be responsible for the Unit’s fit-out (exclusive of the fit-out of the LIRR Unit and the Amtrak Unit as described below); and (ii) pay each Tenant’s Unit’s operations and maintenance costs (“**O&M**”) and the Unit’s share of the Condominium’s common area maintenance costs and assessments (“**CAM**”). After Tenant’s substantial completion of the core and shell of the LIRR Unit and the Amtrak Unit, the Long Term Lease will terminate with respect to each such Unit, and each of LIRR and Amtrak will be responsible for O&M and CAM for its respective Unit. The Condominium documents will set out the structures and procedures for coordinating the operations of LIRR, Amtrak, and the Tenant, including management and operation of the Train Hall and O&M with respect to the Train Hall.

LIRR and Amtrak

Upon substantial completion of the core and shell of the LIRR Unit and the Amtrak Unit, the Long Term Lease will terminate for such Units. ESD shall: (i) long-term net lease to LIRR (the “**LIRR Lease**”) the LIRR Unit that LIRR shall operate and maintain, and (ii) convey to Amtrak the Amtrak Unit that Amtrak shall own, operate and maintain. Pursuant to the LIRR Lease and the Condominium Plan LIRR shall have the Unit owner’s rights and obligations with respect to the Condominium’s common elements. As owner of the Amtrak Unit, Amtrak will

have an undivided interest in the common elements of the Condominium. Each of LIRR and Amtrak with respect to its Unit will: (i) arrange and be responsible for the Unit's fit-out, (ii) pay the Unit's operations and maintenance costs ("O&M") and the Unit's share of the Condominium's common area maintenance costs and assessments ("CAM") and (iii) pay to the Condominium a share of the O&M and CAM with respect to the Train Hall.

Uses in Farley

The Train Hall and all areas adjacent to the Train Hall will be utilized only for uses that are compatible with the operation of a train station and of the quality found in a first-class, up-to-date transportation-oriented multi-use facility operated and maintained in accordance with the best management practices ("**First Class Transportation Facilities**"), and proposed changes to such uses shall be subject to approval by ESD, LIRR and/or MTA, and Amtrak. The Commercial Unit may be used for office, hospitality, retail and restaurant uses and ancillary uses thereto or, to the extent reasonably approved by ESD, other legal uses as determined by Tenant that are of the quality found in First Class Transportation Facilities. The Train Hall Retail Unit may be used for retail, restaurant and ancillary uses only, as determined by Tenant, subject to agreed-upon list of standards and prohibited uses, and such uses and the applicable users shall be of the quality found in First Class Transportation Facilities and shall be subject to the reasonable approval of ESD, LIRR and/or MTA and Amtrak, to the extent such users occupy spaces that face the Train Hall. No portion of the Farley building will be used for any unlawful or illegal uses or in any manner that constitutes a nuisance or for certain prohibited uses that detract or degrade the Train Hall's use as a First Class Transportation Facility. MTA and its operating entities, LIRR and potentially Metro North, Amtrak and PANYNJ will have such subleases, easements, or licenses with respect to the Train Hall as are necessary for the use of the Train Hall by these entities and their passenger operations and customer services.

V. OVERRIDE OF LOCAL LAW; STANDARDS

This Supplement does not disturb the override of local law in the Existing GPP in which ESD found that it is not feasible or practicable for the Project to comply with the New York City Zoning Resolution ("ZR"). ESD has overridden the ZR, including: (i) ZR 74-62: Railroad passenger stations; (ii) former ZR 74-763 (now ZR 37-622 and 74-761) and ZR 81-231: Reduction in size of previously bonused urban plaza; (iii) ZR 81-211: Permitted floor area; (iv) ZR 81-26 and 81-27: Height and setback regulations; (v) ZR 81-45: Pedestrian circulation space; (vi) to the extent necessary: ZR 81-46: Relocation of subway stairway entrance onto zoning lot; and (vii) ZR 74-52: Special Permit required for public parking.

In addition, for the inclusion of office space in the Farley building, ESD hereby overrides ZR 93-13 (the special office use regulations of the Special Hudson Yards District) as not feasible or practicable.

