Penn Station Area Redevelopment Project

ESD Staff Response to CACWG Recommendations for GPP

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CACWG Recommendations

Stated goals of the CACWG (March 2021):

- Discuss and try to resolve obstacles to an improved and cohesive Penn Station and Penn District
- Develop a set of recommendations for ESD on next steps for the GPP and provide feedback to MTA/Amtrak/NJT through their ongoing Penn Station planning process

Recommendations submitted to ESD and MTA (August 2021) focused on 9 areas:

- Governance/Engagement
- Public Realm
- Transportation
- 2 Penn & MSG
- Human Assets
- Development Framework
- Financing
- Environment
- Workforce Participation

ESD Staff Response

- This presentation lays out ESD staff's proposed revisions to the draft General Project Plan (GPP) based on the CACWG recommendations and other community input.

- ESD plans to release these proposed revisions and hold a public hearing before year end, followed by an extended public comment period, to allow a broader audience to review and comment on the revised plan and the DEIS.

- The plan may be further revised based on the hearing and public comments, before being brought to the ESD Board of Directors for consideration in Spring 2022.

- Note that this presentation and revised plan only address the CACWG recommendations within the scope of the GPP – other recommendations have been shared with the relevant agencies/entities for their consideration.

Governance / Engagement: Continue CACWG and Public Meetings

- CACWG would meet bi-monthly and continue to play an **advisory role through build-out.**
- Developers would present each building to the CACWG and Community Boards 4 and/or 5 for feedback.
- ESD would work with CACWG in drafting Requests for Proposals for Sites 1-3 and any future modifications to the General Project Plan.
- ESD would assign a **Quality of Life community liaison** and send regular email blasts to community stakeholders regarding construction activities.
- ESD would hold **Quality of Life public meetings** quarterly throughout construction.

Governance / Engagement: Create Public Realm Task Force

- ESD would launch a cross-jurisdictional **Penn Public Realm Task Force**, modeled on the East Midtown Rezoning Public Realm Improvement Fund Governing Group.

- The Public Realm Task Force would comprise representatives of:
  - ESD
  - MTA
  - Amtrak
  - New Jersey Transit
  - NYC DOT
  - NYC DCP
  - U.S. Congressmembers
  - NYS Senators and Assemblymember
  - Manhattan Borough President
  - New York City Councilmember
  - Manhattan Community Boards 4 and 5
  - Civic organization(s)
  - Developers of the GPP Sites
  - MSG

Governance / Engagement: Create Public Realm Task Force

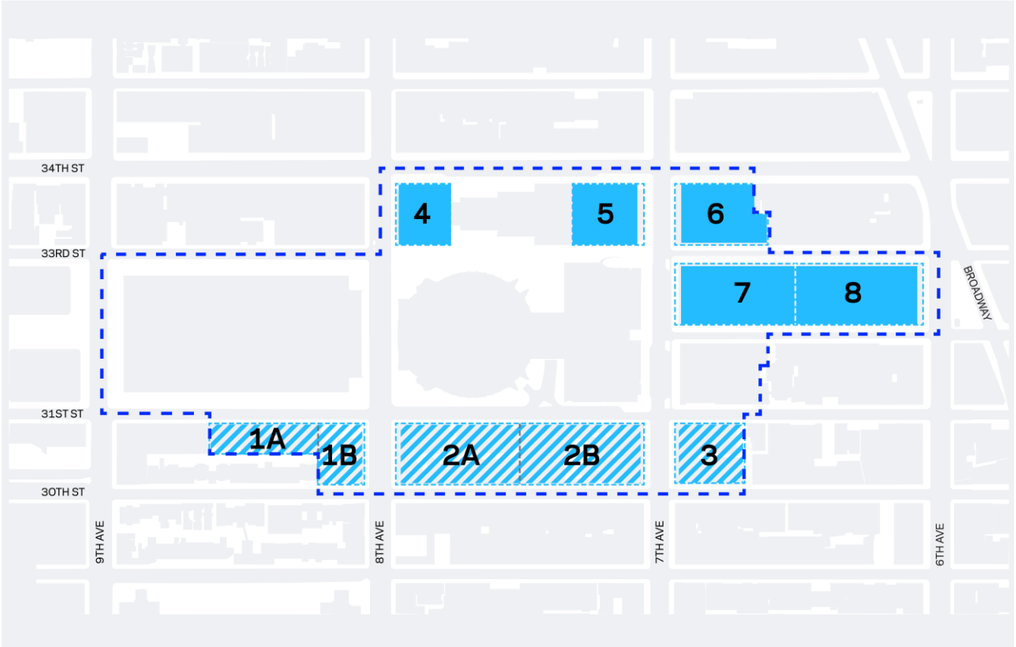
- A **Penn Public Realm Fund** would be set up and administered by ESD, with direction from the Task Force, and would be seeded by a portion of the real estate revenues generated by the GPP Sites.

- Among other things, the Task Force would develop:
  - a **Public Realm Concept Plan** that includes a prioritized list of desired public realm improvements in the Project Area and immediately adjacent thereto
  - **guiding principles** for public realm design (such as thermal comfort) and operations (such as respect for the homeless)
  - **programming concepts** for the Block 780 public open space and shared streets

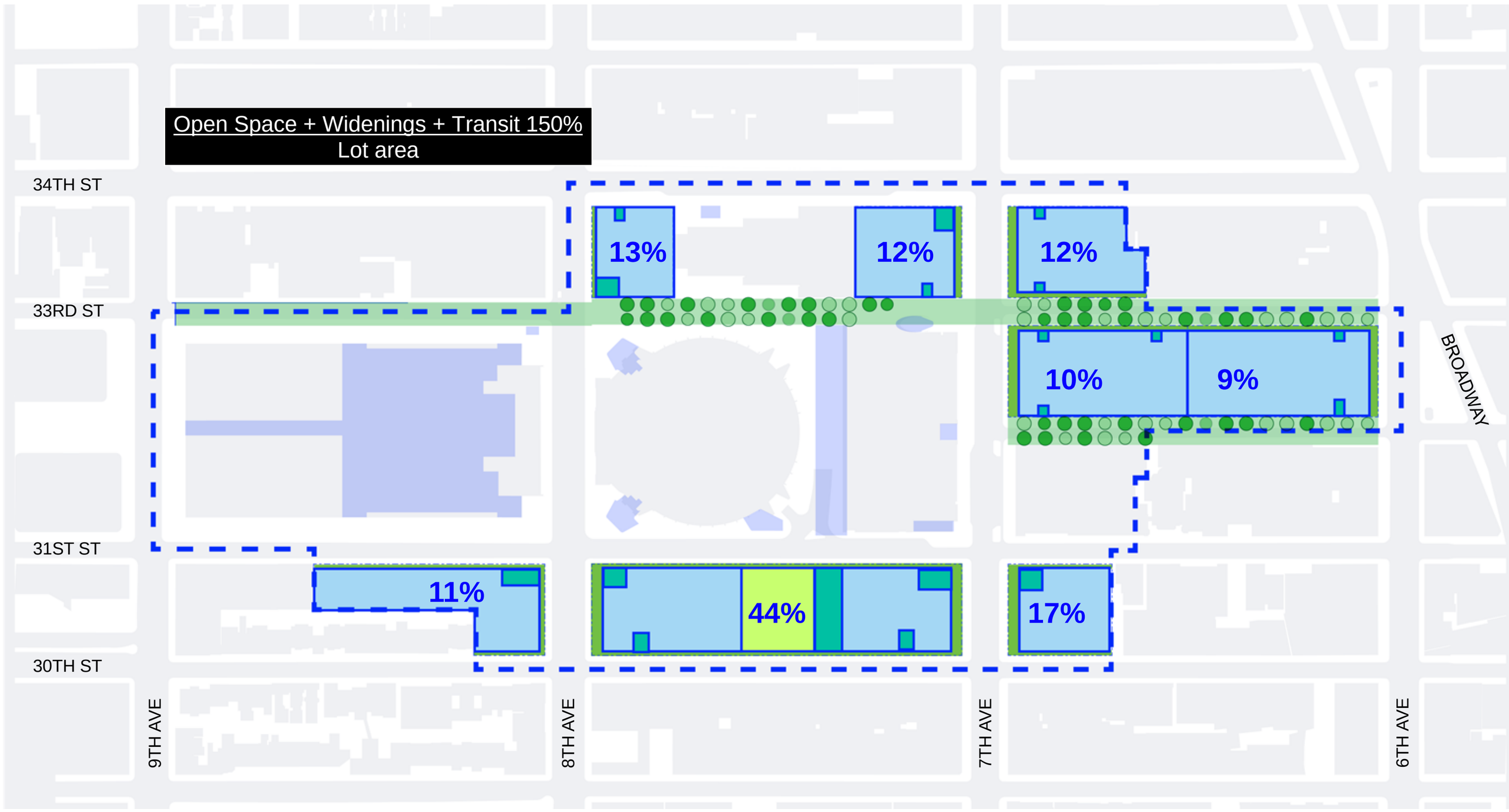
Public Realm: Increase Public Space

- GPP will recommend that NYC DOT consider making 31st Street between Seventh and Eighth Avenues an **additional shared street**.

- A **Public Space Requirement** would be imposed on each GPP Site. The ratio of site area that must be public space for each Site would be as follows:
  - Site 1A: 5%
  - Site 1B: 17%
  - Site 2: 44% (includes midblock plaza)
  - Site 3: 17%
  - Site 4: 15%
  - Site 5: 17%
  - Site 6: 17%
  - Site 7: 17%
  - Site 8: 17%



Public Realm: Increase Public Space



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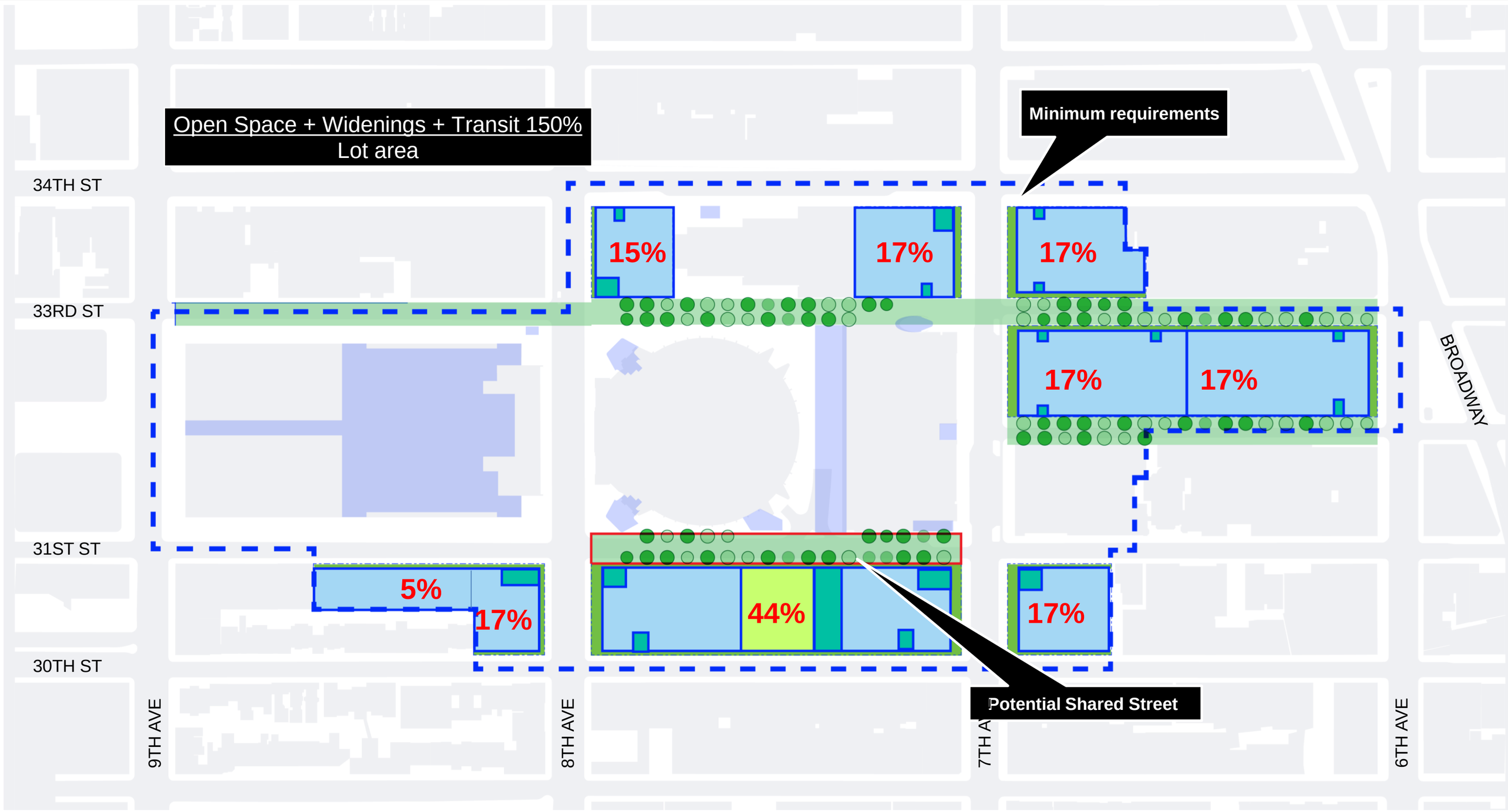
BEFORE

Public Realm: Increase Public Space



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PROPOSED

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Public Realm: Increase Public Space

Rockefeller Plaza +/- 31,000sf

One Manhattan West Plaza +/- 32,000sf

Zuccotti Park +/- 25,200sf

780 Block Plaza +/- 30,000sf

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Public Realm: Update Pedestrian Flow Projections

- Recognizing that transportation conditions will change over time, a **Transportation Monitoring Plan (TMP)** would be developed with NYC DOT, requiring **re-analysis of traffic and pedestrian flows at key milestones** during build-out, and **adjustments to mitigation requirements** as appropriate.

- Studies at each milestone would likely include travel demand surveys, updated traffic and ped counts/analyses, and new mitigation strategies.

- Milestones at which new studies would be required include:
  - Completion and occupancy of Phase 1 (Penn projects & Site 7 completed)
  - Completion and occupancy of Phase 2 (Half of Sites 1-8 completed)
  - Full build-out

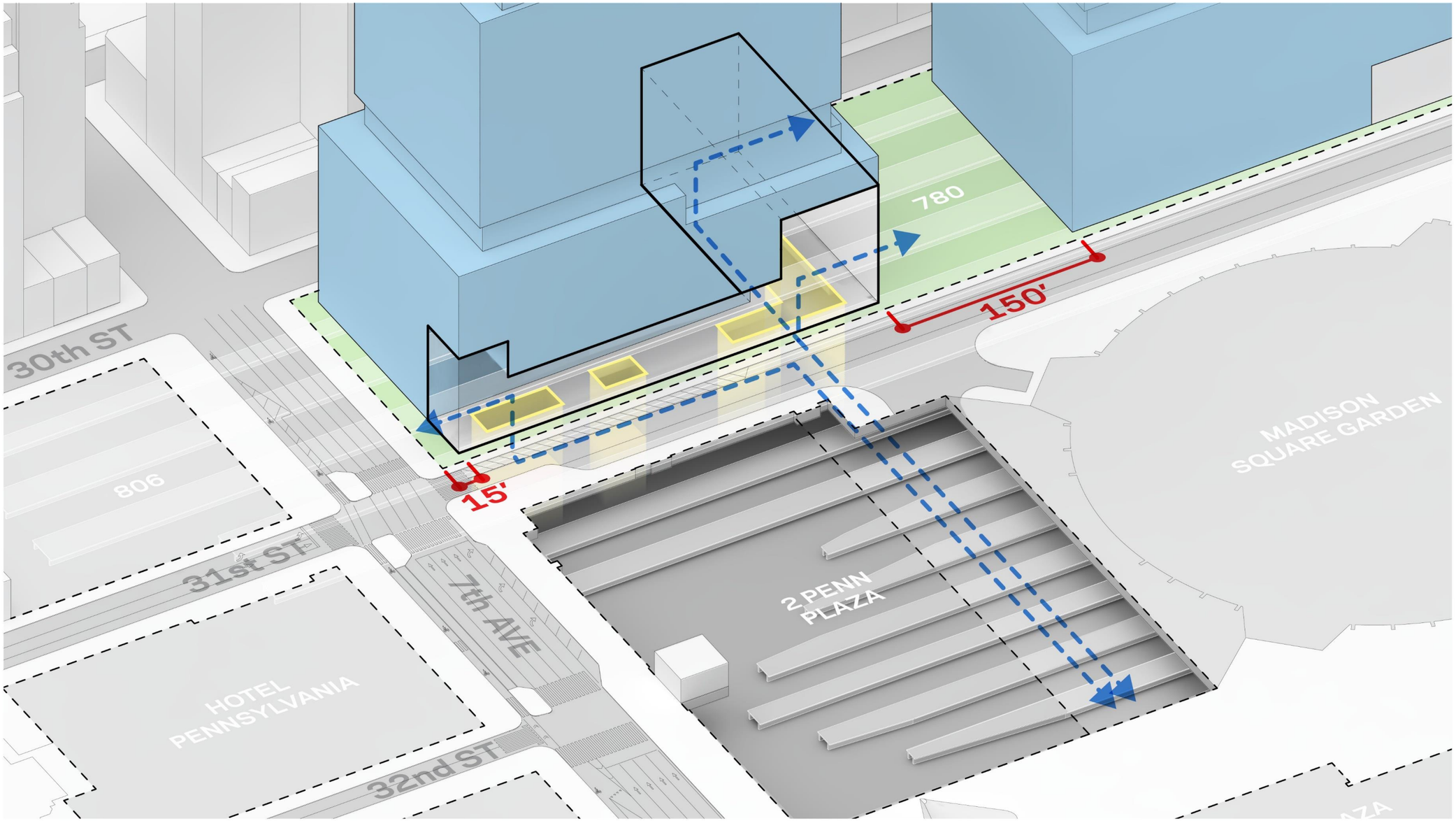
- TMP studies and mitigation would be funded through an escrow account or paid directly by developers of the GPP Sites.

Public Realm: Account for Existing 1 Penn POPS

Existing Privately Owned Public Space (POPS) associated with 1 Penn Plaza would be addressed in the following ways:

- Site 4: new transit entrance, as required in the Moynihan GPP
- Site 5: one or a combination of the following would **compensate for the total amount of existing POPS** on Site 5:
  1) removal of bonused floor area;
  2) provision of new onsite privately owned public space; and/or
  3) payment into the ESC Public Realm Fund at fair market value for any remaining bonused floor area not accounted for through provision of new POPS.

Transportation: Provide a Significant Expansion Train Hall on 7th Avenue



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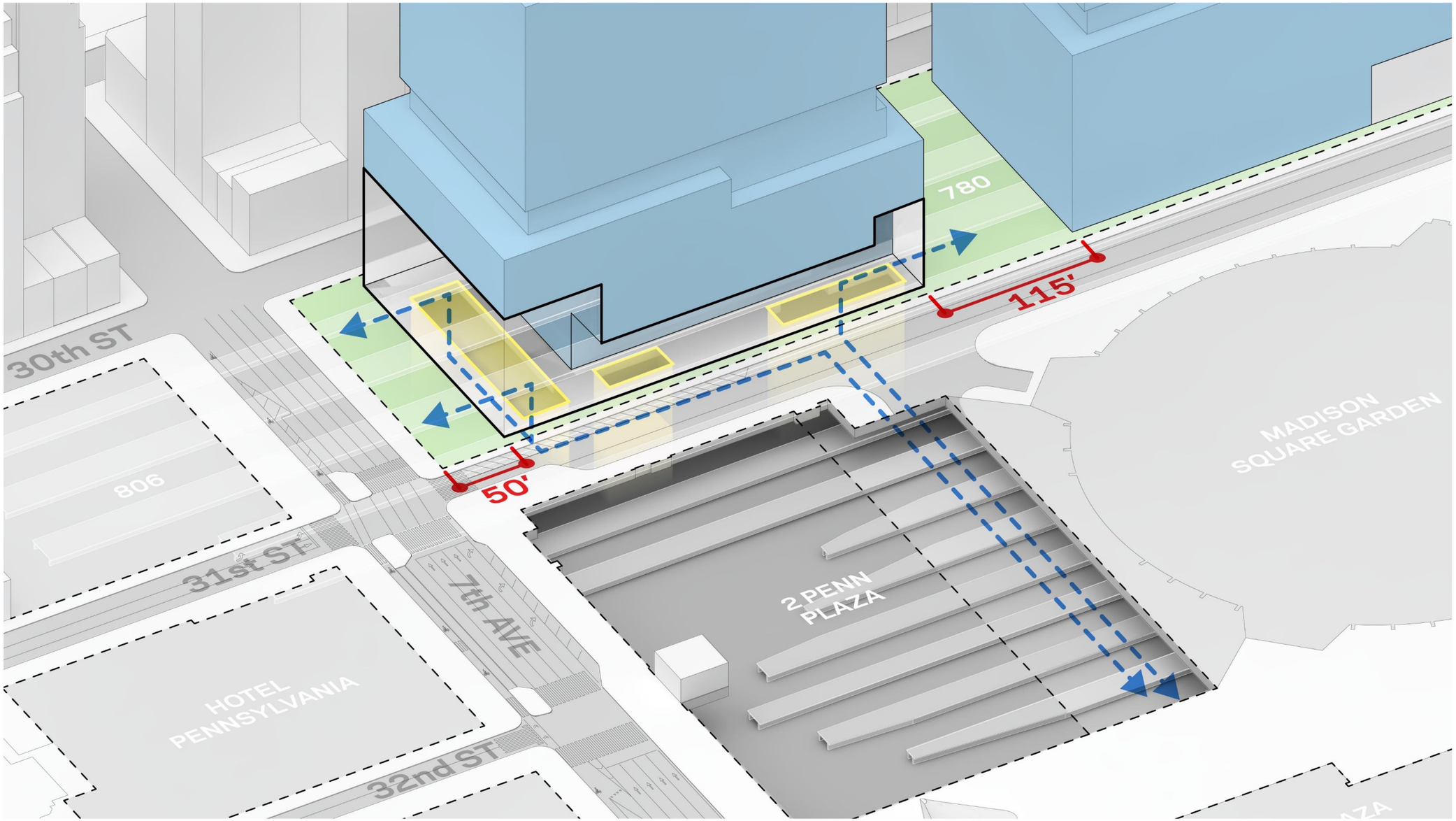
OPTION 1: MIDBLOCK

Transportation: Provide a Significant Expansion Train Hall on 7th Avenue



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OPTION 2: 7TH AVENUE

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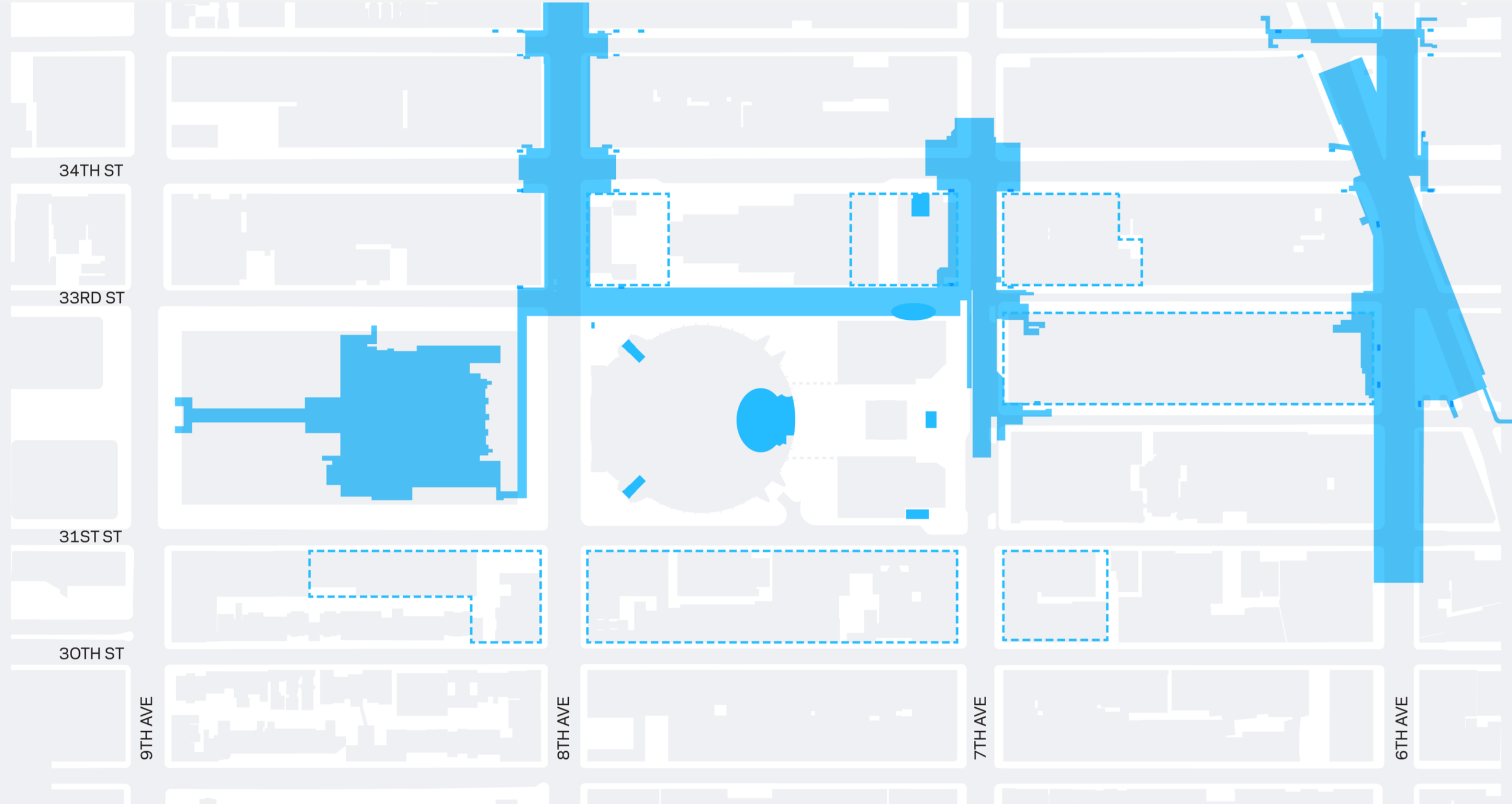
Transportation: Prioritize At-Grade over Below-Grade Pedestrian Improvements