To facilitate development of the Off-Site Premises, ESD hereby overrides as not feasible or practicable: (i) ZR 13-25 (parking garage reservoir space), subject to the condition that any reduction in parking garage reservoir space in connection with the development of the Off-Site Premises not in compliance with ZR 13-25 shall be subject to the approval of the Chair of the

City Planning Commission, and (ii) ZR 23-30 and 32-60 (signage regulations governing the Off-Site Premises), subject to the condition that all signage at the Off-Site Premises shall comply with the design requirements of the Penn Center Subdistrict zoning regulations and that any signage that does not comply with the design requirements of the underlying C6-4 signage regulations shall be subject to the approval of the Chair of the City Planning Commission, in consultation with ESD and SHPO.

The WEC was constructed in accordance with the *National Fire Protection Association (NFPA) Standard 130: Standard for Fixed Guideway Transit and Passenger Rail Systems*. The Uniform Fire Prevention and Building Code as adopted by the State of New York (the "State Code") is the applicable standard for the LIRR facilities in Penn Station. Due to the differing applicable standards, LIRR's presence in the Farley building, and the Farley building's physical connection to the existing LIRR facilities, ESD determined that it is not practicable to apply the local code and that the State Code will govern the Farley building except as otherwise indicated in Section VII below.

If and to the extent that the New York City Landmarks Law (codified in Title 25 of the New York City Administrative Code) would be applicable to an ESD-sponsored project in an ESD-owned building, ESD further finds that it is not feasible or practicable for the Project to comply with that local law. However, ESD has held informational meetings with the staff of the Landmarks Preservation Commission to apprise it of the design plans for the Project and will continue to comply with the New York State Historic Preservation Act.

VI. UDC ACT SECTION 10(d), 10(c) AND 10(g) FINDINGS

The changes to the Project described in this Supplement are consistent with and do not disturb the Civic Project and Land Use Improvement Project findings of the Existing GPP and such findings remain in full force and effect for the reasons described below.

A. Civic Project Findings: UDC Act Section 10(d)

- (1) There exists in the area in which the project is to be located, a need for the educational, cultural, recreational, community, municipal, public service or other civic facility to be included in the Project.

There exists within the Project location on the West Side of Manhattan in New York City a need for the Project, inclusive of the Train Hall. The Farley building, which is largely vacant, is an important historic and cultural resource and is in need of protection, repair, preservation, and beneficial reuse. Penn Station operates above capacity and is not adequately designed for its existing passenger load or the expected growth in passenger load. Additional station capacity and the integration of that additional capacity with Penn Station and the mass transit facilities currently serving the area will provide to New York City and the region the modern, interconnected and cohesive rail transportation hub that is essential to support economic growth.

(2) The Project consists of a building or buildings or other facilities that are suitable for educational, cultural, recreational, community, municipal, public service or other civic purpose.

The Project consists of facilities suitable for the civic purposes of preserving an historic and cultural resource and providing transportation facilities. The Project will remediate, restore, and preserve the historic features of this important cultural resource. Within and beneath the Farley building, the Project will consist of public transportation improvements, including, but not limited to: (i) new emergency ventilation facilities; (ii) a substantially expanded WEC; (iii) an expansive Train Hall, including a grand concourse; (iv) the mid-block public circulation hall between 31st and 33rd Streets; (v) new entrances from Eighth and Ninth Avenues and mid-block from 31st and 33rd Streets; (vi) additional back-of-house and passenger facing operations space for LIRR and Amtrak; and (vii) multiple new vertical access points between the Train Hall and the Train Shed. The Project will re-use and redevelop the underutilized Farley building in a manner that avoids the adverse effects that “overbuild” construction would have on the historic building and preserves an important civic and historic resource. In addition, the Project substantially widens and improves the underground 33rd Street corridor that connects the Train Hall, Penn Station and the Eighth Avenue Subway (the 33rd Street Connector). With construction of these improvements, the Project will consist of a multi-dimensional transportation facility integrating newly constructed transportation components with related adjoining and supporting private development and existing transportation facilities.