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EXISTING

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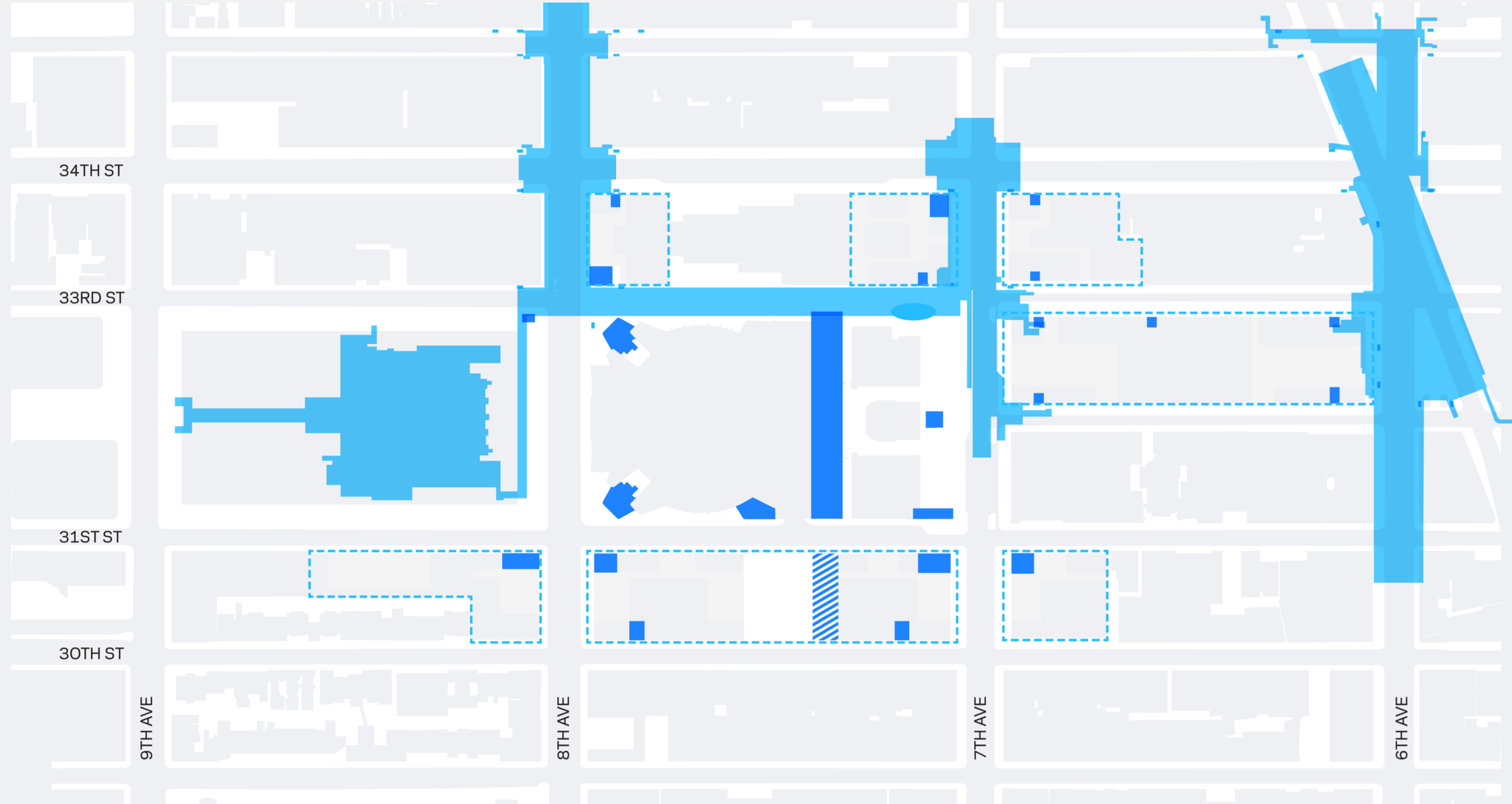
Transportation: Prioritize At-Grade over Below-Grade Pedestrian Improvements



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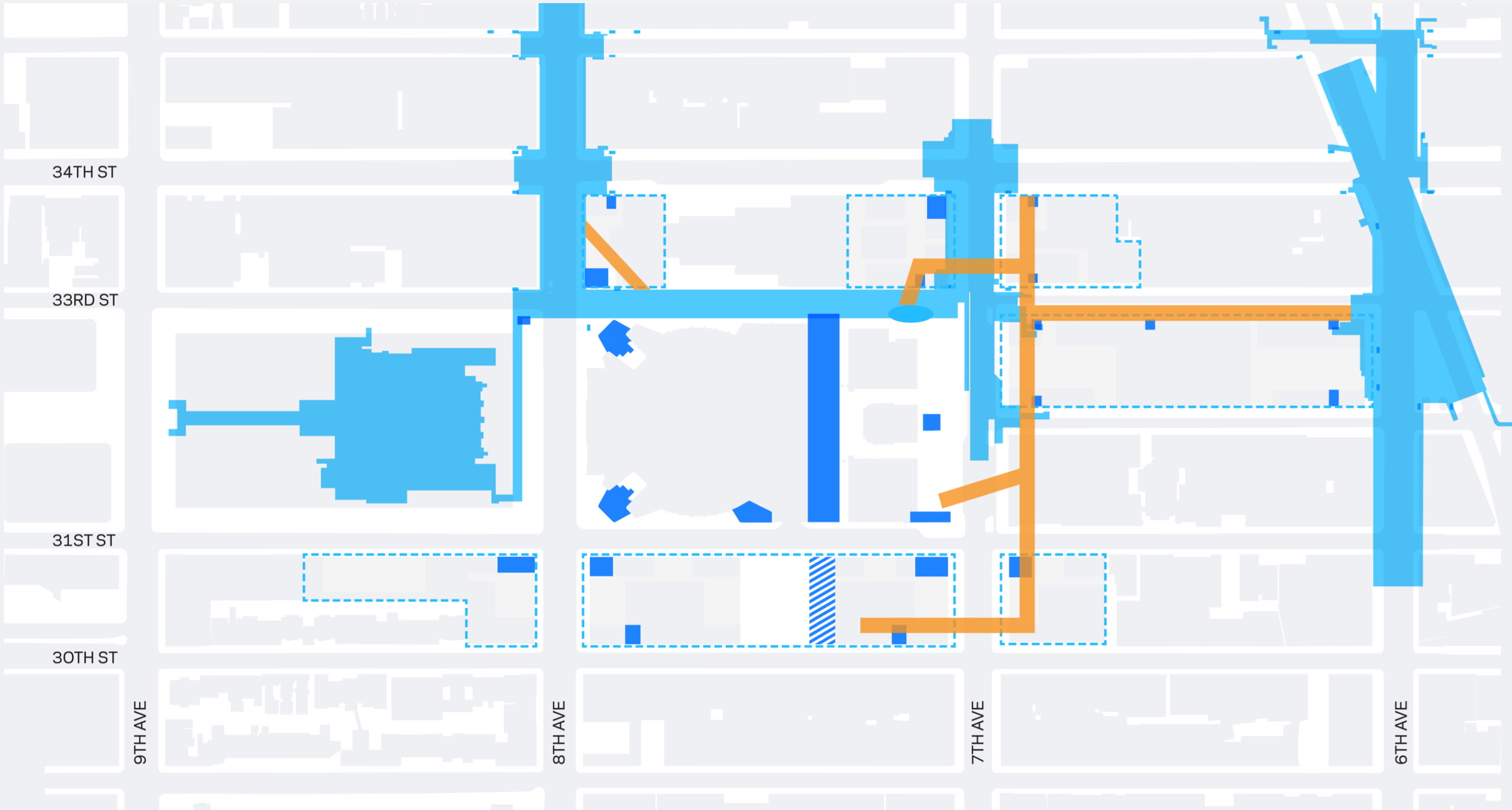
Transportation: Prioritize At-Grade over Below-Grade Pedestrian Improvements



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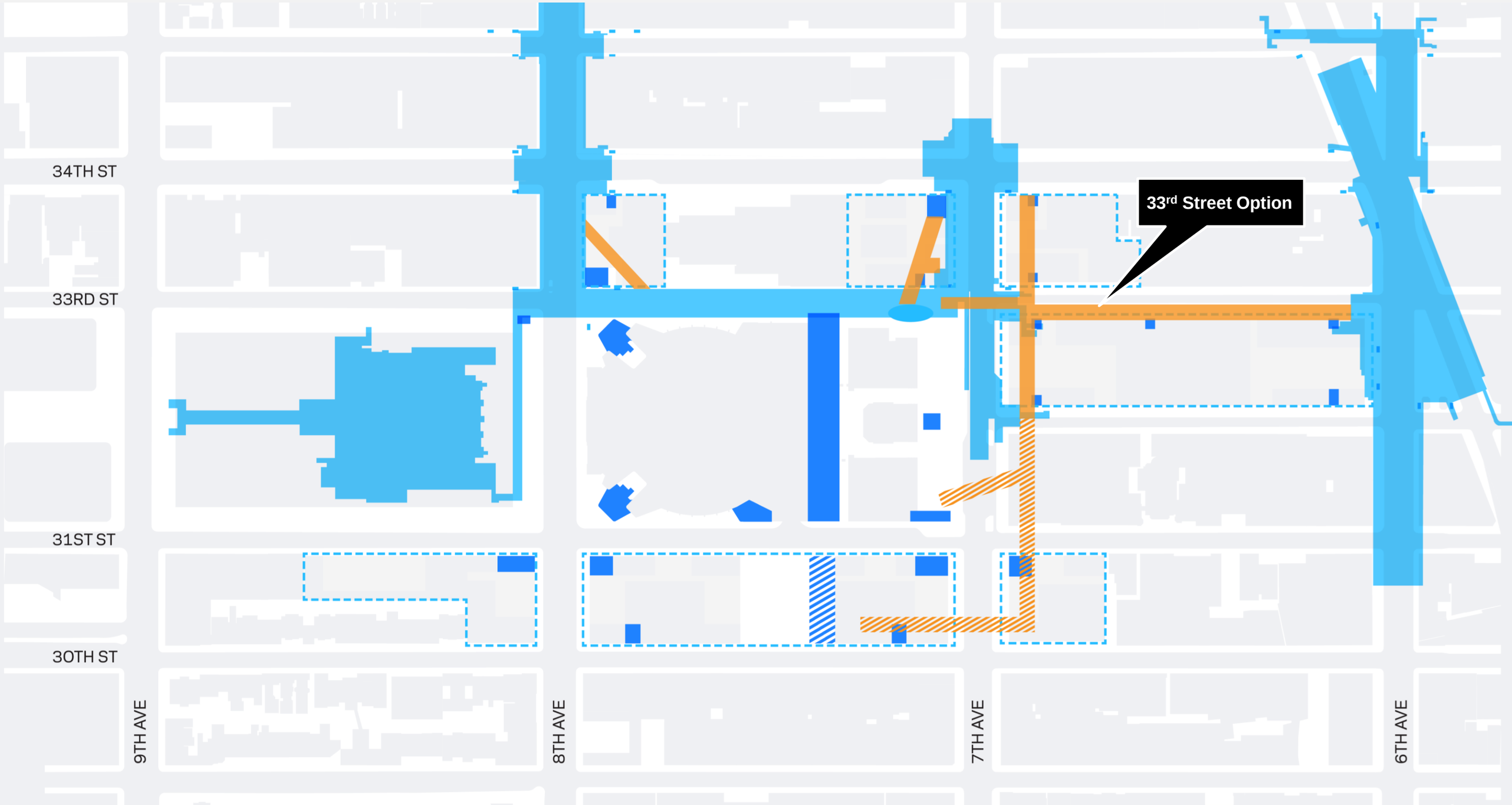
Transportation: Prioritize At-Grade over Below-Grade Pedestrian Improvements



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PROPOSED

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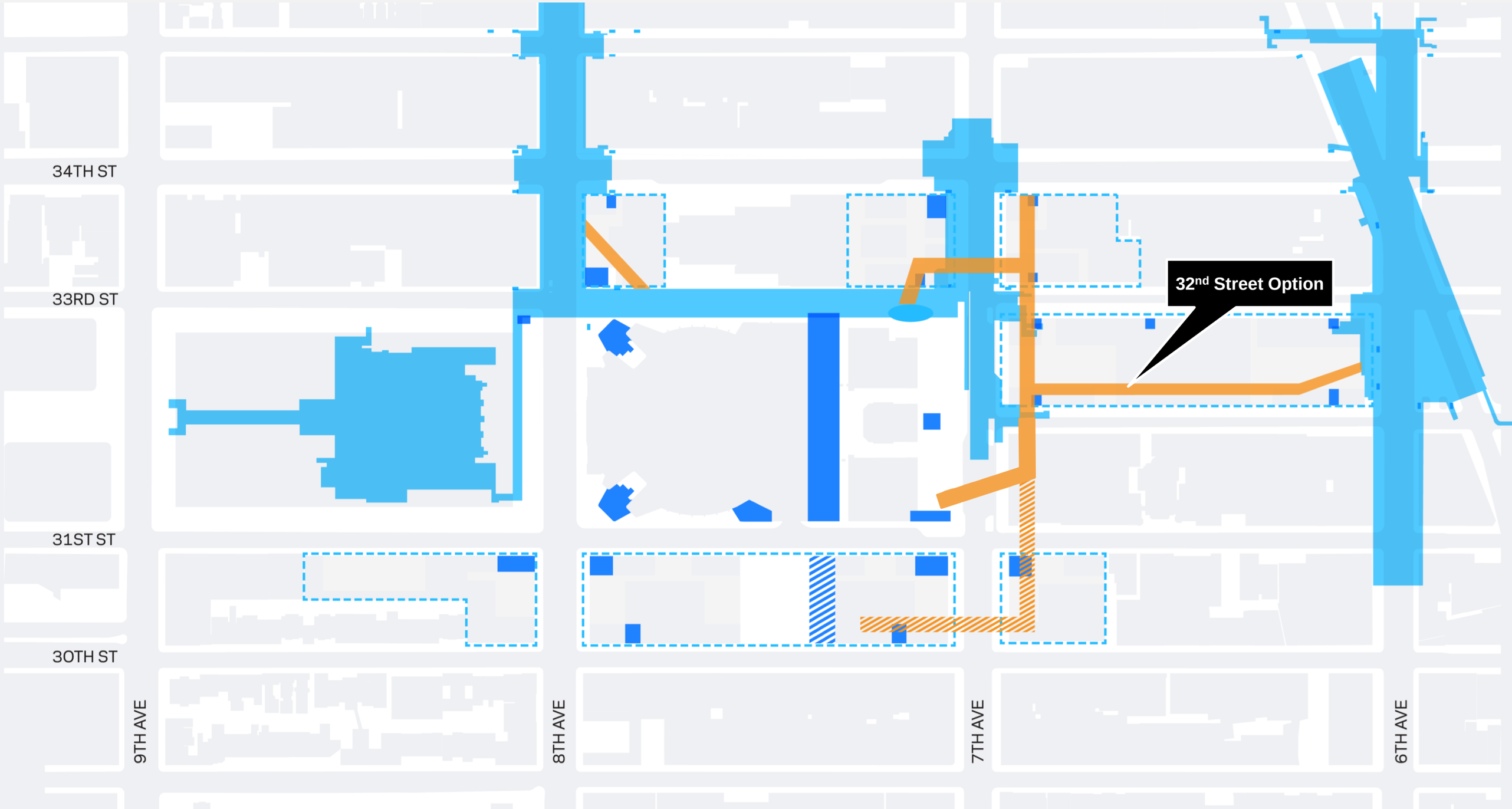
Transportation: Prioritize At-Grade over Below-Grade Pedestrian Improvements



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PROPOSED

Transportation / 2 Penn & MSG Recommendations Outside GPP Scope

The following CACWG Recommendations are outside the GPP scope, with responsible agencies/entities identified:

Penn Reconstruction → Railroads + Vornado + MSG:

- Address platform size and safety at existing Penn
- Make Penn one concourse, not two
- Replace 2 Penn and/or disentangle entrances and create a significant Penn entrance on 7th Ave (+VNO & MSG)
- If not moving MSG, shift entrance to 8th Ave (+MSG)

Penn Expansion → Railroads + ESD:

- Ensure flexibility for future (including capacity for through-running)
- Connect expansion to Moynihan
- Provide a significant at-grade train hall on 7th Ave
- Preserve historic resources
- Ensure any condemnation is done by entity with most tenant-friendly laws

Transportation / 2 Penn & MSG Recommendations Outside GPP Scope

Reconstruction + Expansion → Railroads:

- Integrate ticketing and wayfinding/signage among railroads
- Expand resources for multi-mobility modes in station (bike share, bike parking, on-demand rides)
- Open a local hiring office for the railroad projects

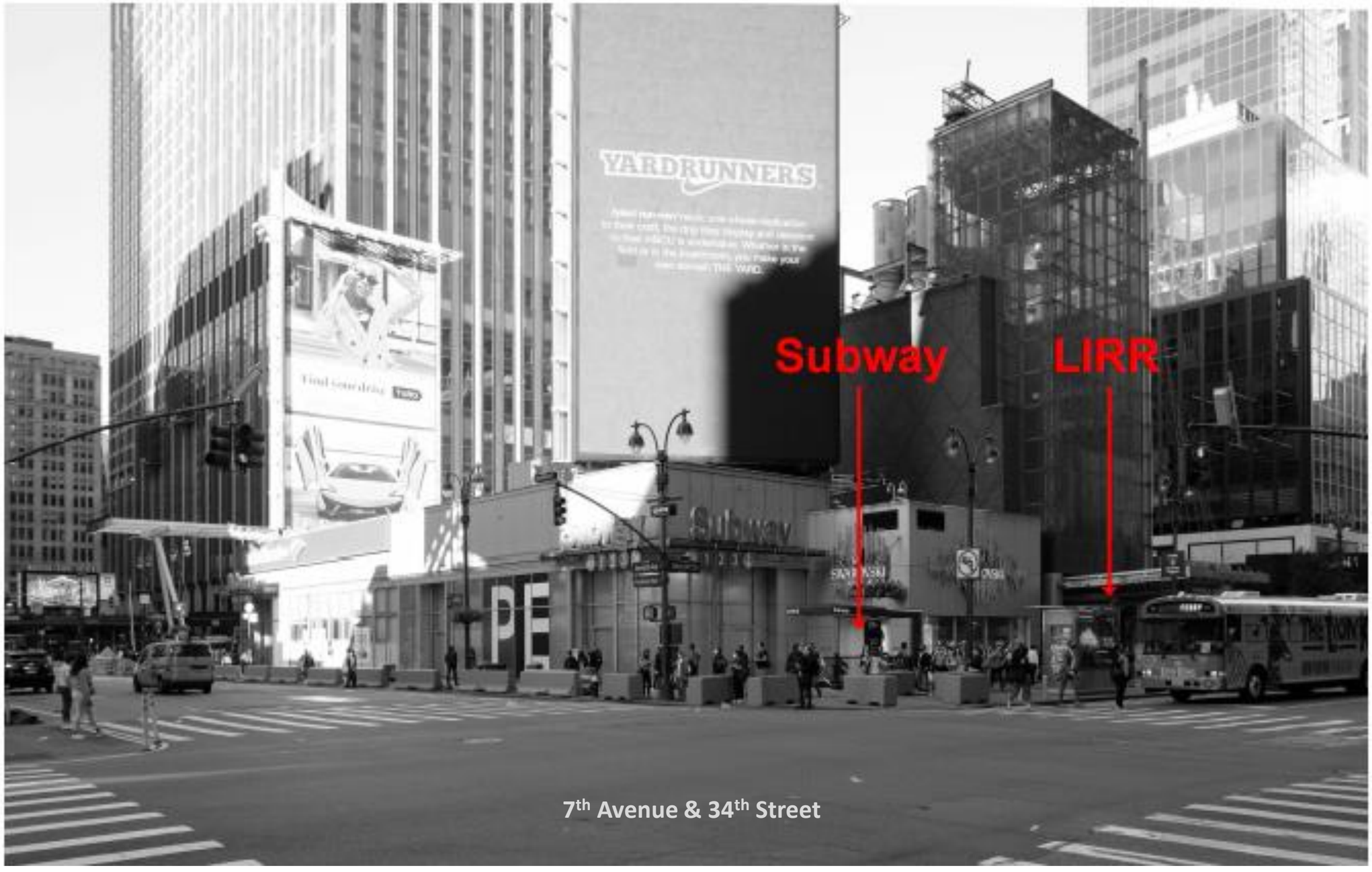
MSG Improvements → MSG + Railroads + Public Realm Task Force:

- Improve Penn and transit entrances on corners of MSG
- Accommodate MSG loading and other operations below grade and off streets

Multi-mobility transportation modes in and around Penn (bike share, bike parking, on-demand rides) → Railroads + NYC DOT + MSG + VNO + Public Realm Task Force

Bus corridor on 34th Street → MTA + NYC DOT

Transportation: Create Significant Penn Entrance(s)



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Site 5 - CURRENT

Transportation: Create Significant Penn Entrance(s)

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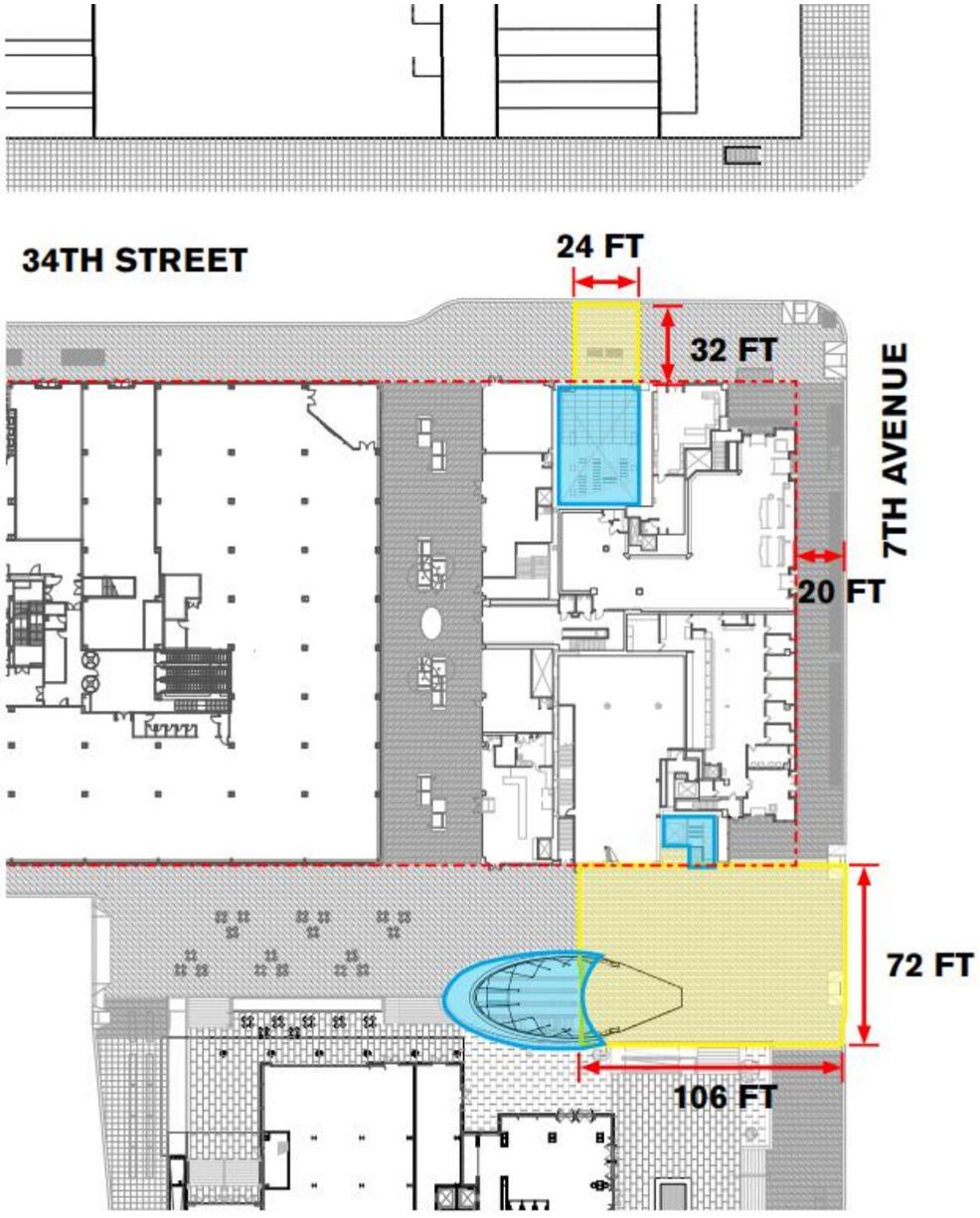
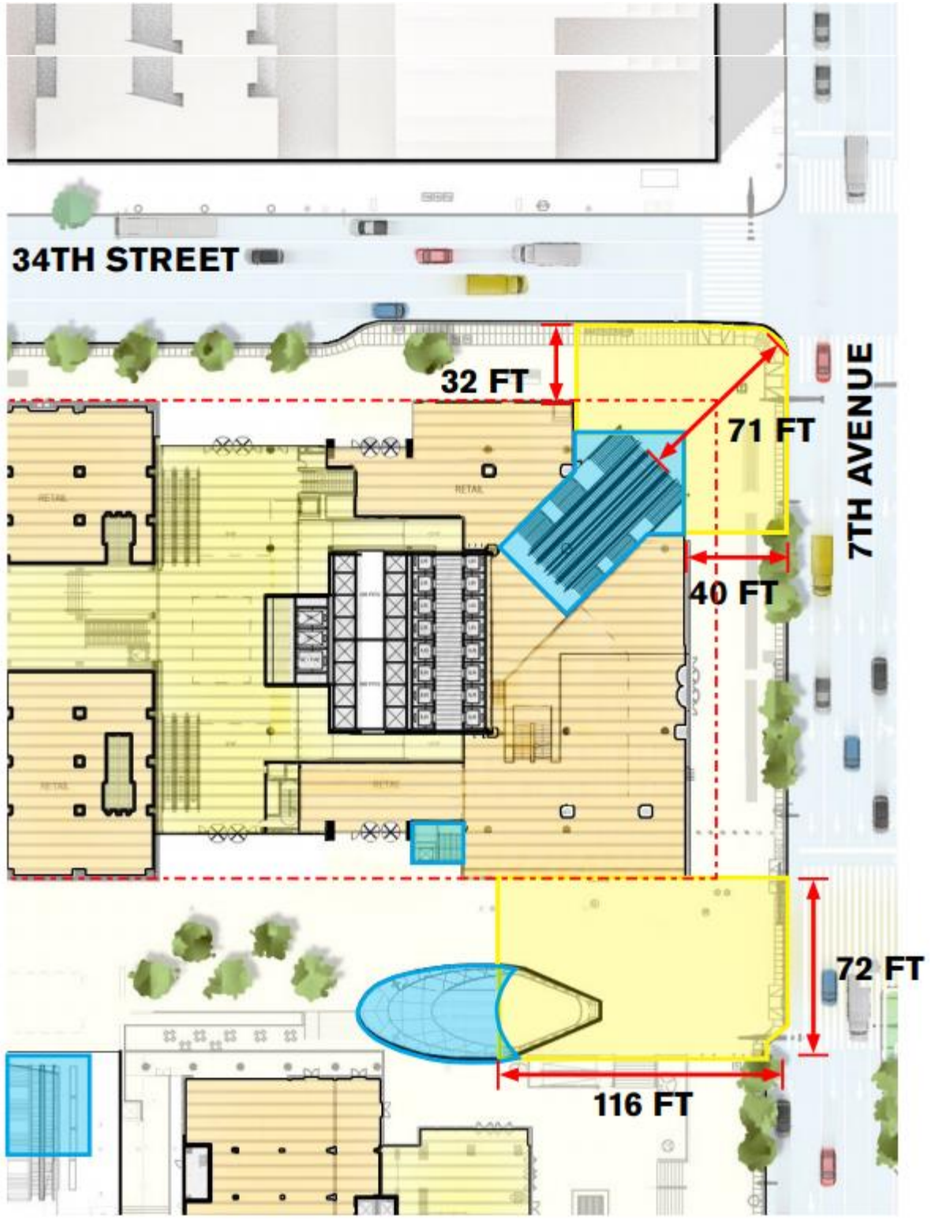
Site 5 - PROPOSED

Transportation: Create Significant Penn Entrance(s)



CURRENT



PROPOSED

Transportation: Create Significant Penn Entrance(s)

EXISTING

Site 4 Transit Entrance

Site 4 - CURRENT

Transportation: Create Significant Penn Entrance(s)

Site 4 - PROPOSED

Transportation: Disentangle Penn/MSG/2 Penn Entrances on 7th Avenue

BEFORE

PLANNED

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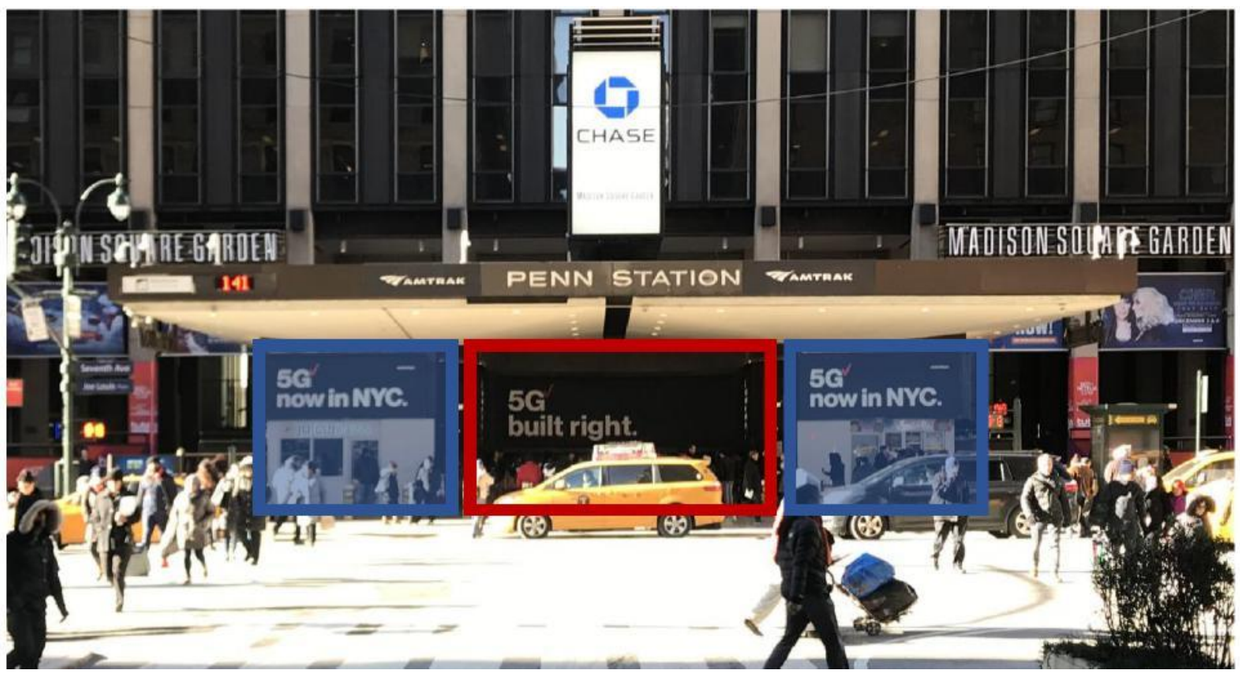
VNO/Amtrak Plan (not GPP)

Transportation: Disentangle Penn/MSG/2 Penn Entrances on 7th Avenue

Penn entrance size increased by 50%
New ADA elevator + 3rd escalator
Removal of stores



BEFORE

PLANNED

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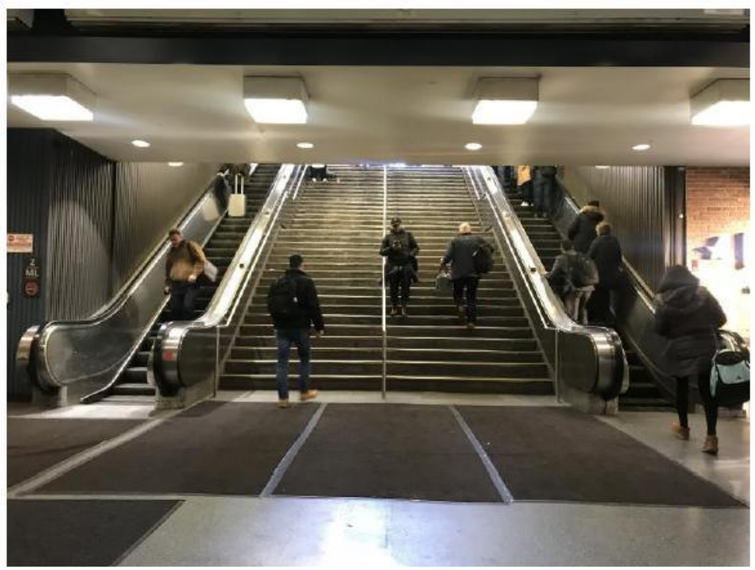
VNO/Amtrak Plan (not GPP)

Transportation: Disentangle Penn/MSG/2 Penn Entrances on 7th Avenue

New ADA elevator + 3rd escalator
Ceiling height increased from 10 to 14-feet
Introduction of natural light



CURRENT

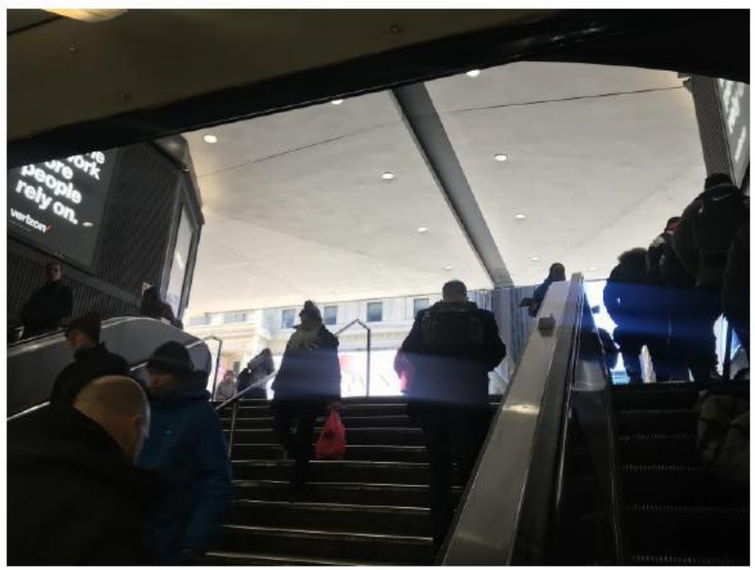
PROPOSED

NEW YORK STATE OF OPPORTUNITY. Empire State Development

VNO/Amtrak Plan (not GPP)

Transportation: Disentangle Penn/MSG/2 Penn Entrances on 7th Avenue

Skylit canopy enhances arrival experience and increases natural light



CURRENT

PROPOSED

VNO/Amtrak Plan (not GPP)

Human Assets: Increase Community Services

- If displaced, the **Antonio Olivieri Center**, which provides drop-in services to homeless clients, would be given the **right to return** to the project area in a larger space that would enable them to increase capacity if desired. Early conversations with Center staff suggest it may prefer to only relocate once, in which case we would work with them to find a suitable, larger space in proximity to their current location and near or within the project area.

- **Community facility use will be required** on the ground floor of Site 1A. ESD will work with the CACWG and community to identify preferred uses for the space.

- In the RFP(s) for Sites 1-3, ESD would set aside space and work with the CACWG and community to request **innovative ideas for providing homeless and other social services** within the project area.

Human Assets / Development Framework: Prioritize Housing

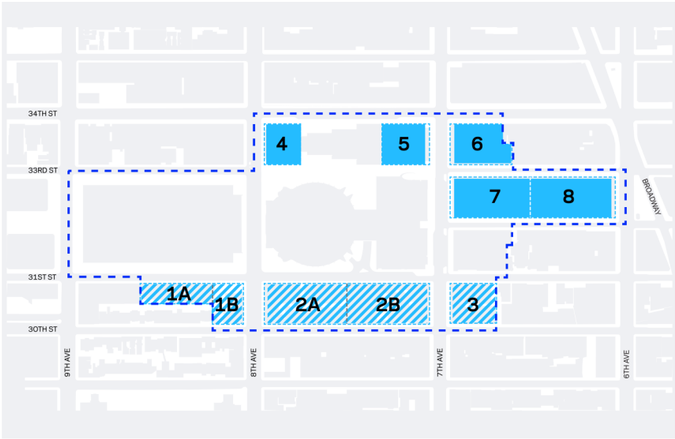
If Penn Expansion happens on Sites 1-3:

- Site 1A would be required to be **residential rental.**
  - Maximize legally allowable amount of residential at 12 FAR equivalent
  - ~542 units / ~162 (30%) permanently affordable

- All displaced residents who income certify would have a **right to return** to an affordable unit on Site 1A. (Note: there are currently 128 residences on Sites 1-3; 99 are rental units, of which 26 are rent regulated, and 29 are condos.)

- Site 1B would be added as a mixed-use alternative site (in addition to Sites 4 and 8).
  - **"Piggybank" of residential square footage** totaling approximately 1,256 units for these 3 sites, available on "first come, first served" basis.

- In total, up to 1,798 residential units could be built, of which **539 would be permanently affordable.**



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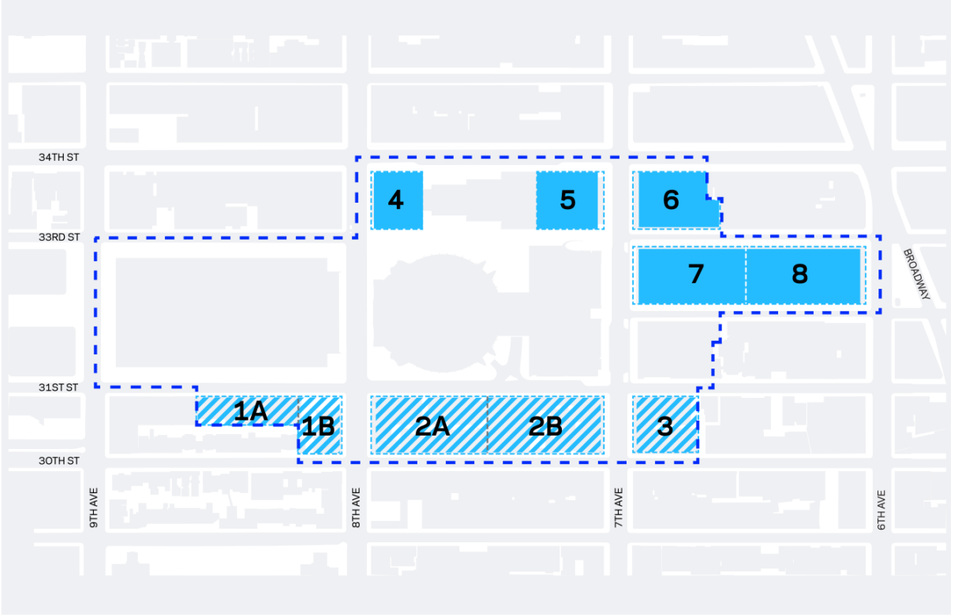
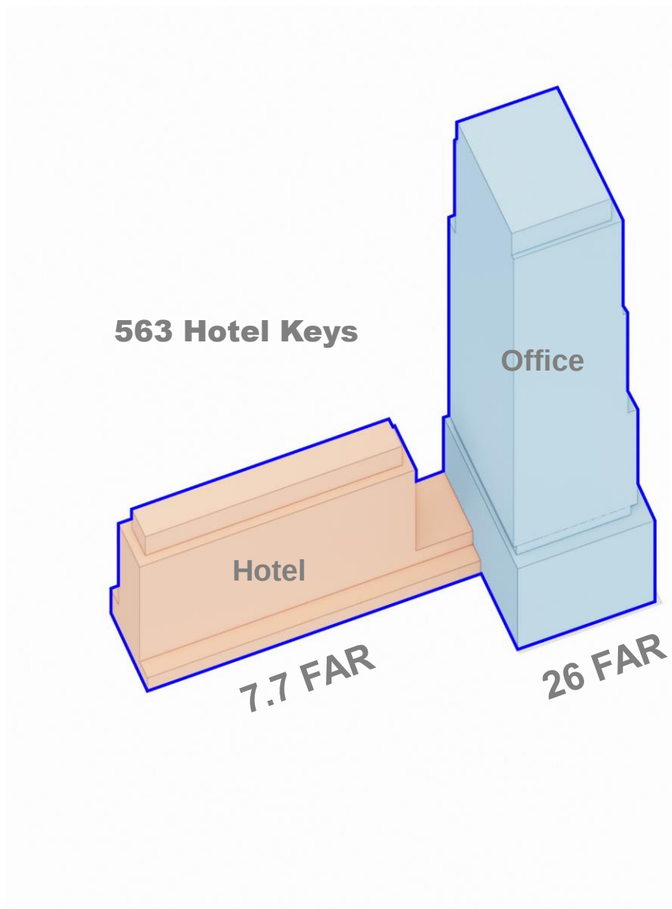
Development Framework: Reduce Density

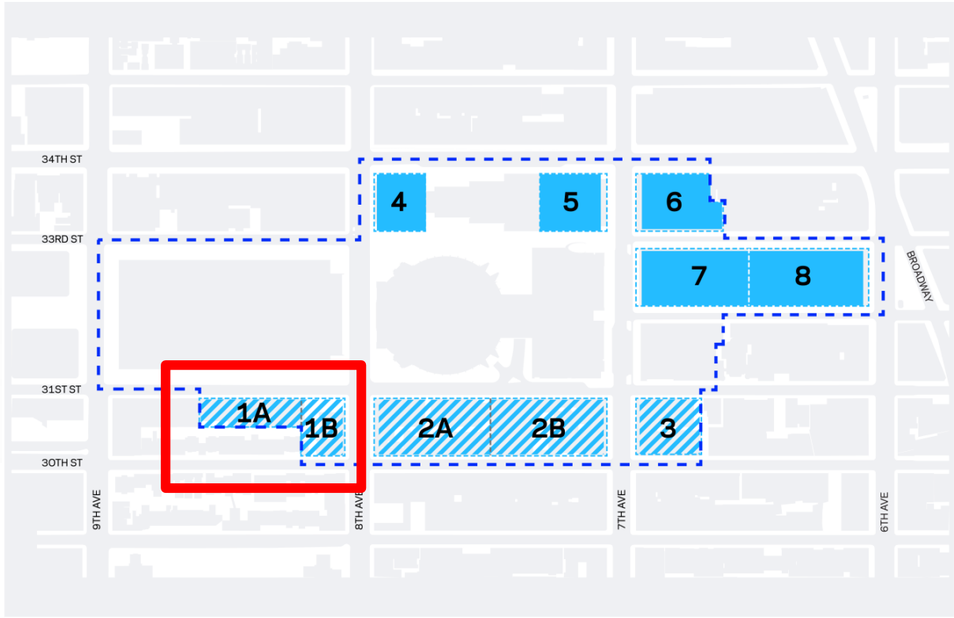
- **No site could exceed 30 FAR equivalent**.
  - Site 2: 33 → 28
  - Site 3: 33 → 30
  - Site 5: 33 → 30
  - Site 6: 31 → 30

- Density on **Blocks 754 and 780** (Sites 1 and 2) would be significantly reduced and would be reconfigured to **step down from east to west**.
  - Site 2B: ~30 → 30
  - Site 2A: ~36 → 26
  - Site 1B: 26 → 21
  - Site 1A: 7.7 → 13 / height: 400' → 350'



Development Framework: Reduce Density – Block 754 (Sites 1A & 1B)





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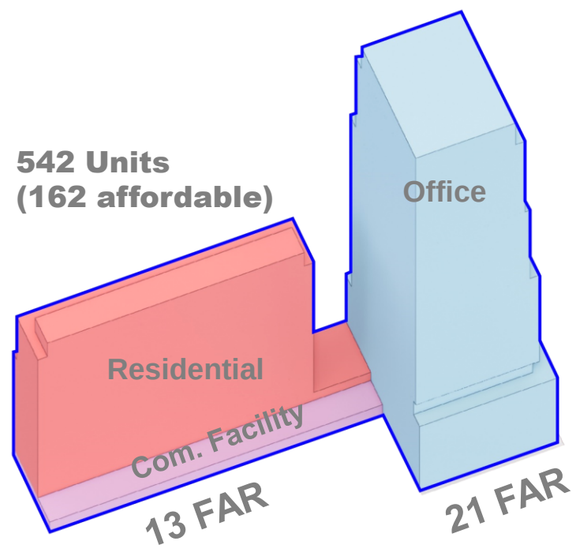
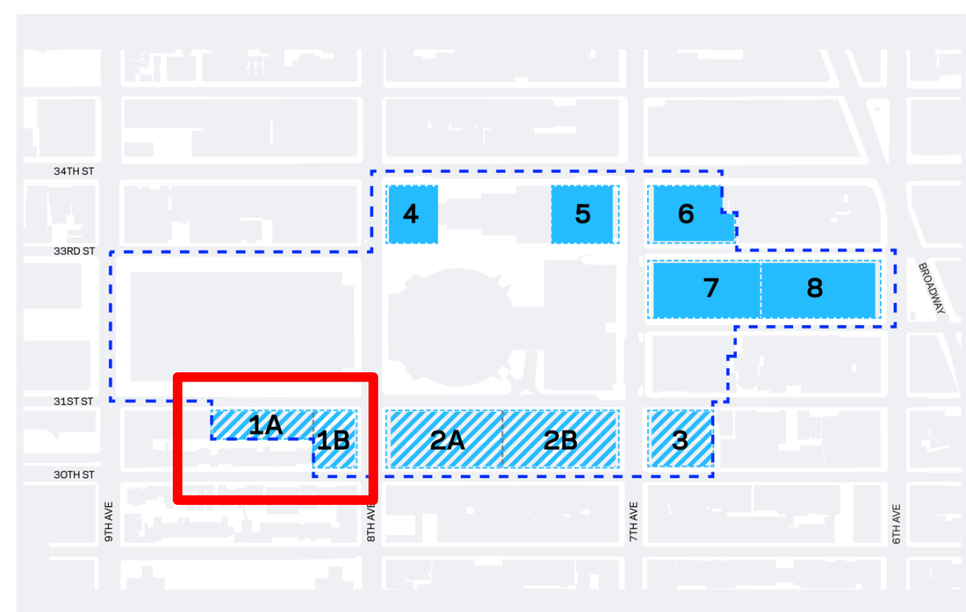
Development Framework: Reduce Density – Block 754 (Sites 1A & 1B)