(3) The Project will be leased to or owned by the state or an agency or instrumentality thereof, a municipality or an agency or instrumentality thereof, a public corporation, or any other entity which is carrying out a community, municipal, public service or other civic purpose, and adequate provision has been, or will be, made for the payment of the cost of the acquisition, construction, operation, maintenance and upkeep of the Project.

ESD owns Farley and may eventually have ownership of a fee or leasehold interest in the Off-Site Premises. Except with respect to the Amtrak Unit, ESD will own all of the Units. MTA and/or its operating entity LIRR will long-term net lease from ESD the LIRR Unit. Amtrak will own the Amtrak Unit. The Project owned or leased by these entities is for the creation and improvement of a commuter and inter-city rail passenger facility to be used by the public, and adequate provision has been, or will be, made for the payment of the cost of the acquisition, construction, operation, maintenance and upkeep of the Project. Any sale or lease of these facilities, or portions thereof, will require that the owner or lessee carry out the Project’s civic purposes and operate, maintain, and upkeep the Project.

(4) The plans and specifications assure or will assure adequate light, air, sanitation, and fire protection.

The plans and specifications for the Project assure adequate light, air, sanitation and fire protection for the Project. The creation of additional passenger circulation space and vertical access points and the improvement to the platform ventilation system will substantially enhance safety and security for the Train Shed, the Farley building (including the Train Hall), and the Penn Station complex as a whole.

B. Land Use Improvement Project Findings: UDC Act Section 10(c)

(1) The area in which the Project is to be located is a substandard or insanitary area, or is in danger of becoming a substandard or insanitary area and tends to impair or arrest sound growth and development of the municipality.

Considered as a whole, the Project site (comprised of Farley, the Off-Site Premises, and the 33rd Street Connector, an adjoining below-grade pedestrian passageway connecting Penn Station to the WEC and Eighth Avenue Subway) is substandard, and the area is significantly underutilized. The Farley building is a 100-year old facility that is virtually unoccupied and is in need of significant systems upgrade, façade renovation, and capital improvement. The 33rd Street Connector is too narrow for the volume of passenger/pedestrian traffic that it must bear and does not meet ADA-accessibility standards. At present, approximately 75% of the Farley building's total 1.4 million square feet is vacant, but the Project would restore that vacant space to productive use. In the Farley building, there are approximately 2,500,000 additional square feet of unused development rights (over and above the approximately 1,400,000 square feet of built area) available under the New York City Zoning Resolution. The Project calls for utilization of approximately 1,000,000 square feet of the Farley building's development rights with respect to the Off-Site Premises. The utilization of these development rights at that Project site location will foster efficient regional growth due to the site's immediate proximity to the City's largest regional rail and mass transit hub and is in the public interest.

(2) The Project consists of a plan or undertaking for the clearance, re-planning, reconstruction and rehabilitation of such area and for recreational and other facilities incidental or appurtenant thereto.

The Project calls for the Farley building's rehabilitation, redevelopment of the Off-Site Premises, new rail and transit interconnections, and improvement of the 33rd Street Connector.

(3) The plan or undertaking affords maximum opportunity for participation by private enterprise, consistent with the sound needs of the municipality as a whole.

The private development of the Farley building and utilization of Farley building's development rights at Off-Site Premises afford the maximum opportunity for participation of private enterprise without compromising the design or operation of the Train Hall or the Project's other public benefits.

C. UDC Act Section 10(g)

Necessary relocation of any Project location site occupants will be performed in accordance with applicable law. ESD understands that there are no residential occupants at the Project location and no residential relocation is required under UDC Act Section 10(g).

VII. ENVIRONMENTAL

In connection with the 2006 GPP and as lead agency under the State Environmental Quality Review Act (“**SEQRA**”), ESD prepared an Environmental Impact Statement (“**EIS**”) for the Project in 2006. In 2010, ESD prepared a Technical Memorandum (the “**2010 Tech Memo**”) to analyze changes to the 2006 GPP described in ESD’s Final Amended General Project Plan dated June 2010. On July 20, 2010, based on an Environmental Assessment dated April 2010, the Federal Railroad Administration (“**FRA**”) issued a Finding of No Significant Impact with respect to the Project under the National Environmental Policy Act (“**NEPA**”).