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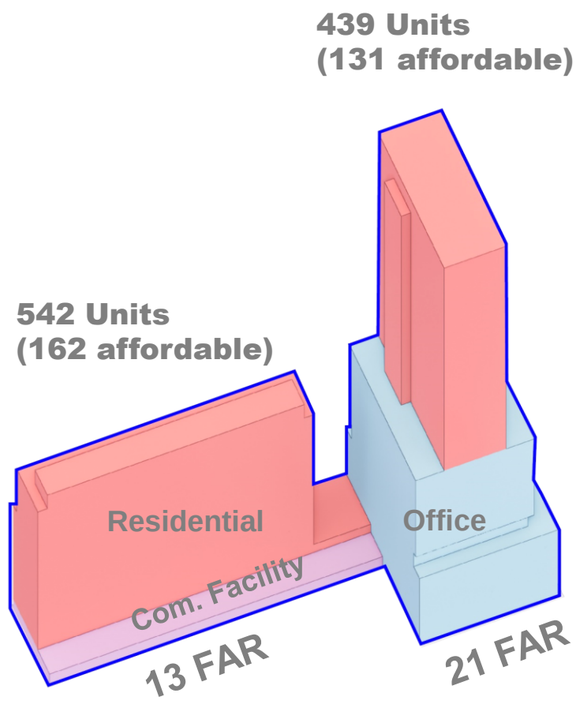
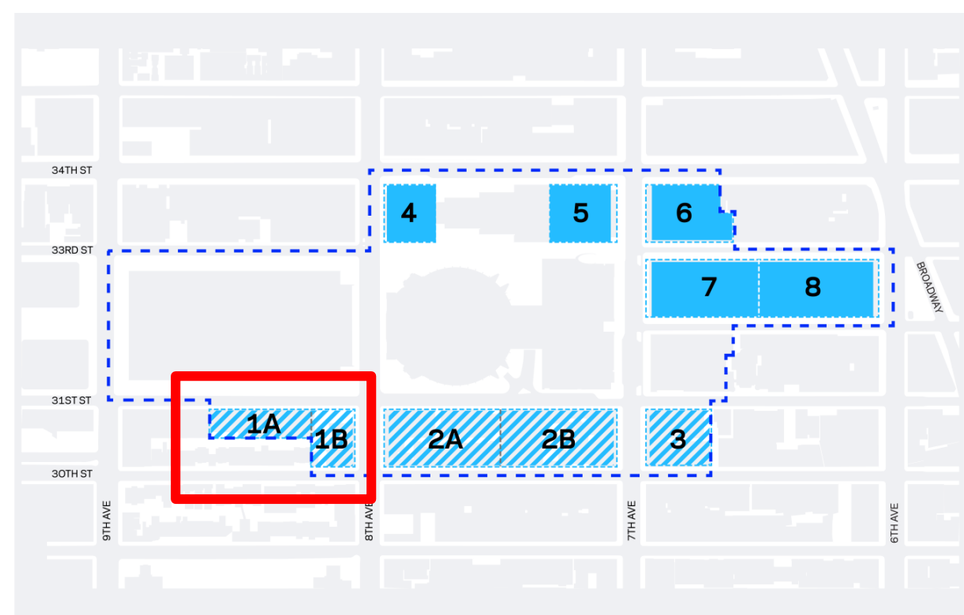
PROPOSED – Commercial Alternative

Development Framework: Reduce Density – Block 754 (Sites 1A & 1B)





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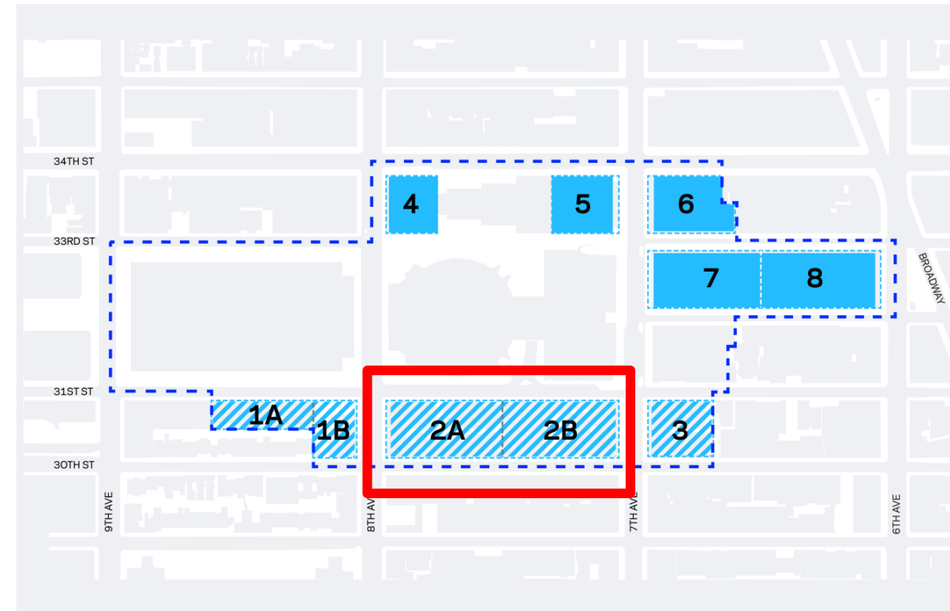
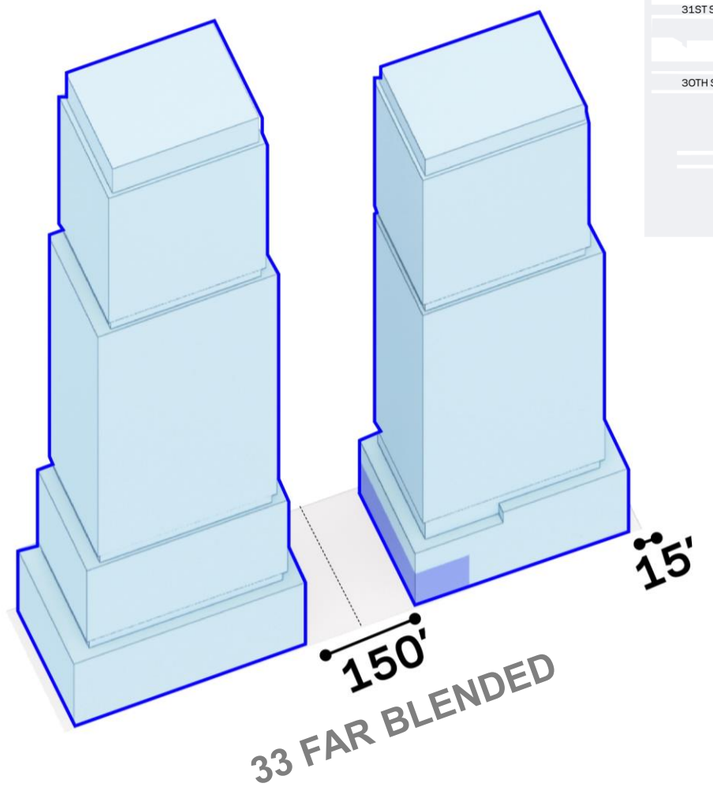
PROPOSED – Residential Alternative

Development Framework: Reduce Density – Block 780 (Sites 2A & 2B)





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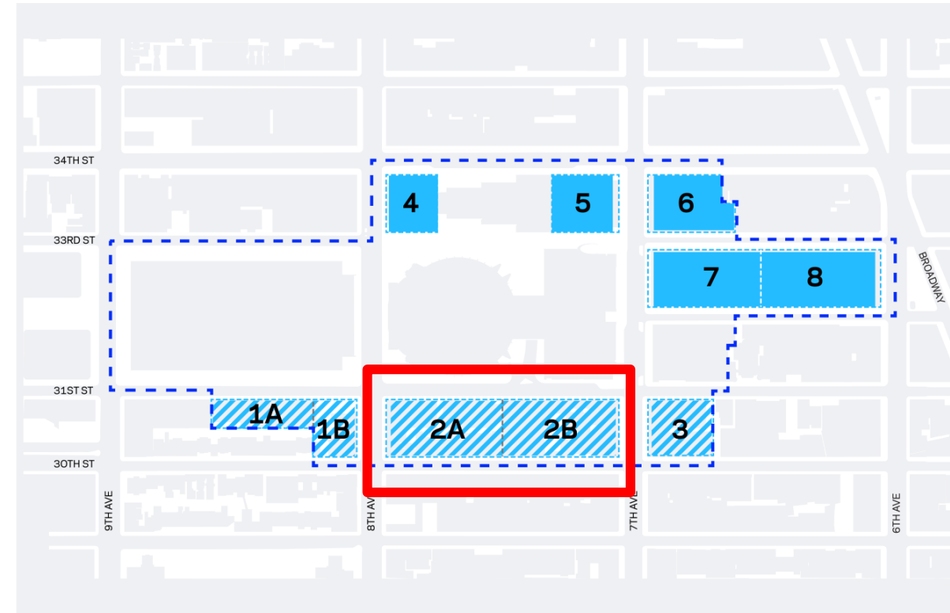
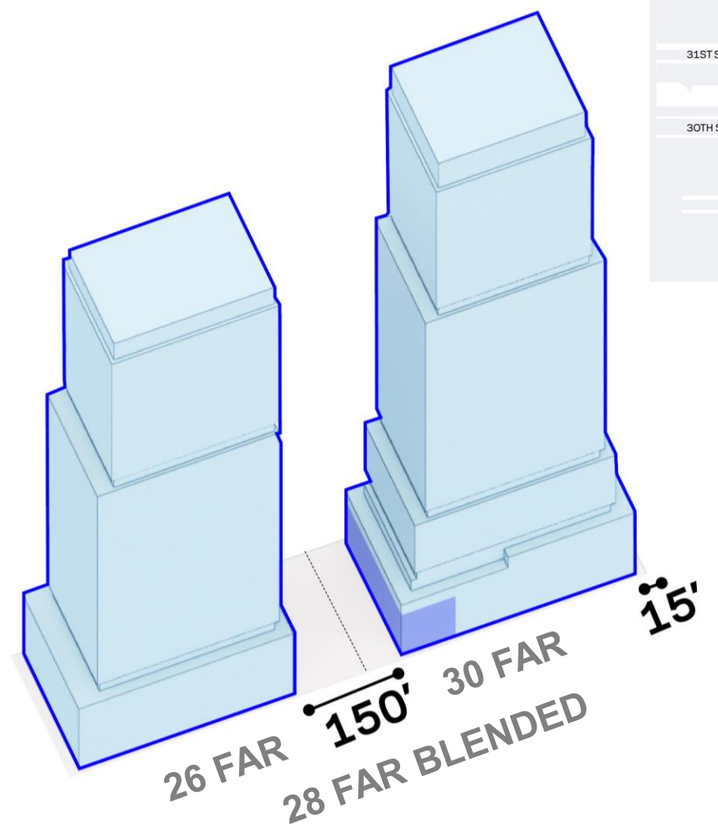
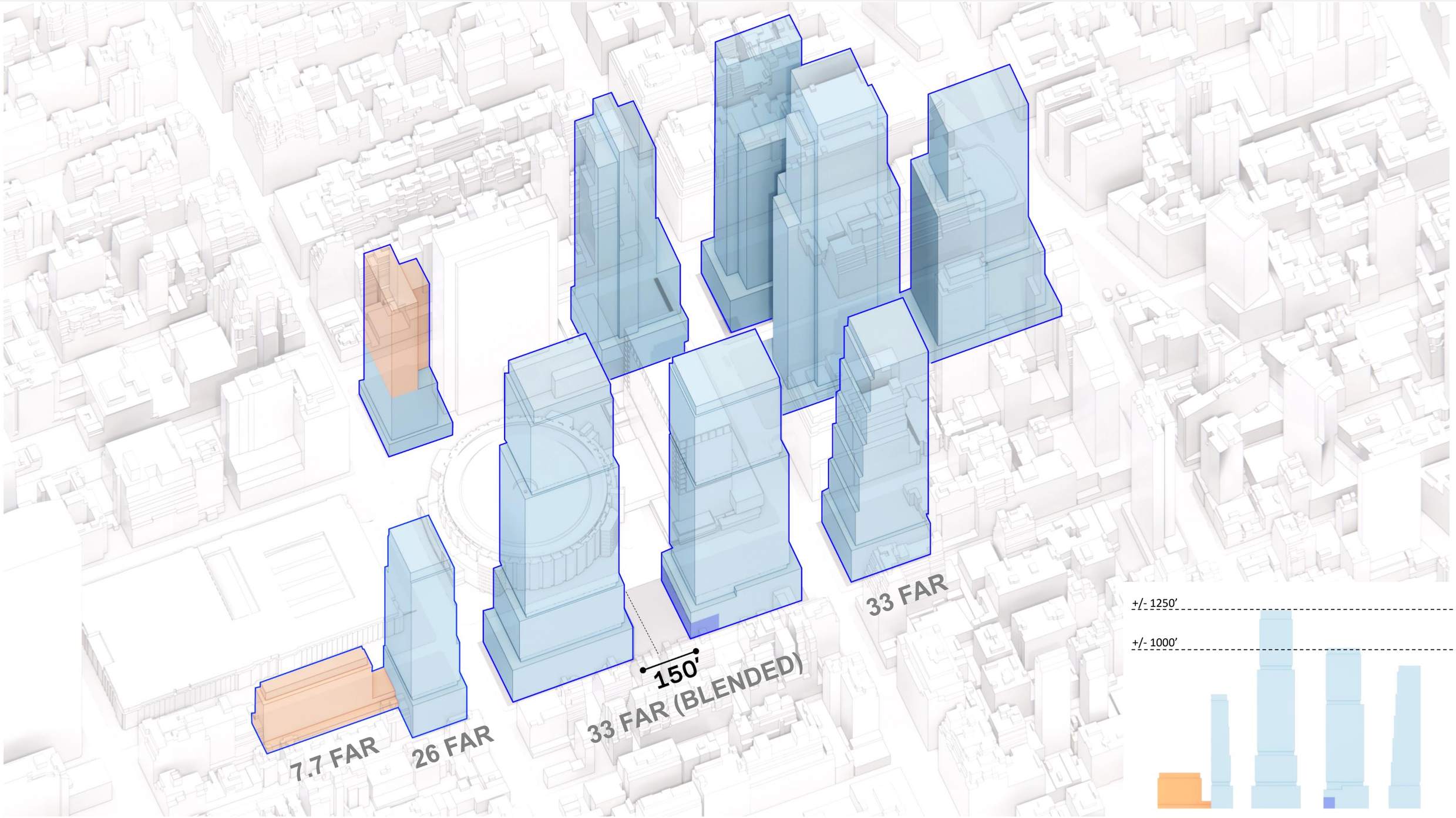
Development Framework: Reduce Density – Block 780 (Sites 2A & 2B)





PROPOSED

Development Framework: Reduce Density



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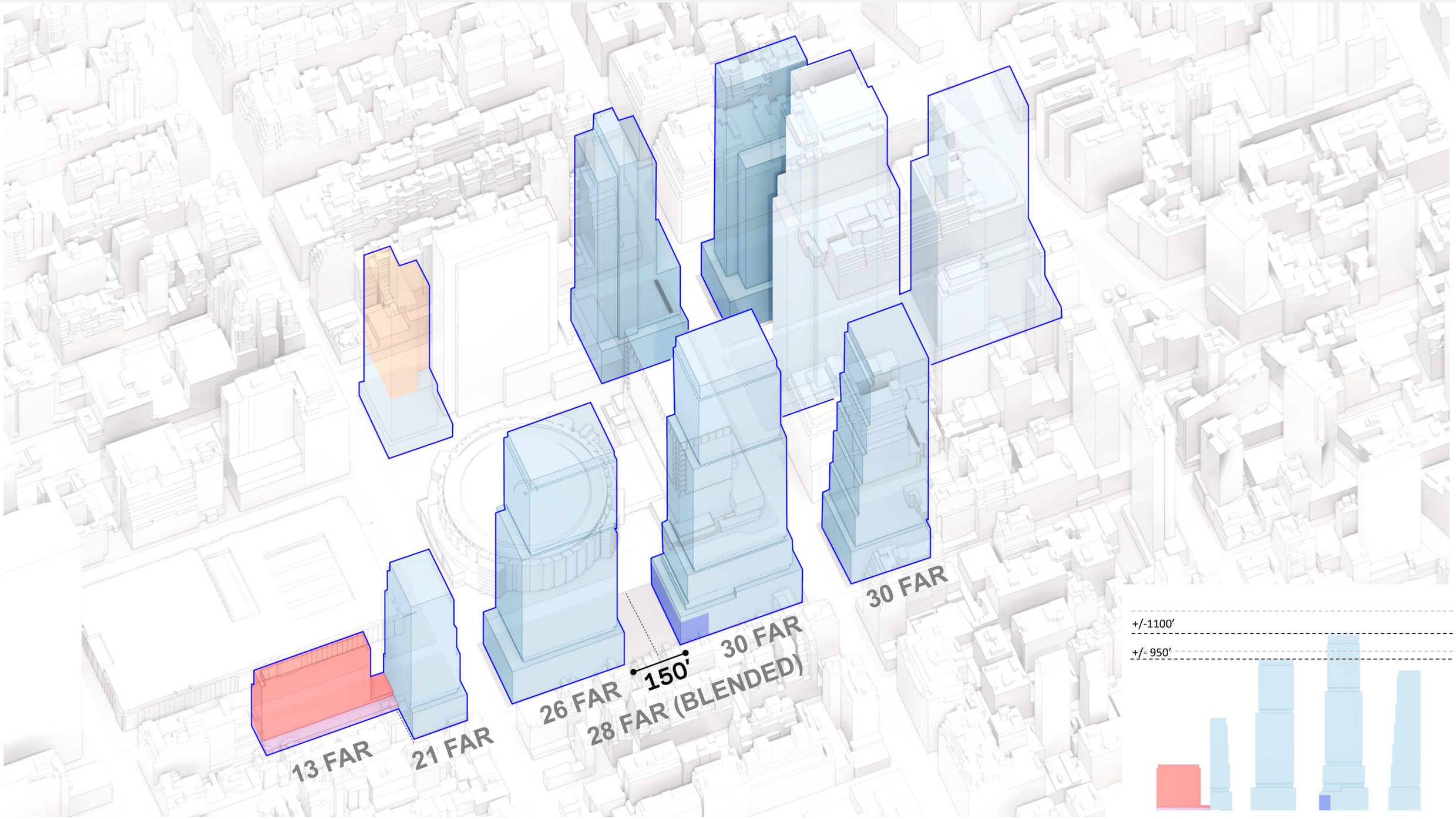
Development Framework: Reduce Density



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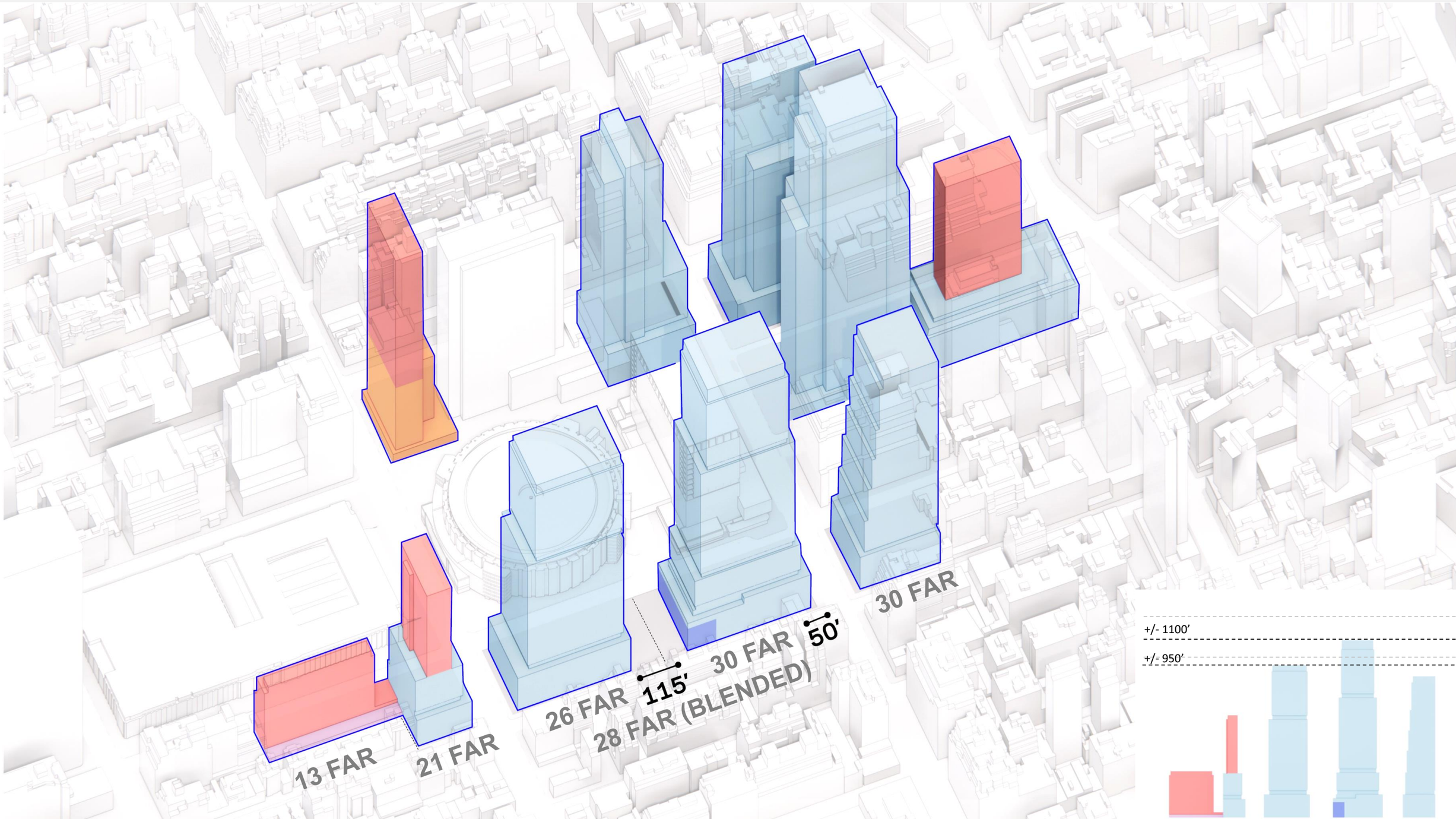
PROPOSED – Commercial Alternative

Development Framework: Reduce Density



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PROPOSED – Residential Alternative

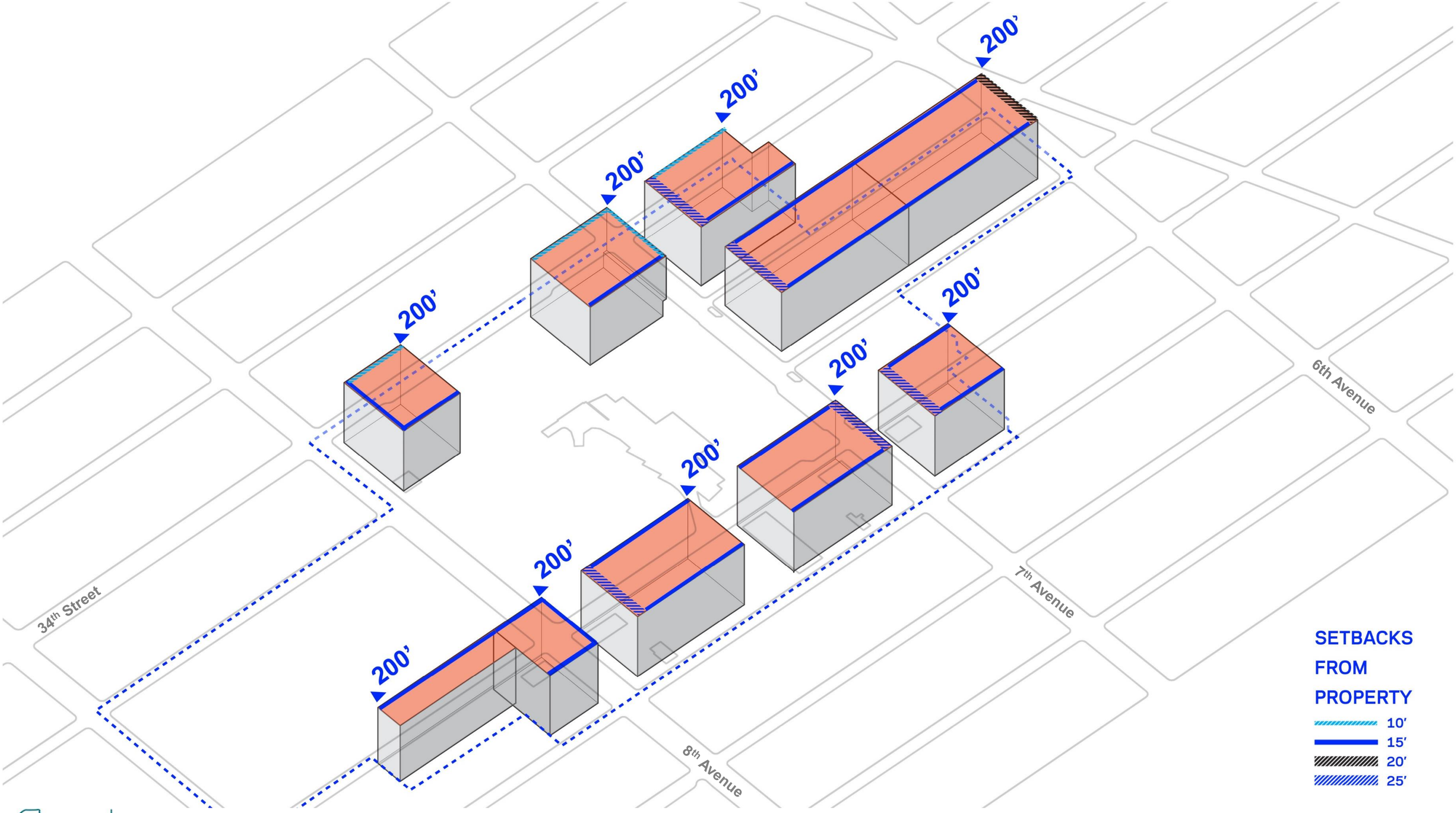
Development Framework: Reduce Density

- Incremental Buildable Gross Square Feet (above current allowable amount): 8,229,282 → 6,858,522 = **17% reduction**

- Total Buildable Gross Square Feet: 19,645,457 → 18,274,698 = **7% reduction**

- 1.37MM GSF reduction is equivalent to **eliminating one supertall building**.

Development Framework: Lower Base Heights on 8th Avenue



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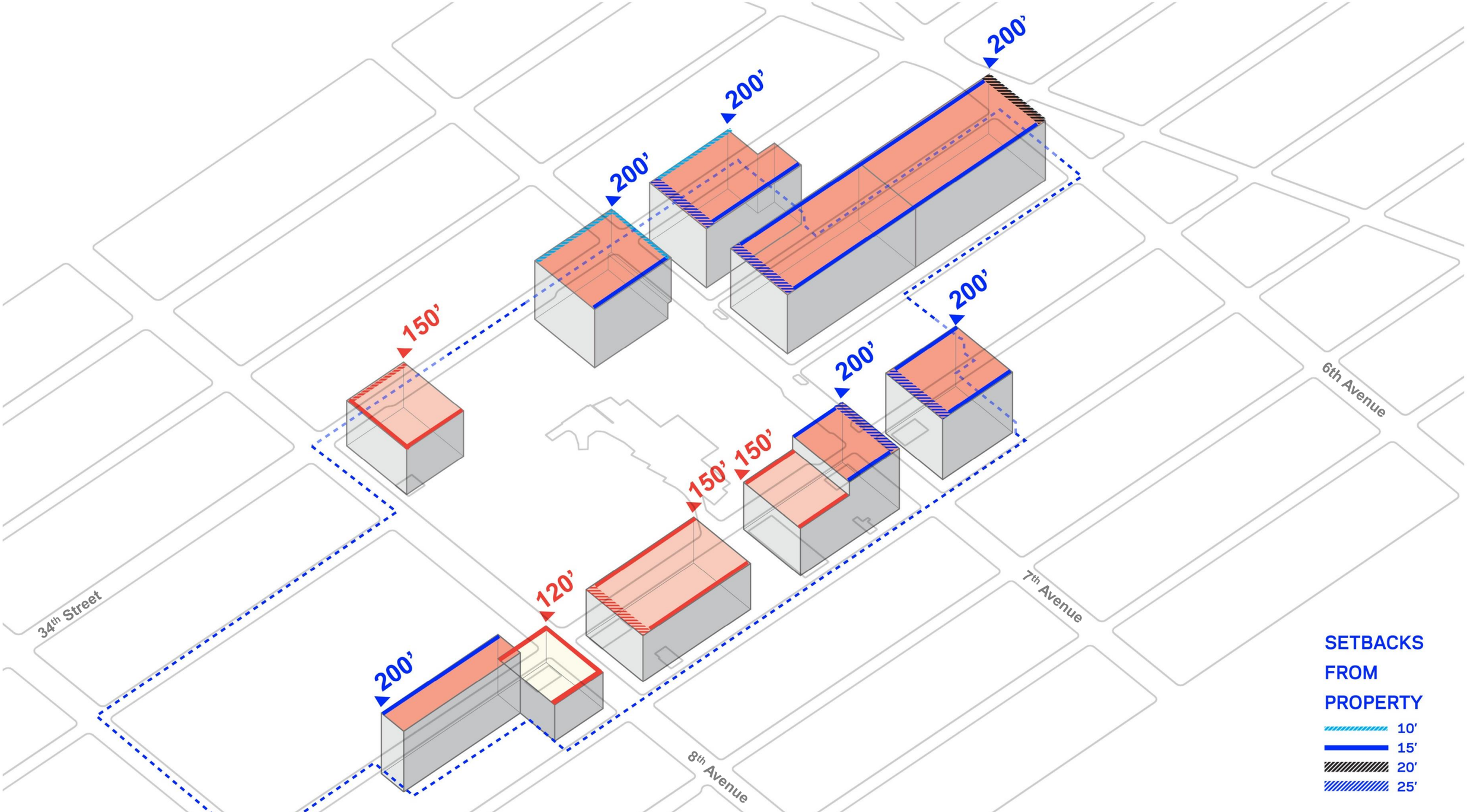
Development Framework: Lower Base Heights on 8th Avenue



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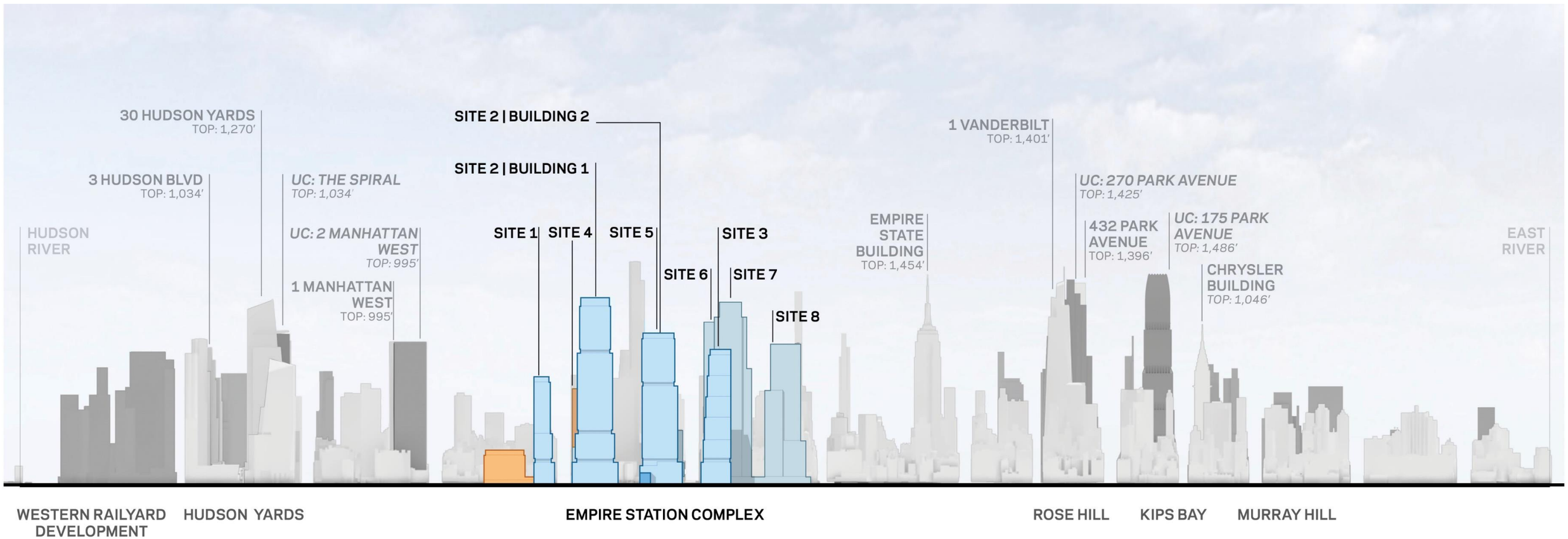
PROPOSED

Development Framework: Reduce Density

SECTION LOOKING NORTH



UC: PLANNED OR UNDER CONSTRUCTION

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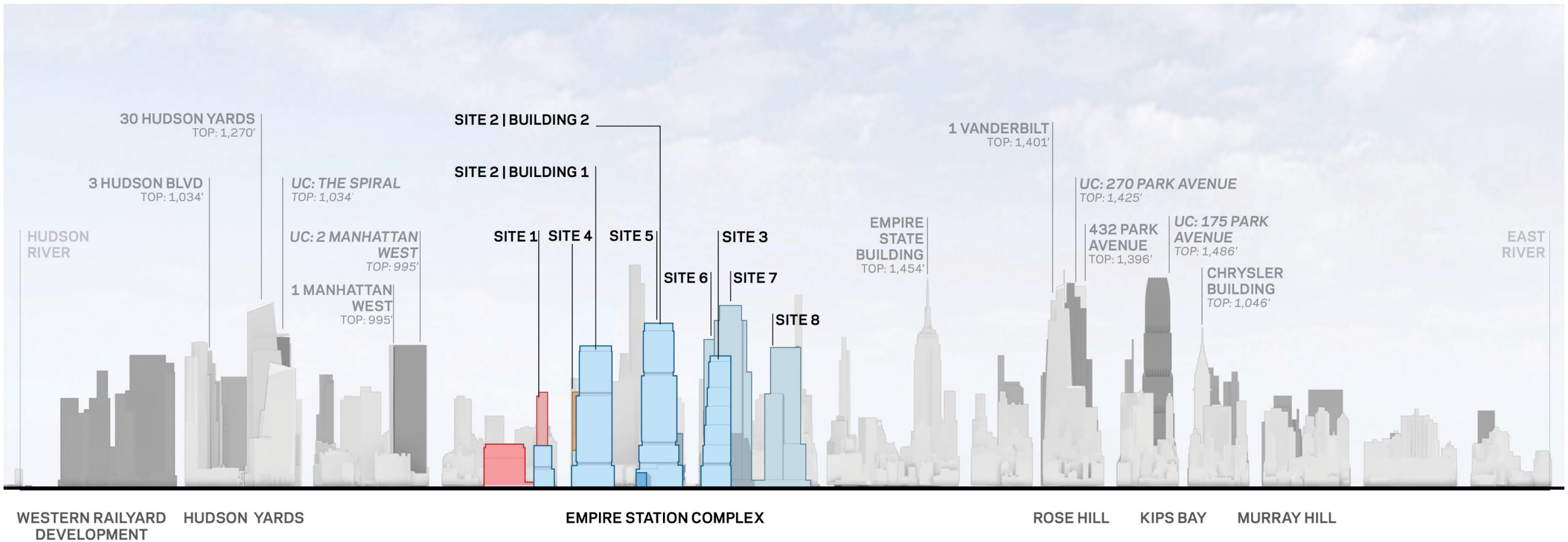
BEFORE

Development Framework: Reduce Density

SECTION LOOKING NORTH



UC: PLANNED OR UNDER CONSTRUCTION

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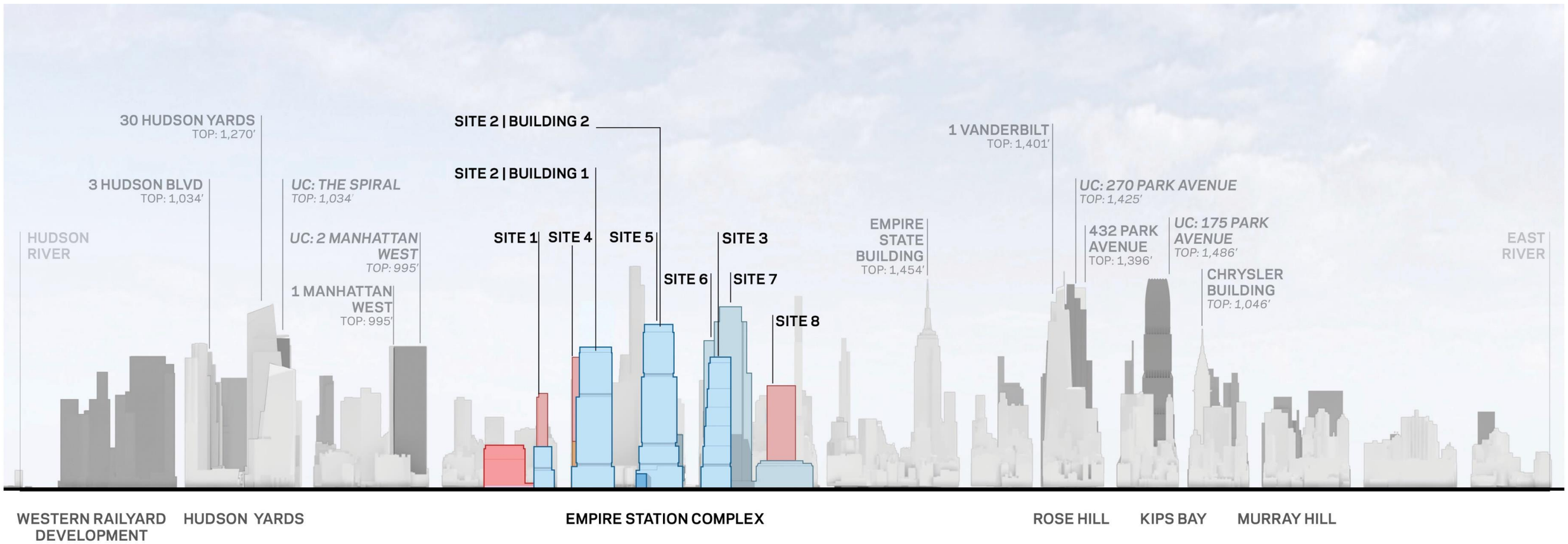
PROPOSED – Commercial Alternative

Development Framework: Reduce Density

SECTION LOOKING NORTH

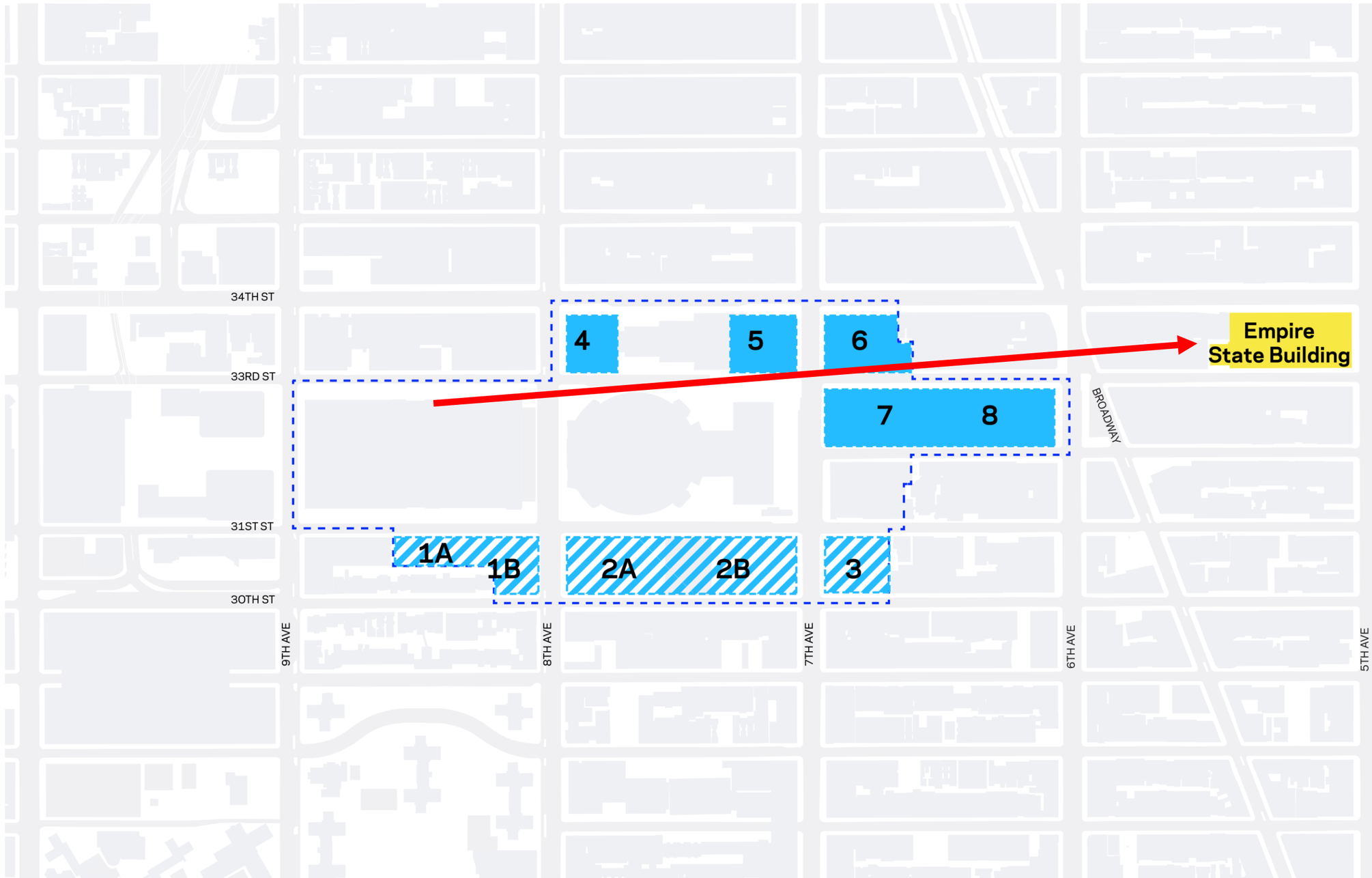


UC: PLANNED OR UNDER CONSTRUCTION

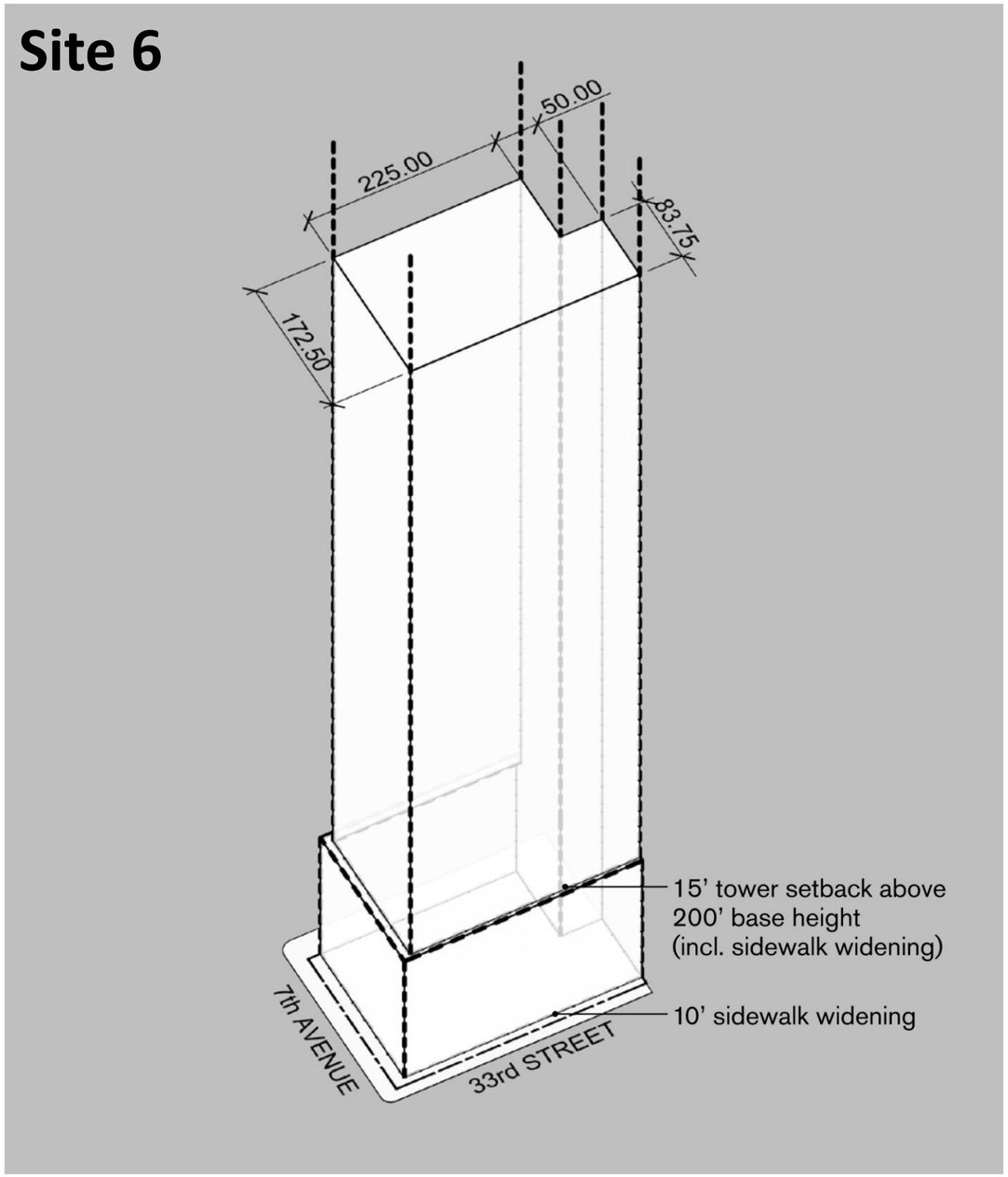
NEW YORK STATE OF OPPORTUNITY. Empire State Development