In order to assess the modifications to the Existing GPP described in this Supplement, and to determine whether such modifications would result in any potential significant adverse environmental impacts not identified or adequately addressed in ESD’s previous environmental review, ESD has had a new Technical Memorandum prepared (the “**2016 Tech Memo**”). The 2016 Tech Memo concludes that the proposed modifications would not result in any significant adverse environmental impacts not previously identified and adequately addressed for the Existing GPP approved project. Therefore, a Supplemental Environmental Impact Statement is not needed and no further environmental review is required in connection with the modifications to the Existing GPP described in this Supplement. As described in the Existing GPP, ESD will consult with the New York City Department of Transportation as appropriate to implement traffic control measures and cross-walk widenings identified in the environmental review for the Project.

Furthermore, ESD will continue consultation with the State Historic Preservation Office (“**SHPO**”) as designs for Phase 2 are developed, pursuant to the First Amended and Restated Programmatic Agreement executed in July 2010 (the “**Programmatic Agreement**”). In addition, the opportunity for certain consulting parties with a recognized interest in the preservation of the historic character of the Farley Building to comment on the design submissions to SHPO, as stipulated in the Programmatic Agreement, will be continued. The Programmatic Agreement will be amended as necessary in order to add the Tenant and the Condominium as parties to that agreement; however, such amendment would continue to stipulate the ongoing consultation with SHPO and the involvement of the consulting parties.

In the event that FRA or another federal agency were to consider taking a future action with respect to the Project, such agency may undertake additional environmental review, as and to the extent required by National Environmental Policy Act.

VII. BUILDING CODE

With the exceptions set out below, the Uniform Fire Prevention and Building Code as adopted by the State of New York (the “**State Code**”) will govern the Farley building work and improvements. With respect to fire and life safety matters, if the New York City Building Code provides a more appropriate approach for an element of the Farley building’s design or construction, a variance from the State Code may be sought in order to implement such

approach. Any portion of the Project conveyed to Amtrak may be subject to federal railroad entity exemptions from State Code and local municipal codes.

ATTACHMENTS

Attachment A	Train Hall Related Improvements Illustrative Plan
Attachment B	Commercial Development Illustrative Plans