PROPOSED – Residential Alternative

Development Framework: Prioritize Empire State Building View Corridor

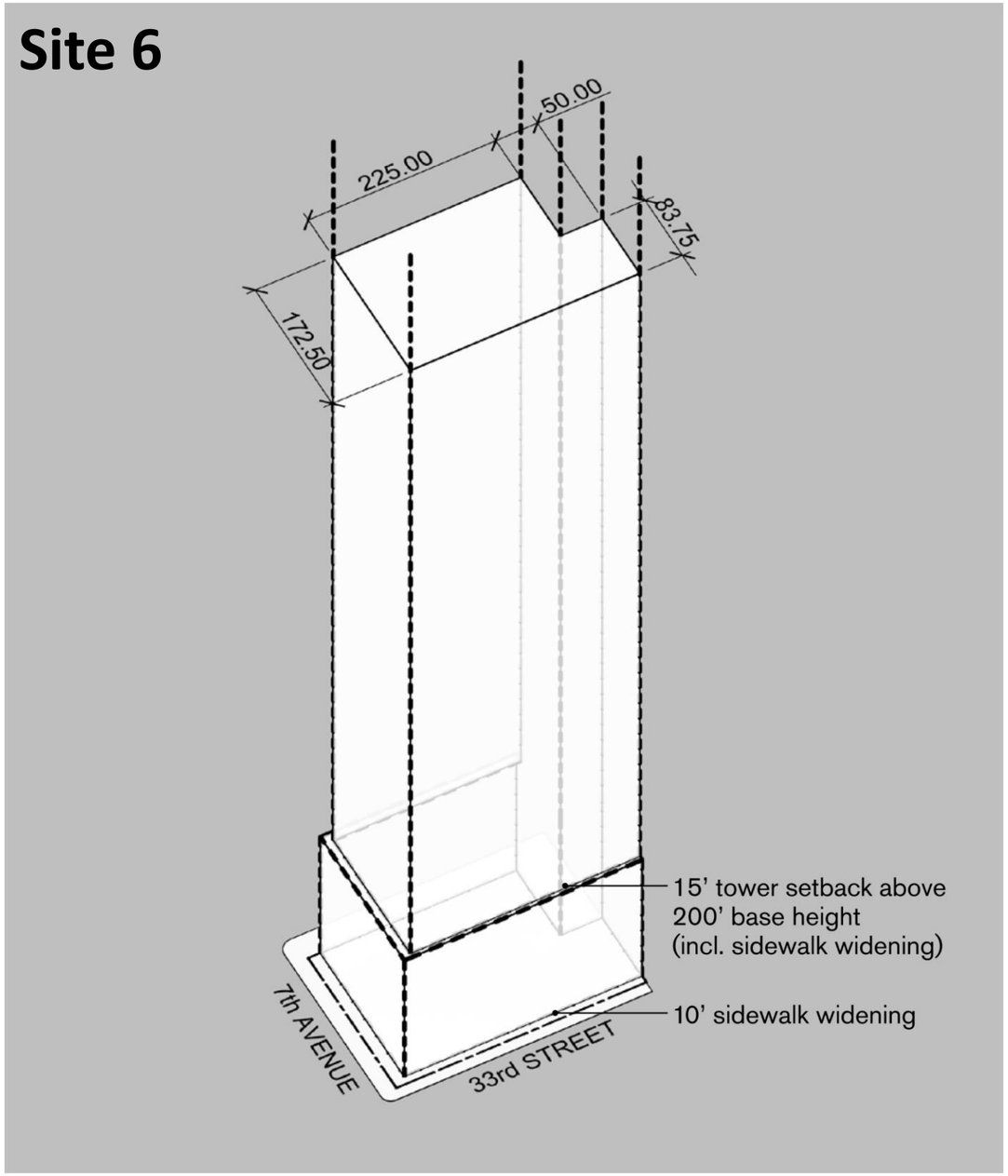


Development Framework: Prioritize Empire State Building View Corridor



BEFORE

Development Framework: Prioritize Empire State Building View Corridor



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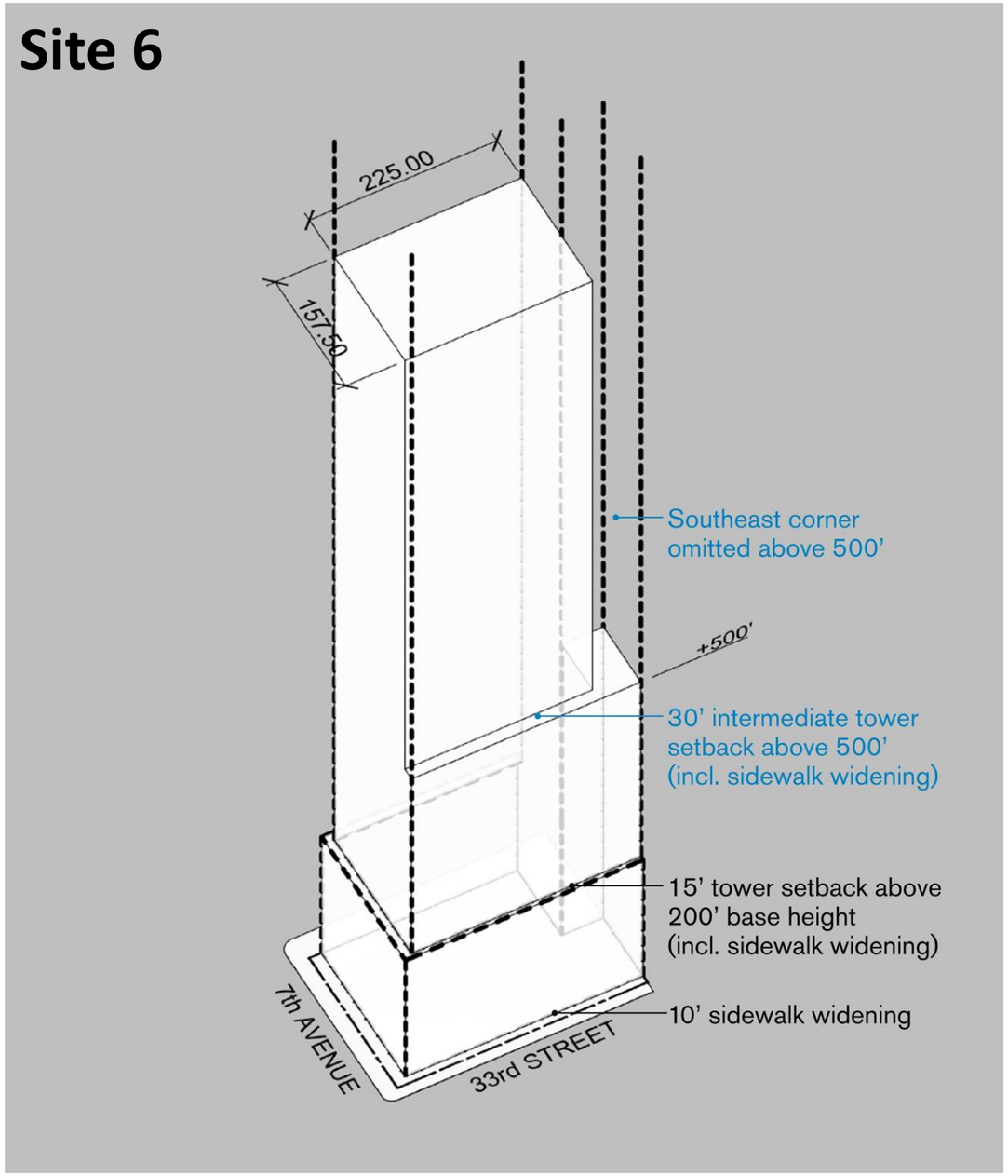
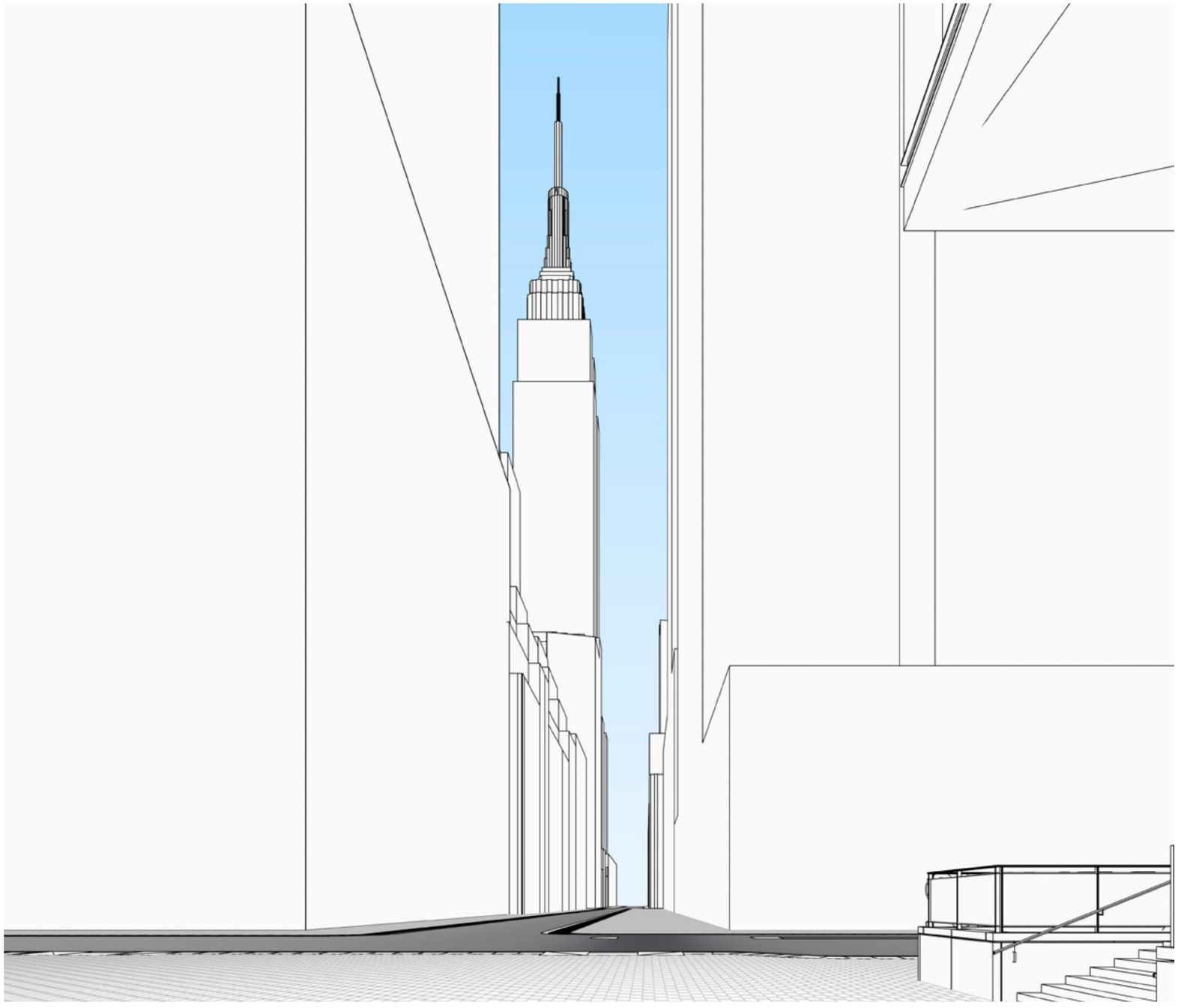
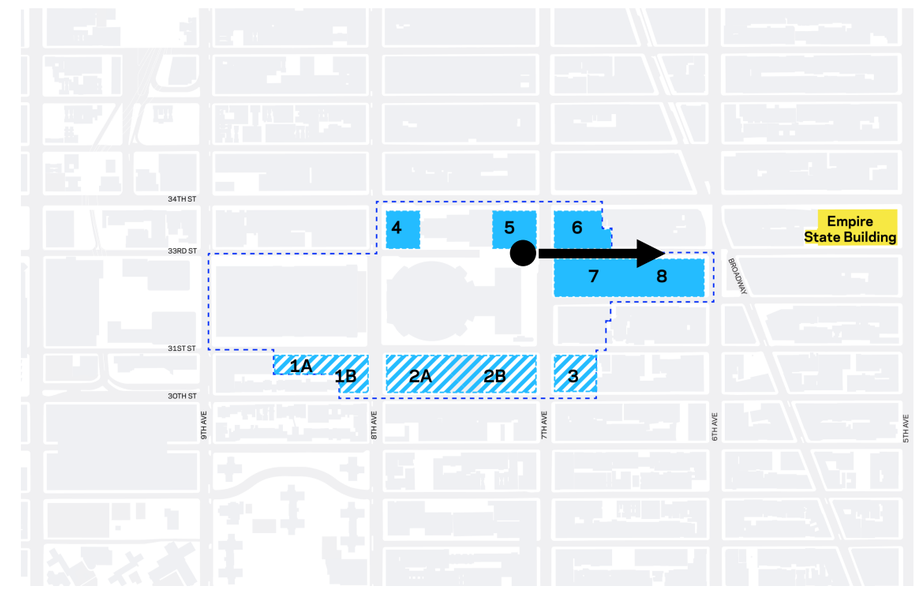


PROPOSED

Development Framework: Prioritize Empire State Building View Corridor

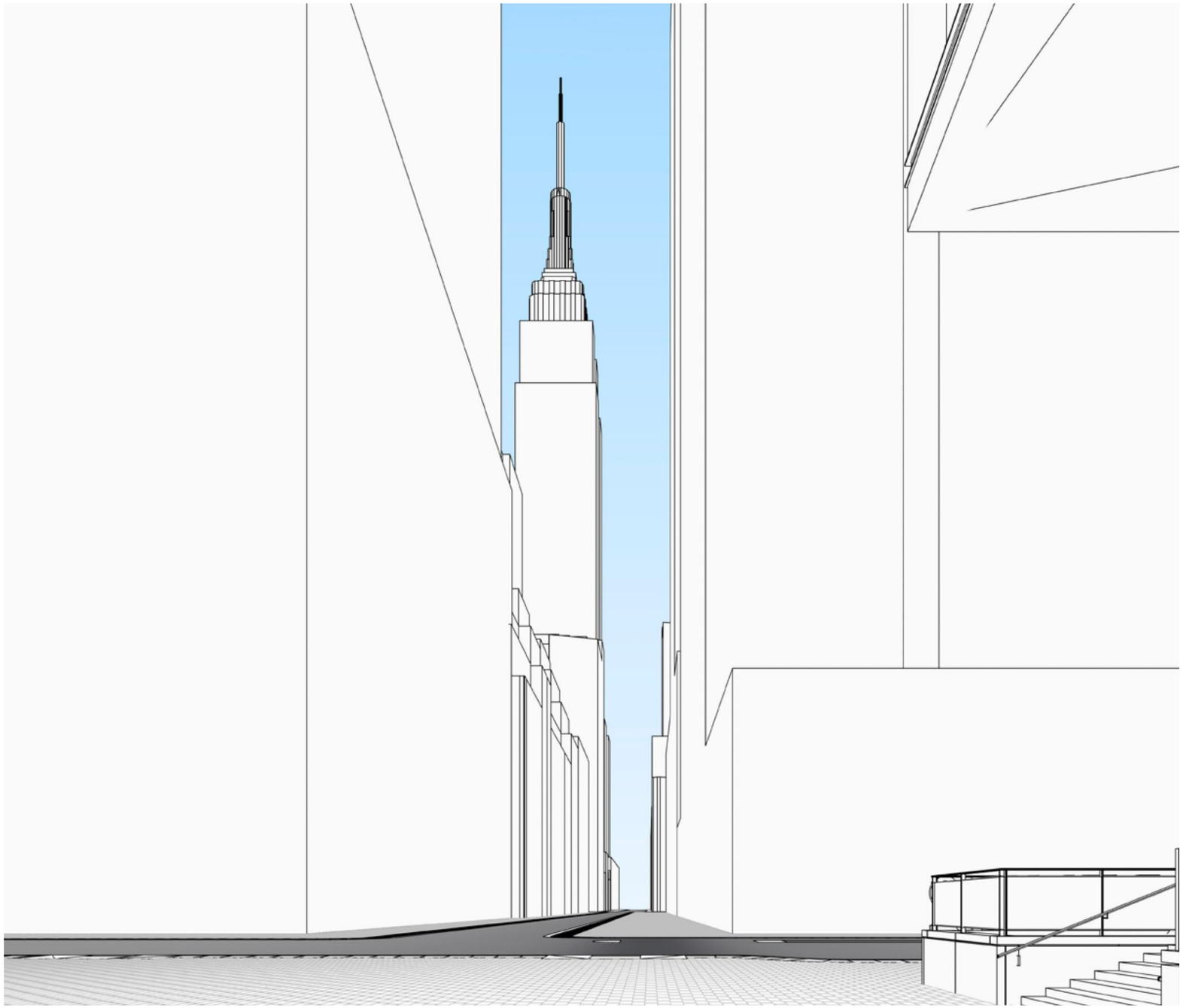


33rd and 7th,
exiting East End Gateway



BEFORE

Development Framework: Prioritize Empire State Building View Corridor



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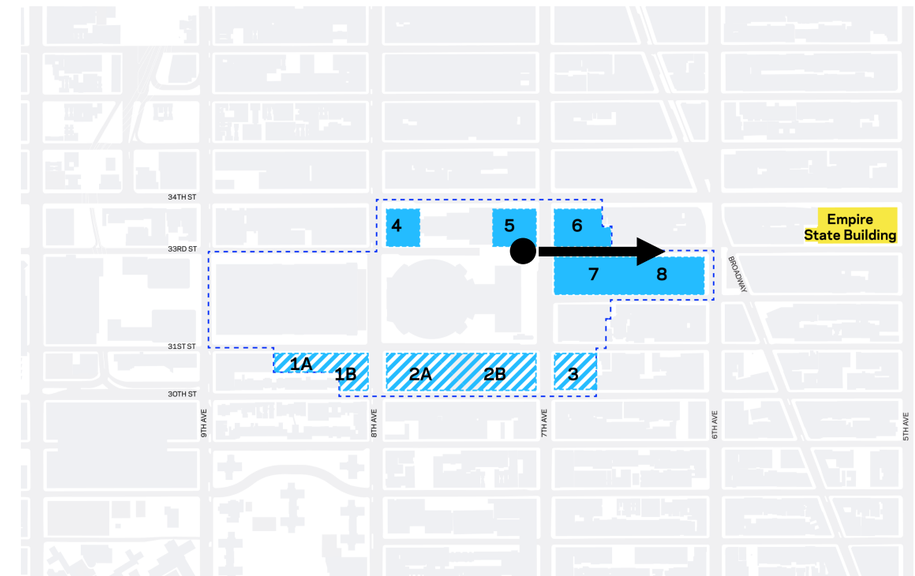
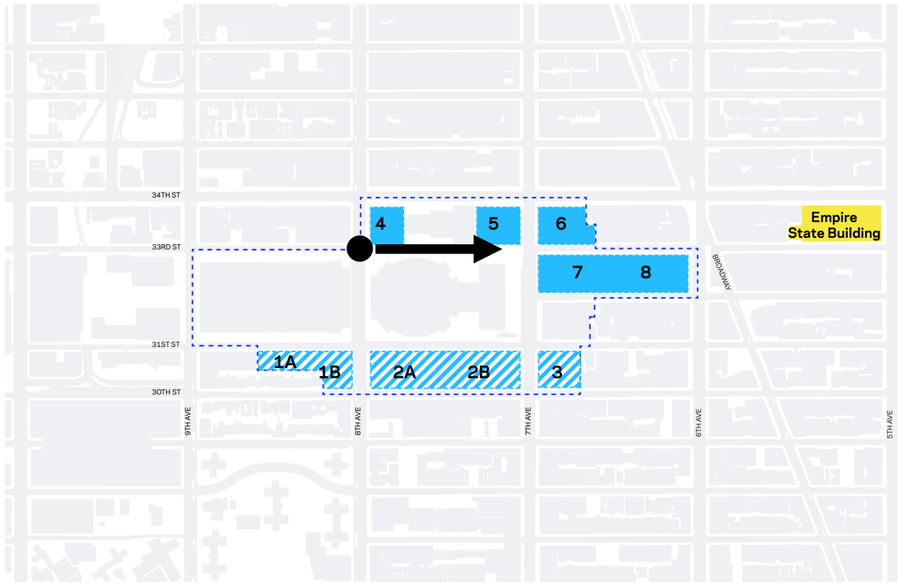
exiting East End Gateway



PROPOSED

Development Framework: Prioritize Empire State Building View Corridor

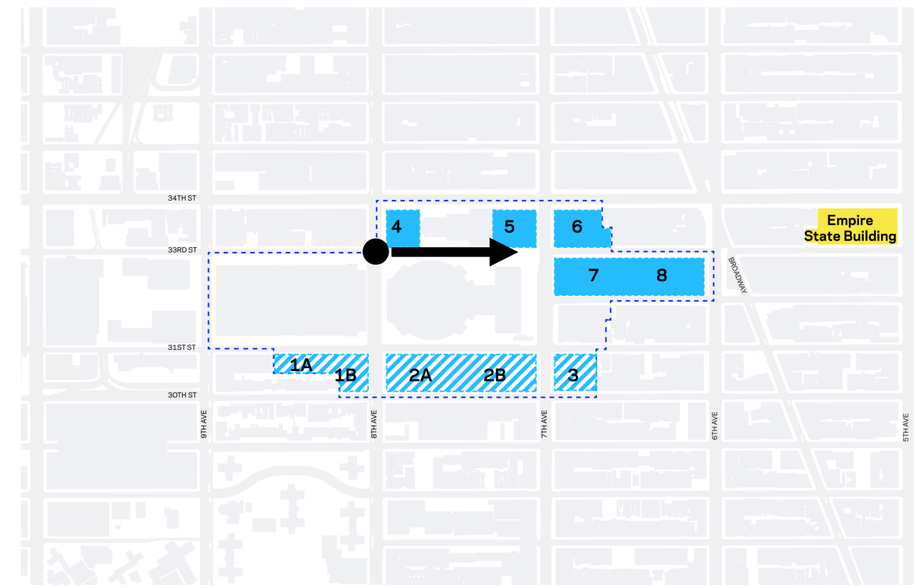
33rd and 8th,
exiting A/C/E subway



BEFORE

Development Framework: Prioritize Empire State Building View Corridor

33rd and 8th,
exiting A/C/E subway



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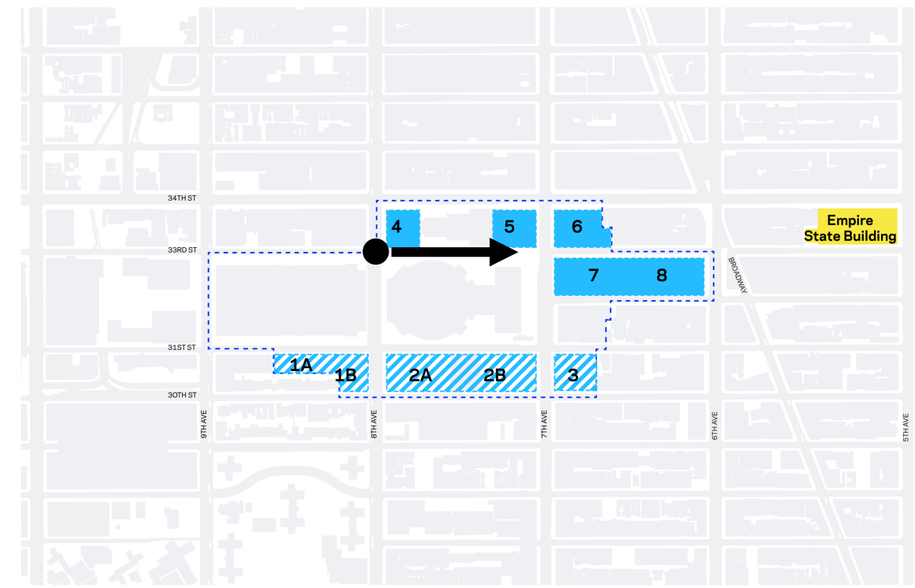
PROPOSED

CONFIDENTIAL

Development Framework: Prioritize Empire State Building View Corridor

33rd and 8th,
exiting A/C/E subway



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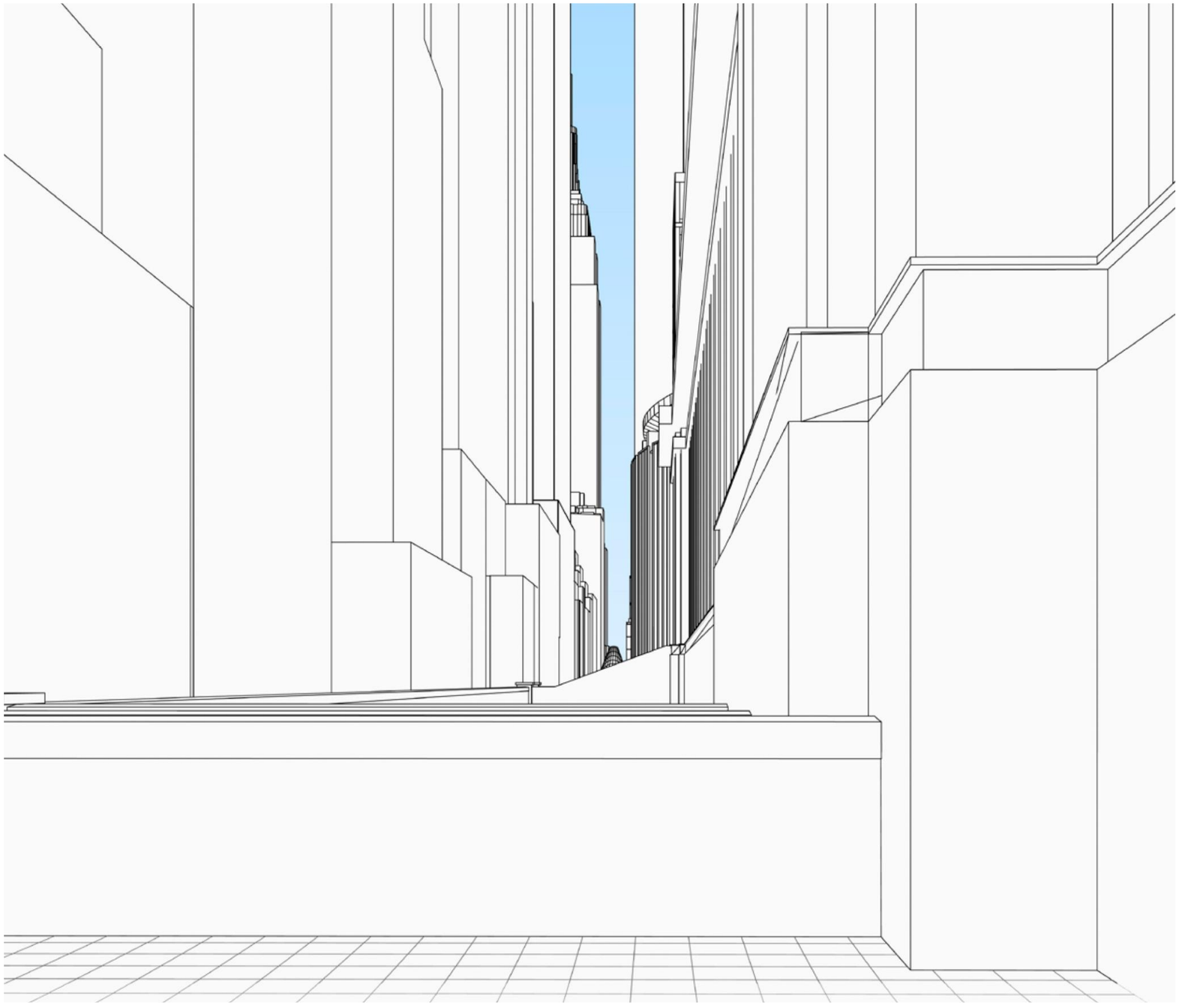
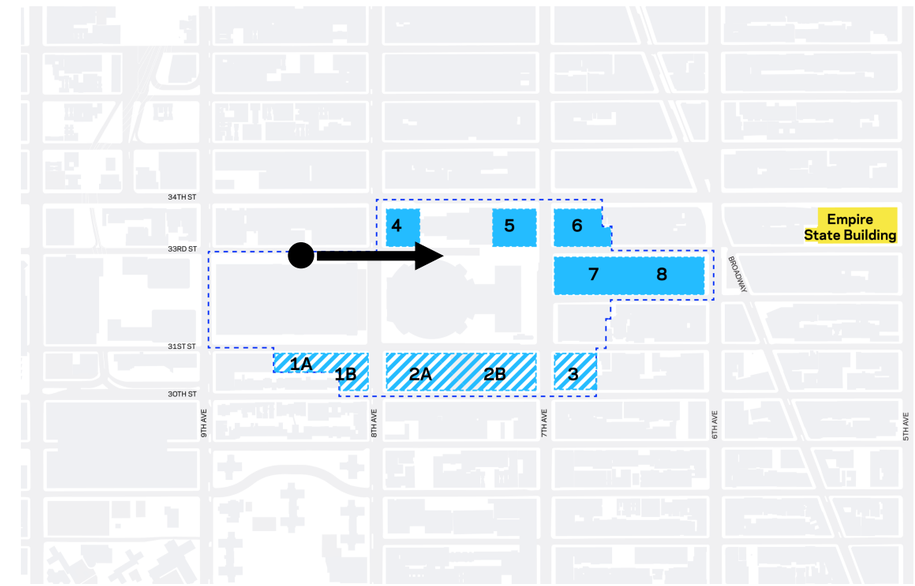
PROPOSED

Development Framework: Prioritize Empire State Building View Corridor

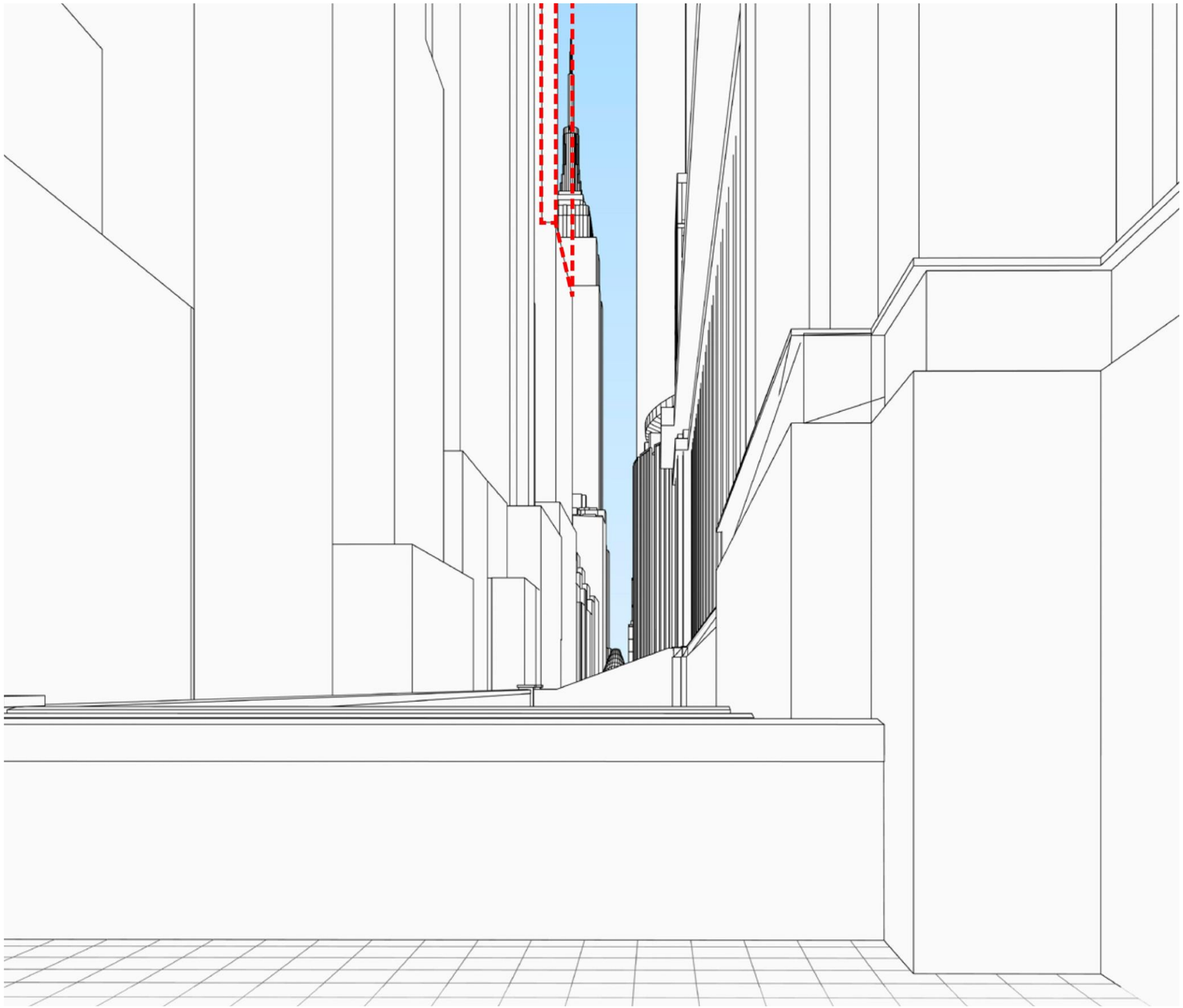


33rd St between 8th & 9th, exiting Moynihan

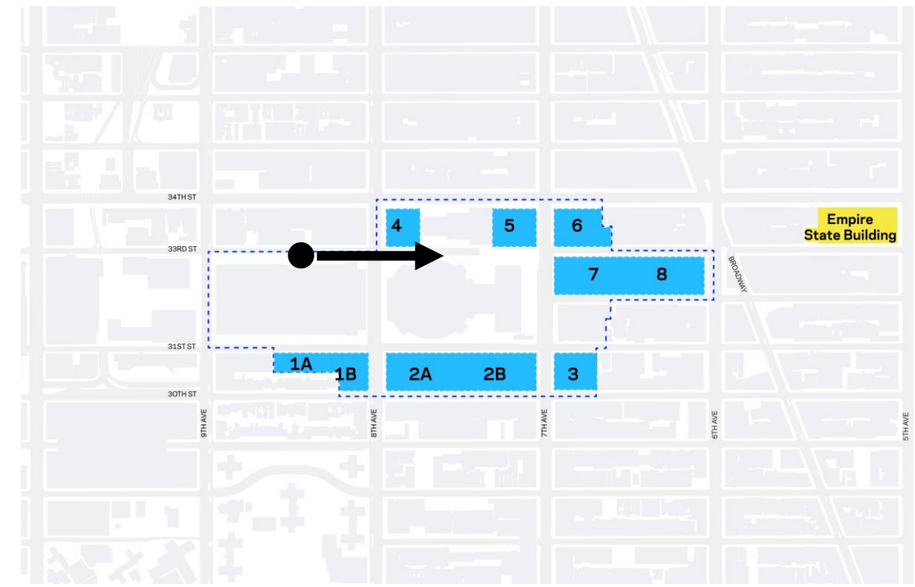


BEFORE

Development Framework: Prioritize Empire State Building View Corridor

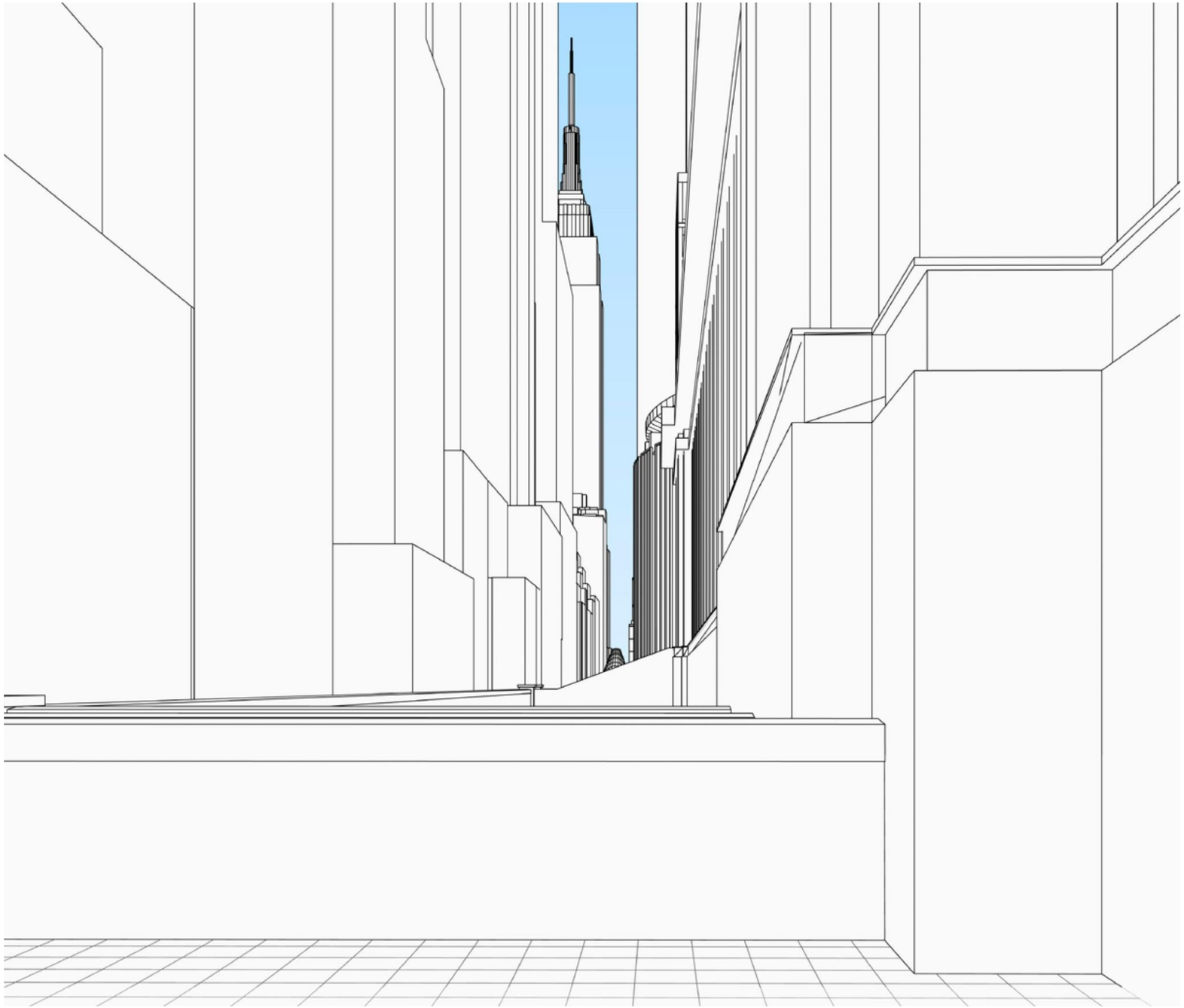


33rd St between 8th & 9th, exiting Moynihan



PROPOSED

Development Framework: Prioritize Empire State Building View Corridor



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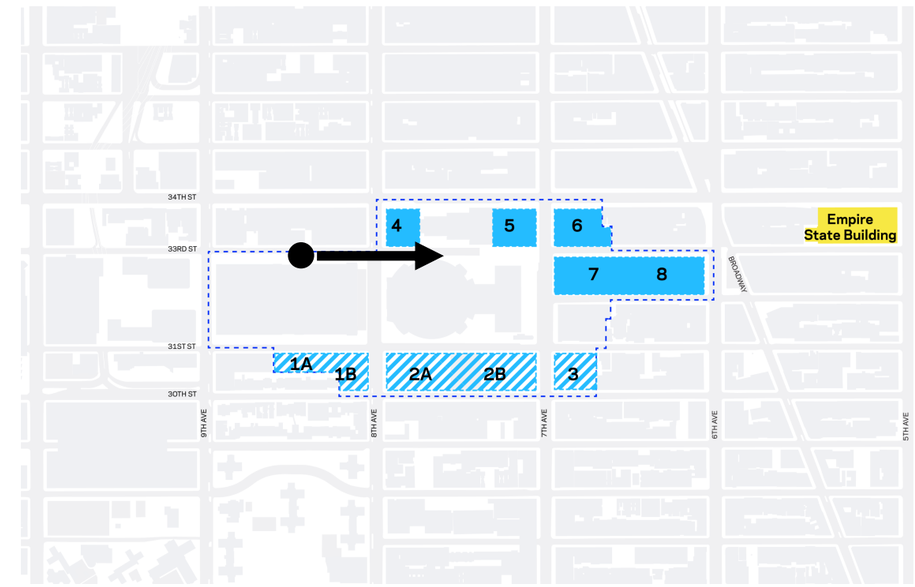
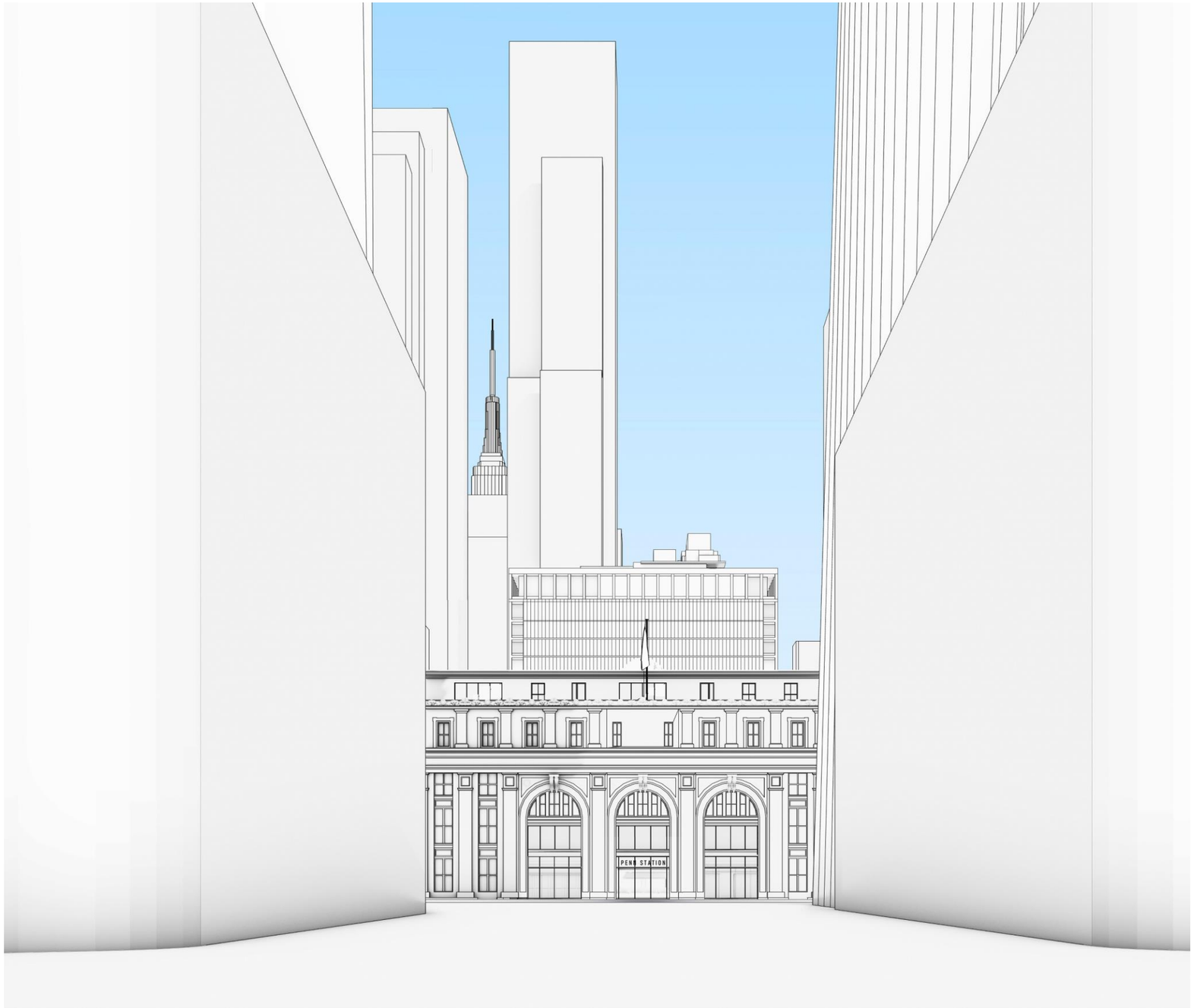


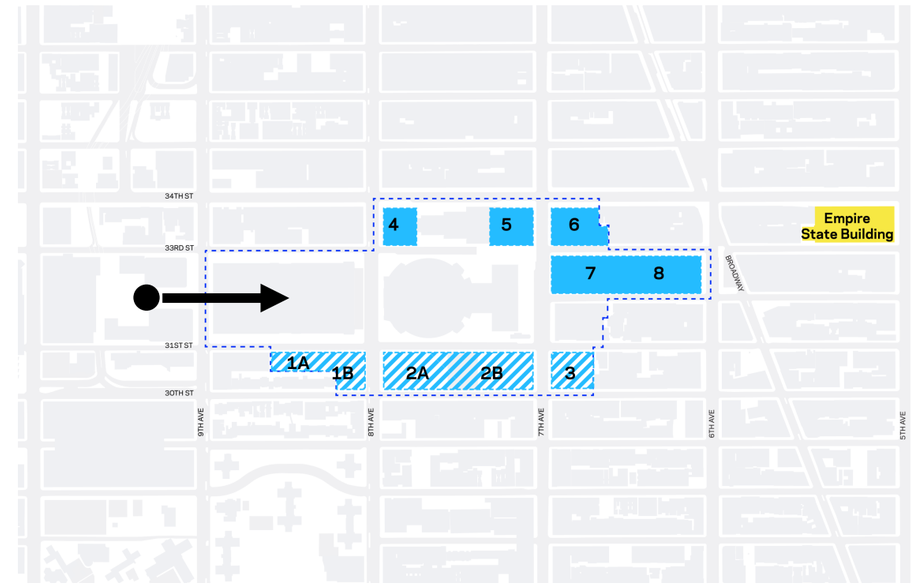
PROPOSED

CONFIDENTIAL

Development Framework: Prioritize Empire State Building View Corridor



32nd St between 9th & 10th, Manhattan West



BEFORE

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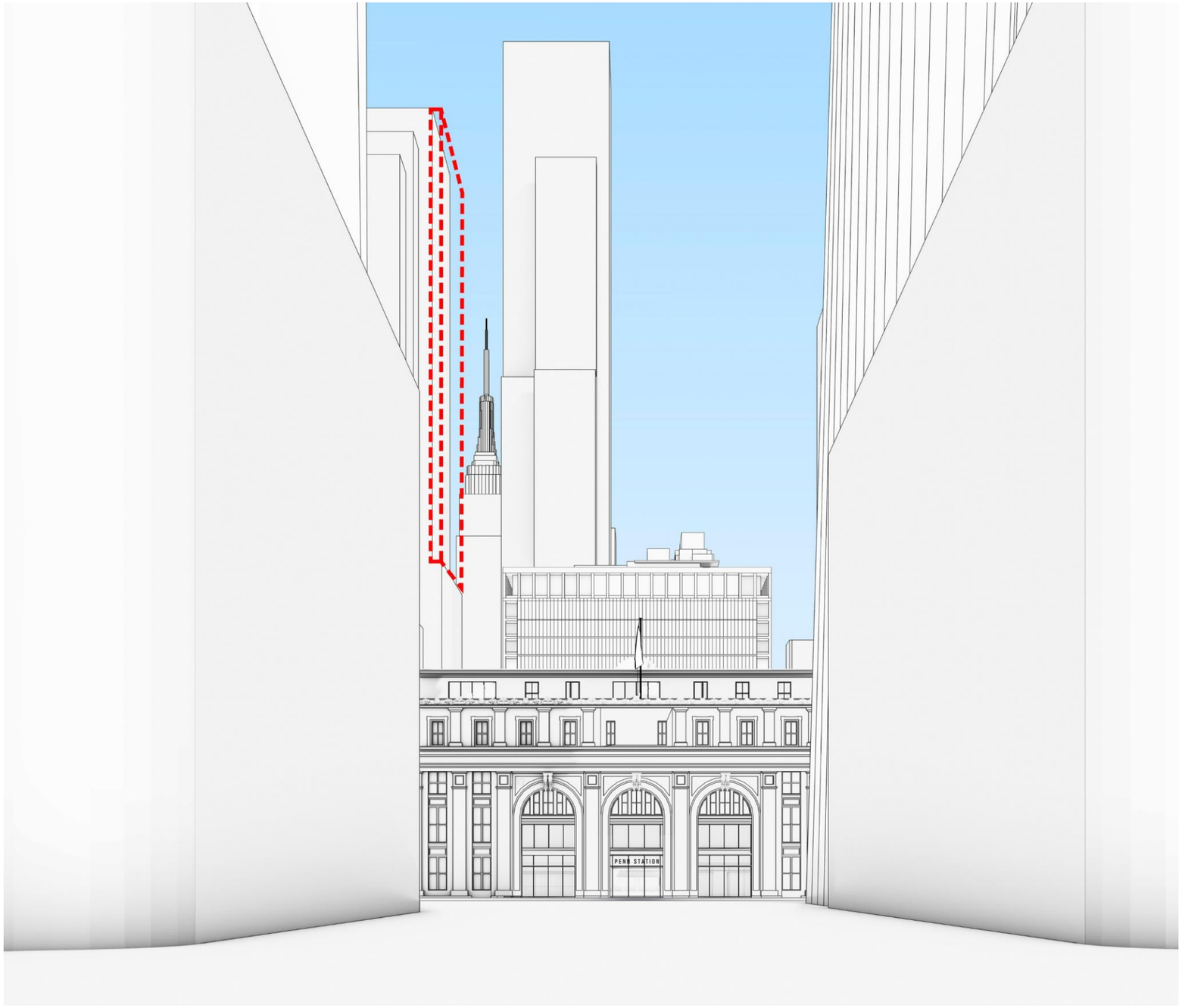
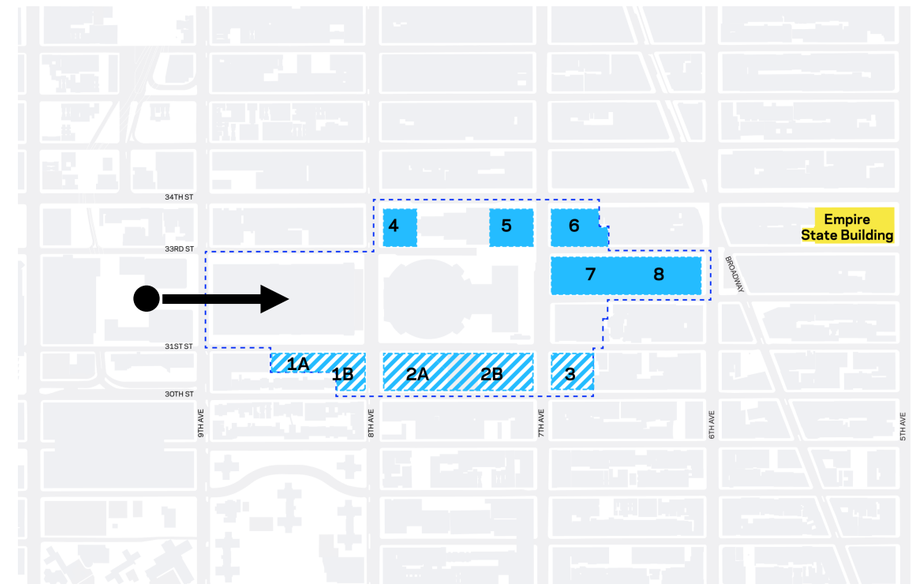
Development Framework: Prioritize Empire State Building View Corridor