Attachment A -Train Hall Related Improvements Illustrative Plan

33RD STREET



9TH AVENUE

8TH AVENUE

NO ASSIGNMENT
 PHASE 1
 PHASE 3
 NO ASSIGNMENT

AMTRAK PUBLIC AMTRAK
 AMTRAK BOH AMTRAK
 BAGGAGE OPERATION AMTRAK

CIRCULATION PUBLIC
 CIRCULATION (BOH)
 SHARED/ CONFIRM

RETAIL RETAIL
 CLUB ACELA
 AMTRAK

LIRR LIRR
 PA
 PA? CONFIRM

CONTROLLED WAITING
 BAGGAGE OPERATION
 AMTRAK

SHARED/ CONFIRM
 MECHANICAL
 BOH
 SHARED/ CONFIRM

POLICE CONFIRM DESIGNATION
 RESTROOM SHARED RR

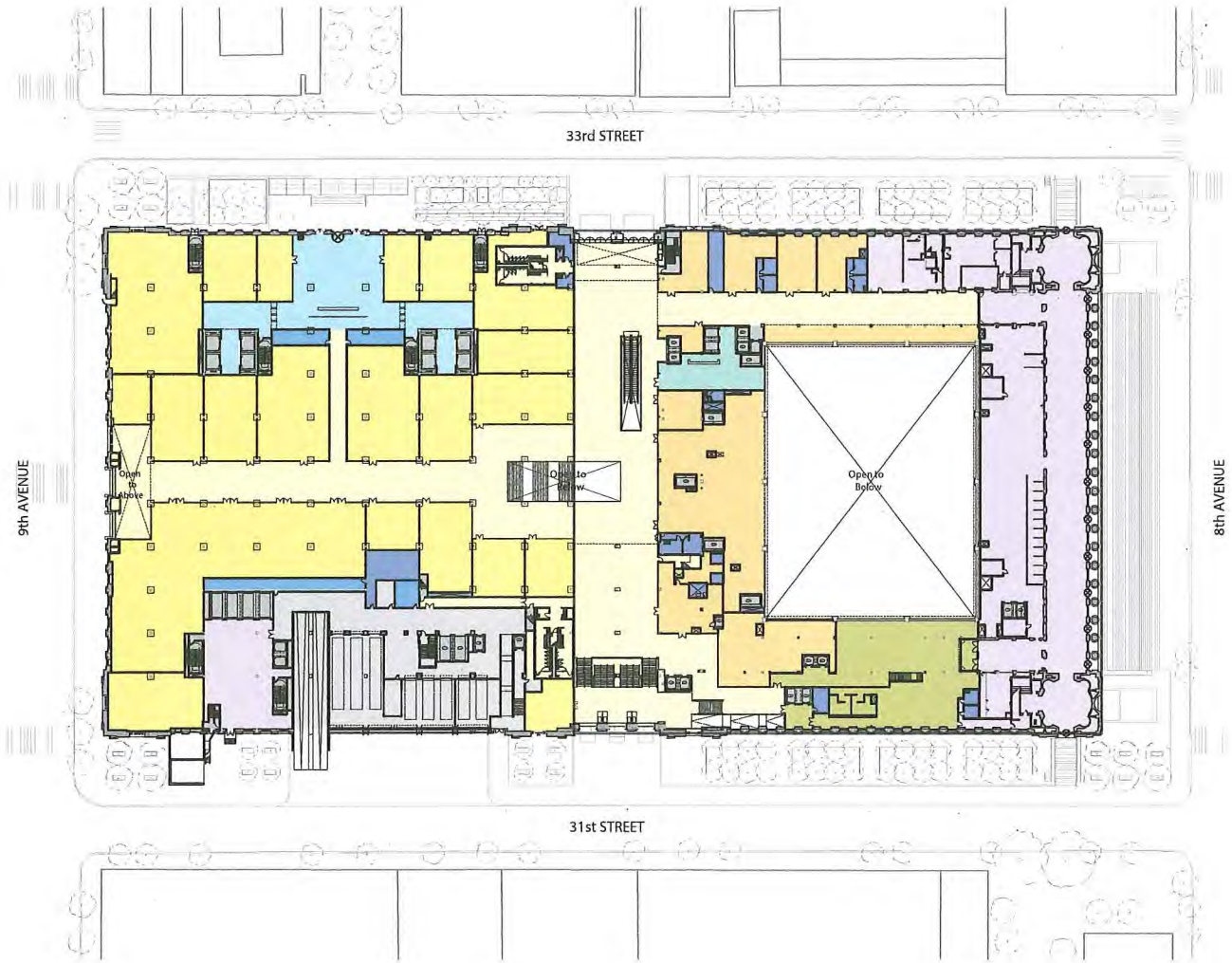
MOYNIHAN STATION

CONCOURSE LEVEL





SOM
 SHoP ARCHITECTS
 100 WEST 25TH STREET, 10TH FLOOR
 NEW YORK, NY 10011

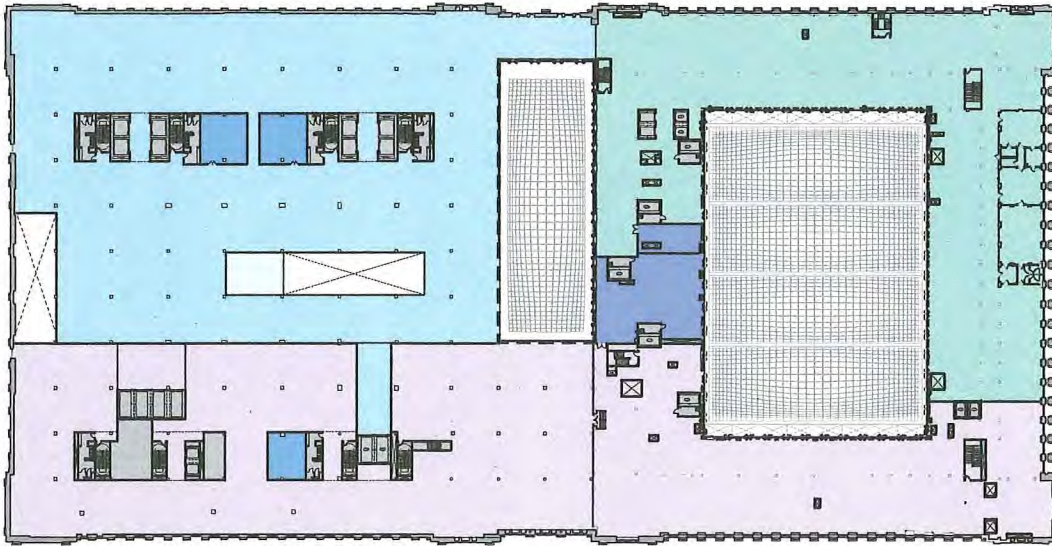
Attachment B - Commercial Development Illustrative Plans



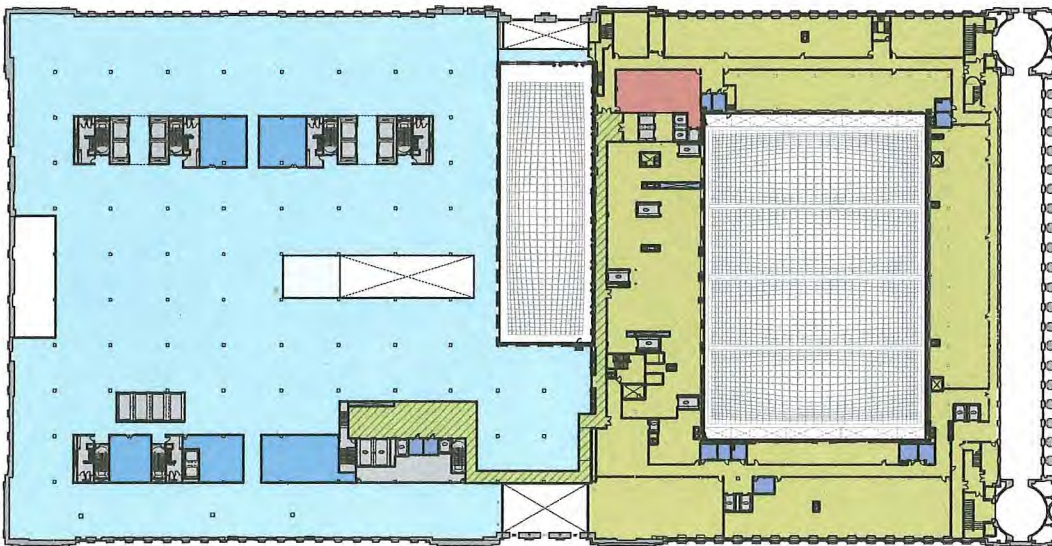
Level 1

- | | |
|---|--|
|  Circulation |  Annex Office |
|  Annex Retail |  Ring Office |
|  Train Hall Retail |  Loading |
|  LIRR & MNRR |  MEP - Private |
|  Train Hall |  MEP - Train Hall |
|  Amtrak |  MEP - Common |
|  USPS | |