32nd St between 9th & 10th, Manhattan West

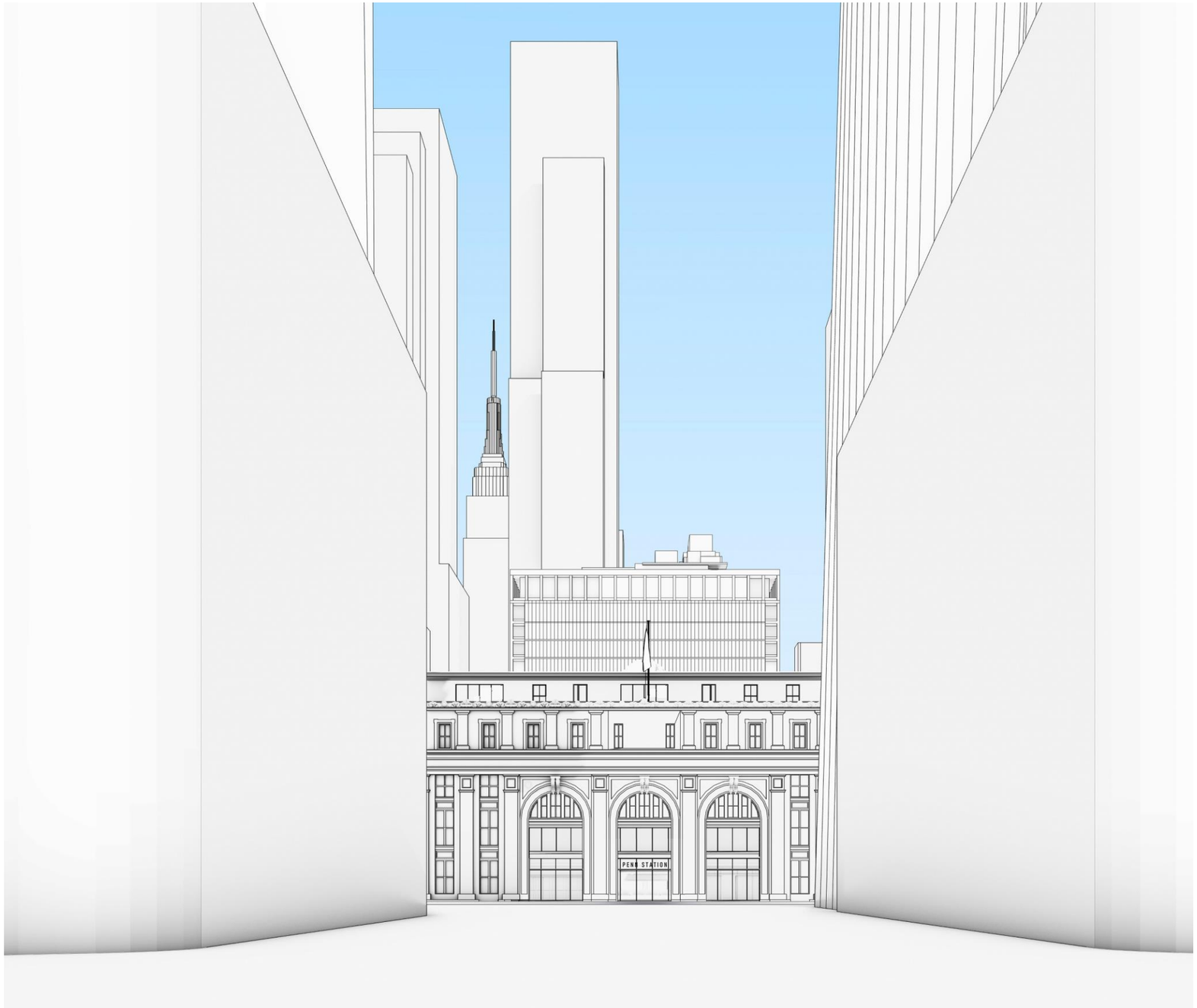


NEW YORK STATE OF OPPORTUNITY. Empire State Development

PROPOSED

CONFIDENTIAL

Development Framework: Prioritize Empire State Building View Corridor



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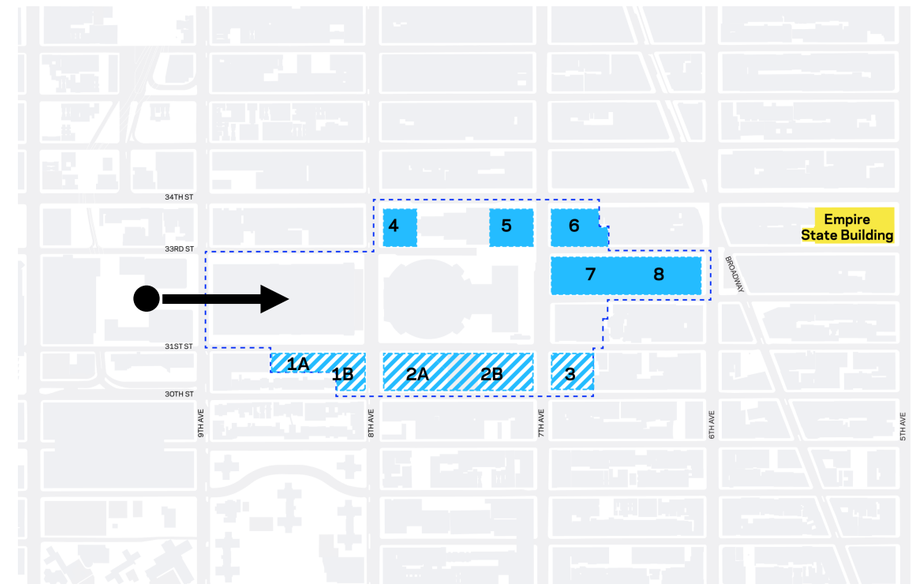

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PROPOSED

Development Framework: Encourage Active, Diversified Street Frontages

- **Primary lobby frontage** size decreased to correlate with lot size as follows:
  - Small sites (1A & 4): 100' → **40'**
  - Medium sites (1B, 3, 5 & 6): 100' → **60'**
  - Large sites (2A, 2B, 7, 8): 100' → **90'**

- Each building would be allowed **only one primary lobby**, and all sites except 1A must provide a direct internal **entrance in the lobby to a subway, Penn Station or the below-grade pedestrian concourse**, and/or an at-grade **public through-block connection.**

- Any **additional lobby** would be limited to a **40'** frontage, and no building could have more than three additional lobby entrances.

- The required ratio of active street frontage would be increased from 35% to **40% active uses** (lobbies do not count).

- **Storefronts on shared streets could not exceed 50'** to encourage small, neighborhood retail and pedestrian activity.

Development Framework: Strengthen Lobby Controls

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BEFORE

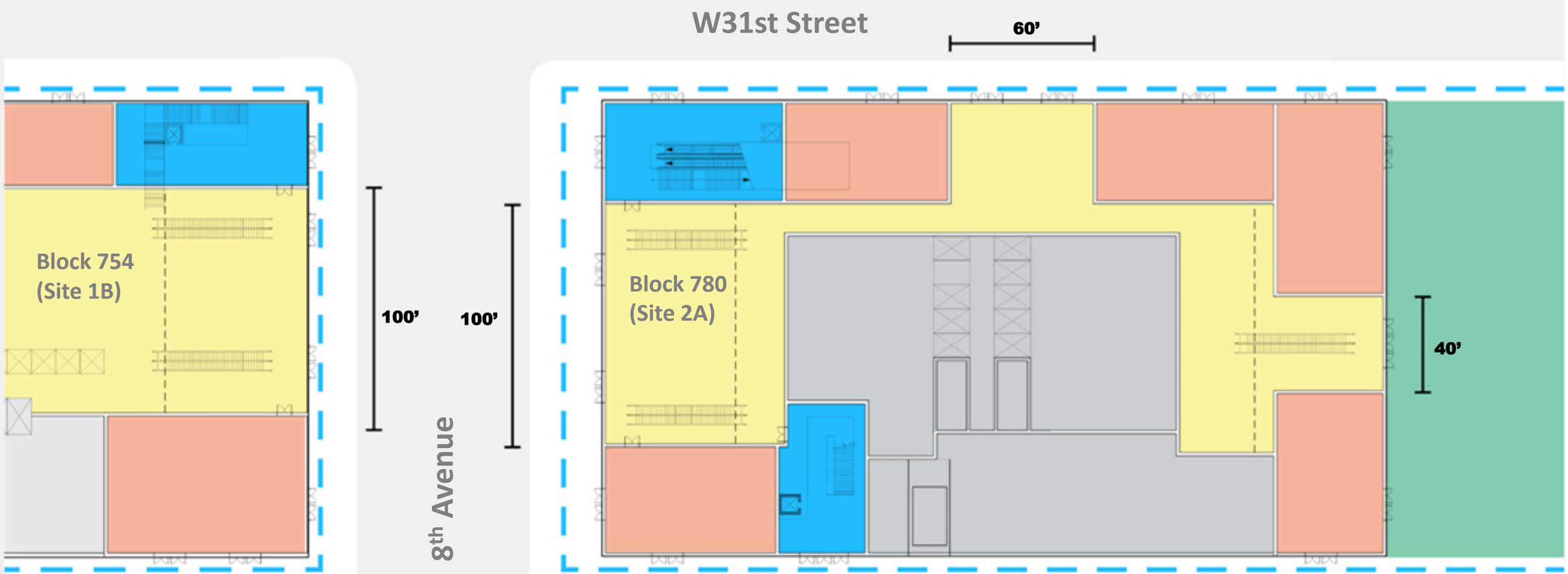
Development Framework: Strengthen Lobby Controls

NEW YORK STATE OF OPPORTUNITY. Empire State Development

PROPOSED

CONFIDENTIAL

Development Framework: Encourage Active, Diversified Street Frontages



LEGEND

- TRANSIT
- RETAIL/ COMMUNITY FACILITY
- OFFICE LOBBY
- SERVICE/LOADING

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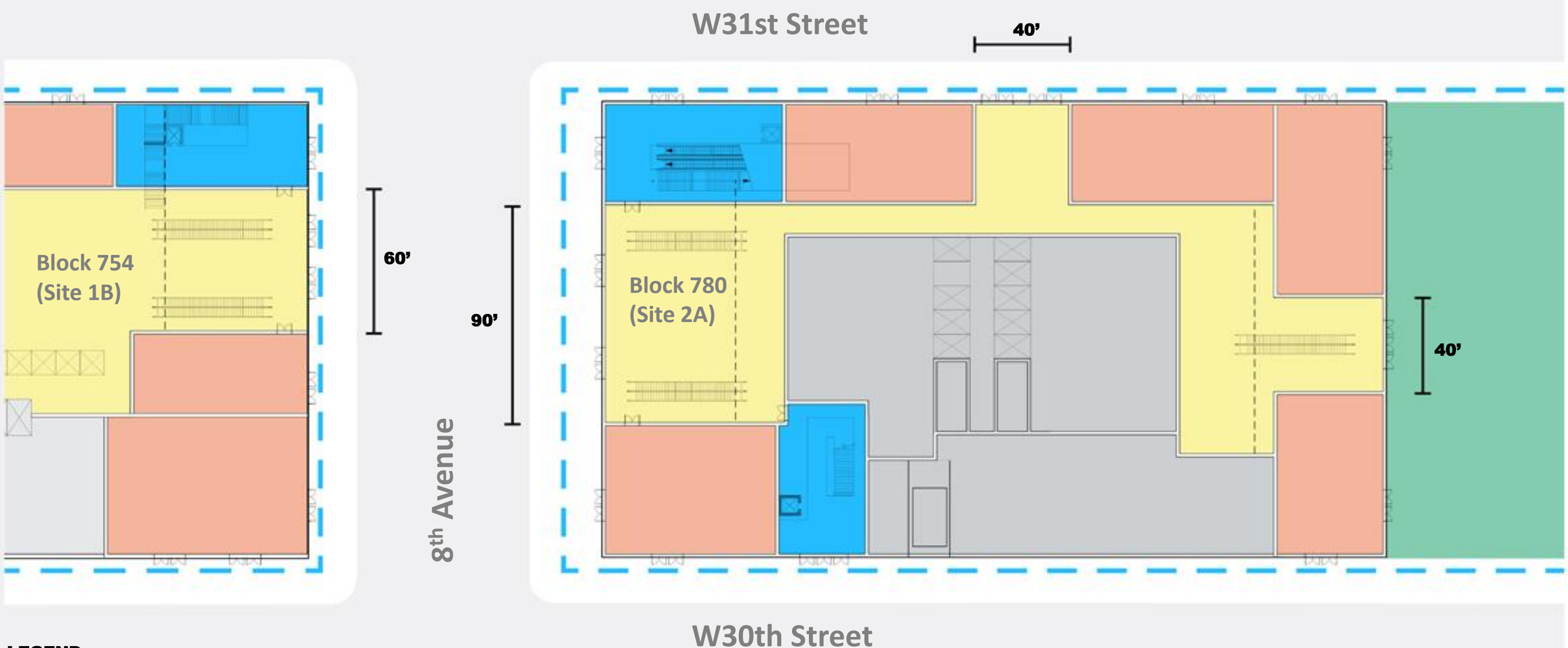
BEFORE

Development Framework: Encourage Active, Diversified Street Frontages



LEGEND

- TRANSIT
- RETAIL/ COMMUNITY FACILITY
- OFFICE LOBBY
- SERVICE/LOADING

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PROPOSED

Development Framework: Restrict Vehicular Parking

- Allowable parking in the project area would be reduced from the current 2,508 spaces to no more than 800 spaces, a **reduction of 68%.**

- No parking would be allowed on Sites 1-3, and Sites 4,6,7 and 8 would be allowed no more than 100 spaces per site. Parking would not be required on any site.

- 1 Penn Plaza currently has 665 parking spaces, which would be reduced to 400.

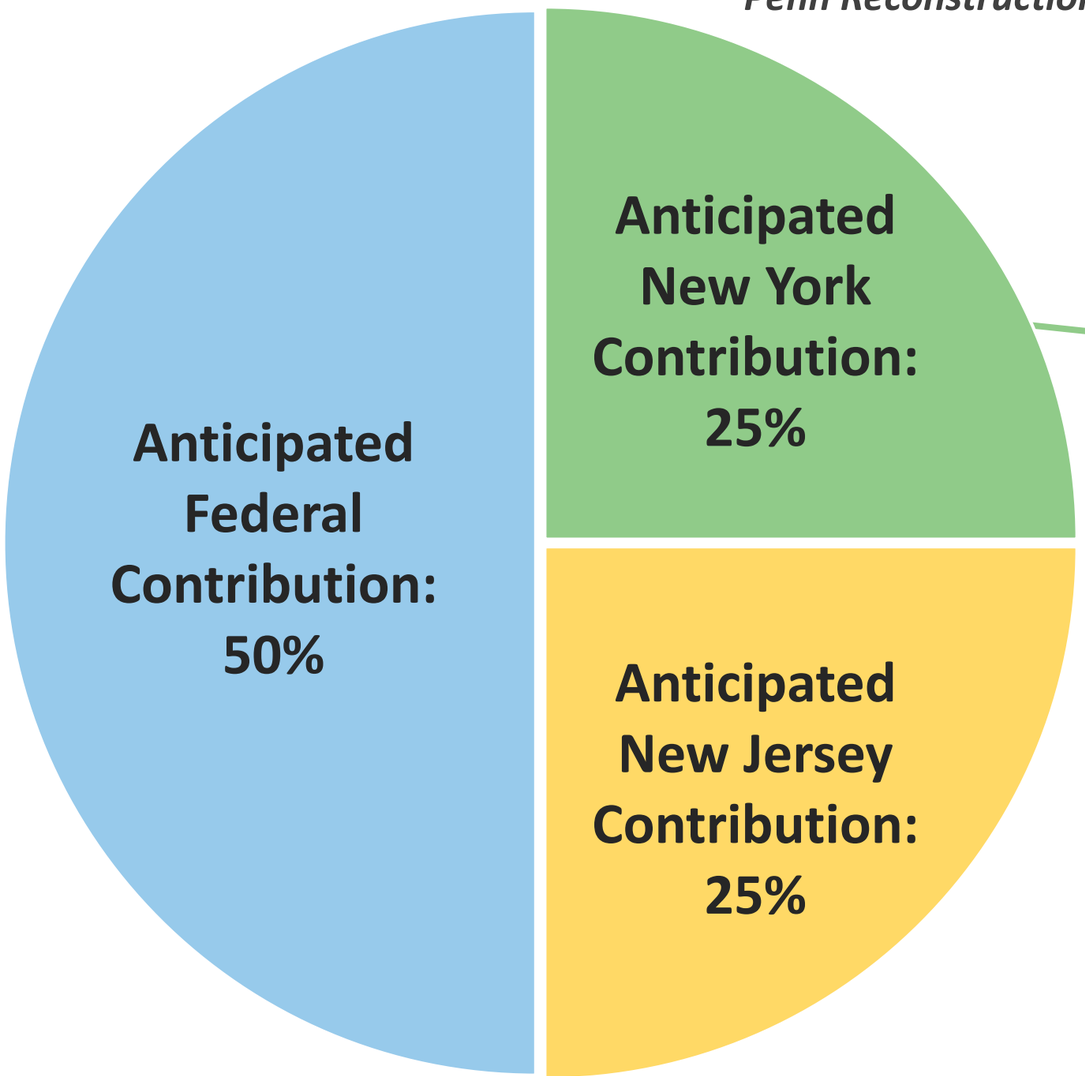
- **In-building bicycle parking would be doubled** from current zoning requirement, to 3,000 spaces across the project area. Fewer than 400 bike parking spaces exist today in the project area.

Financing: Include Non-Development Sources in Financing Plan

Cost Estimate:

~$30-40 Billion

Hudson Tunnel Project = $12.3B
Penn Expansion = ~$10B
Penn Reconstruction = ~$6B



Anticipated New York Contribution: $7.5-10 Billion

Already committed:

- $1.3B NYS 2021 budget appropriation
- $2.7B NYS capital plan commitment to Hudson Tunnel Project
- $1.25B PANYNJ contribution to Hudson Tunnel Project*

* Portion of PANYNJ's $2.5 billion contribution to Hudson Tunnel Project attributed to New York

Appropriations reduce risk

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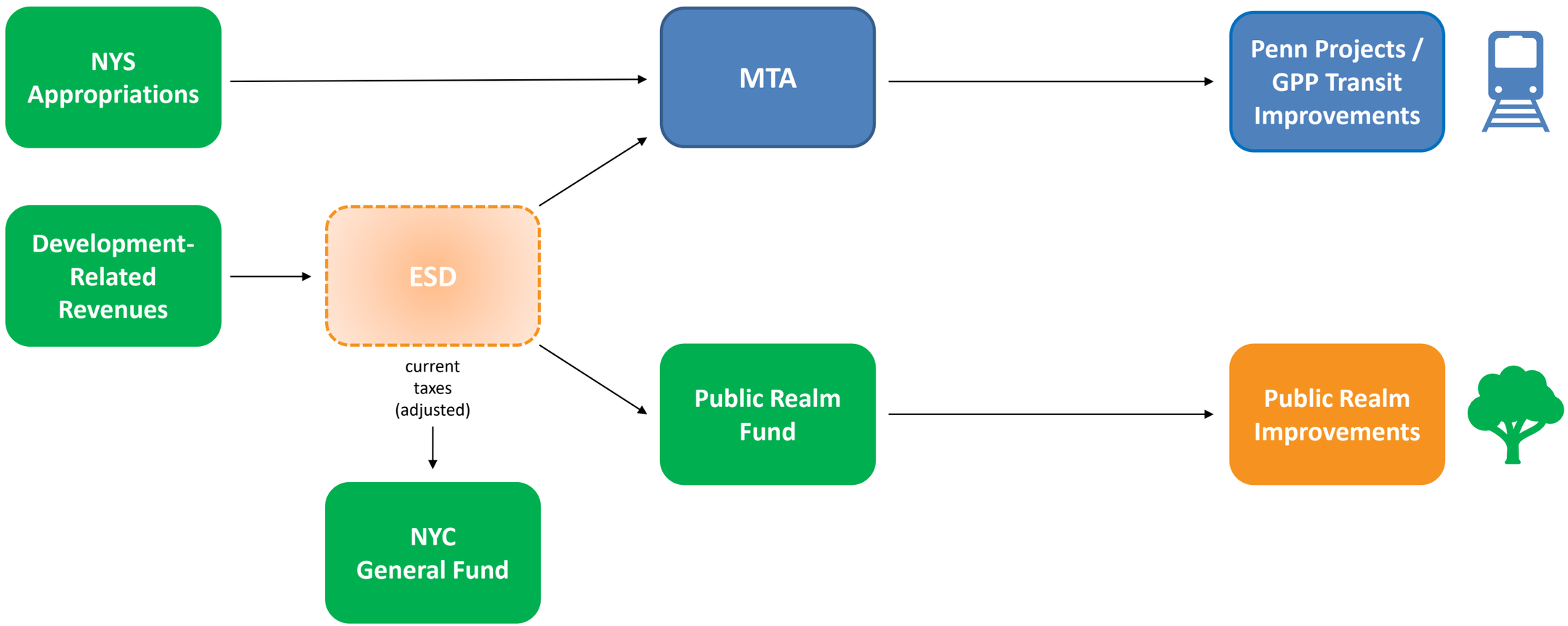
Financing: Maximizing Public Benefits

- No agreement has yet been reached with the City, but ESD has proposed that the **City would continue to receive current property tax revenues**, as adjusted**.**

- Development rights and land values would be priced at **fair market value** site by site prior to development, and PILOT agreements would include ongoing adjustments.

- GPP will require that any development-related revenues to the State are **dedicated to the Penn railroad projects and transit and public realm improvements.**

Financing: Maximizing Public Benefits



Environment: Mitigate Construction Impacts / Build Carbon Neutral

- There would be a **detailed, enforceable plan for construction mitigation**, such as requiring drilling rather than driving piles, electric-powered equipment, required use of Ultra Low Sulfur Diesel fuel, Best Available Tailpipe Reduction Technologies for engines on non-road vehicles of 50 horsepower or greater, and noise and air quality monitoring throughout construction.

- Public **Quality of Life meetings** and a **Quality of Life community liaison** would ensure ongoing oversight and monitoring through project build-out.

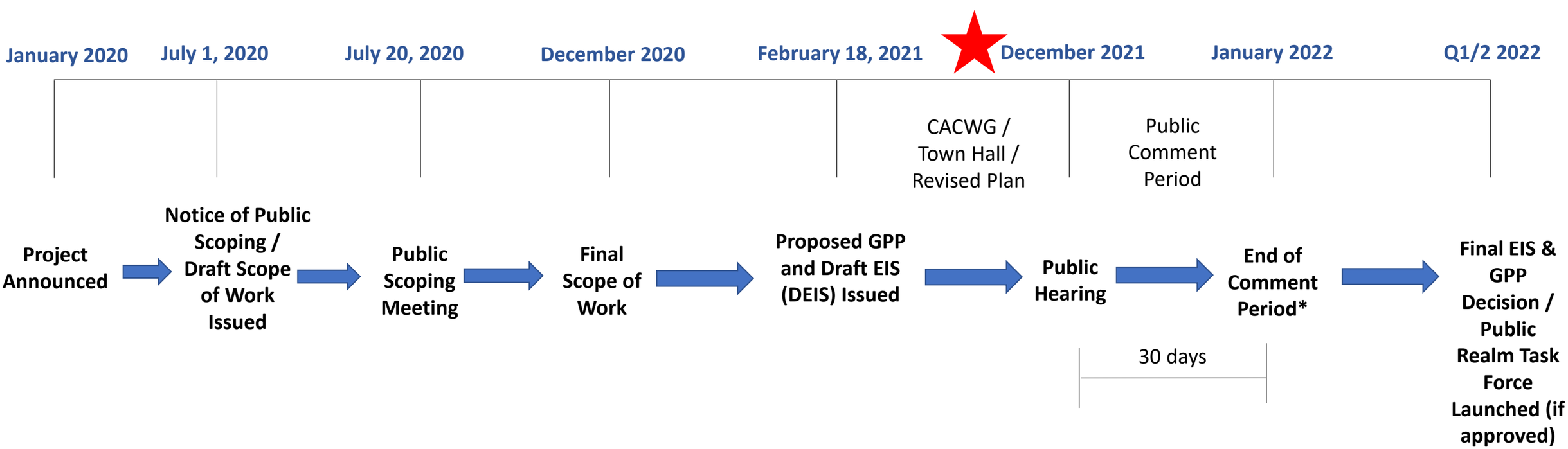
- All buildings would be **built to be fully electric** (except for emergency back-up generators, per NYC DOB mandate) and **compliant with Local Law 97** to achieve **carbon neutrality** when NYC/NYS “green the grid” (projected by 2040).

- Energy-efficient materials, such as triple-pane glass windows, and energy conservation strategies would be mandated.

Workforce Participation: Commit to Labor and Local Hiring Agreements

- Construction of all buildings would be covered by a **Project Labor Agreement or other form of agreement** negotiated with to the trades.
- ESD and the Railroads would **work with community-based organizations** to explore local hiring agreements closer to the time of construction of the railroad projects.
- **MWBE goals** (currently 30%) would apply to construction of all buildings.

Current GPP Timeline



*Following the public comment period, ESD will review and respond in writing to all substantive comments, prepare and issue a Final EIS and GPP, and present both to the ESD Board for consideration.