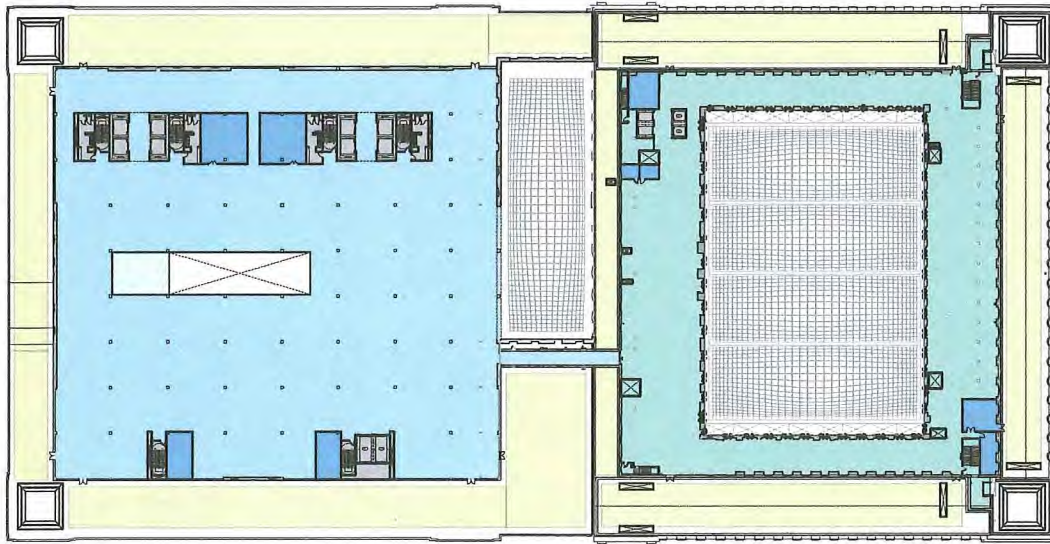
Level 3



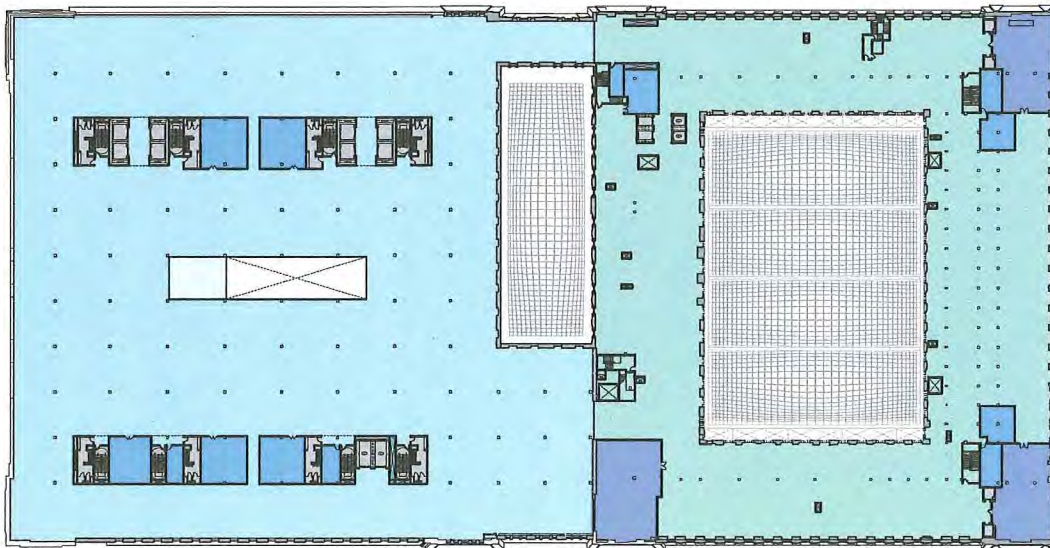
Level 2

- | | | | |
|---|--------------|---|------------------|
|  | LIRR & MNRR |  | MEP - Private |
|  | Amtrak |  | MEP - Train Hall |
|  | USPS |  | MEP - Common |
|  | Annex Office |  | Shared Corridor |
|  | Ring Office | | |





Level 5



Level 4

- | | | | |
|---|--------------|---|------------------|
|  | LIRR & MNRR |  | MEP - Private |
|  | Amtrak |  | MEP - Train Hall |
|  | USPS |  | MEP - Common |
|  | Annex Office | | |
|  | Ring Office | | |

