DEPARTMENT OF CITY PLANNING
CITY OF NEW YORK

ENVIRONMENTAL ASSESSMENT AND REVIEW DIVISION

Carl Weisbrod, *Director*
Department of City Planning

August 22, 2016

Hilary Semel, Director
Mayor's Office of Sustainability
253 Broadway, 14th Floor
New York, New York 10007

NOTICE OF LEAD AGENCY DETERMINATION AND REVIEW

Re: Greater East Midtown Rezoning
CEQR No. 17DCP001M
ULURP Nos. Pending
Manhattan, Community Districts 5 and 6
Type I Action

Dear Ms. Semel:

The above-referenced application involves discretionary actions subject to City Planning Commission (CPC) approval. These actions are subject to review under City Environmental Quality Review (CEQR), Executive Order No. 91, and the State Environmental Quality Review Act (SEQRA), 6 NYCRR 617.

Pursuant to Sections 5.03 and 5.05 of the Rules of Procedure for City Environmental Quality Review (CEQR) as adopted June 26, 1991, the Department of City Planning, acting on behalf of the CPC, is assuming lead agency status for this application and is initiating the CEQR review.

The New York City Department of City Planning (DCP) is proposing a zoning text amendment and a zoning map amendment (collectively the "Proposed Action") affecting an approximately 78 block area within the Greater East Midtown neighborhood of Manhattan Community Districts 5 and 6. The affected area is generally bounded by East 57th Street to the north, East 39th Street to the south, Second and Third Avenues to the east and Fifth Avenue to the west.

The Proposed Action includes:

1. A zoning text amendment to establish the East Midtown Subdistrict (the "Subdistrict") within the Special Midtown District which will supersede and subsume the existing Grand Central Subdistrict; and,

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2. A zoning map amendment to replace an existing C5-2 district with a C5-3 district, 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.

The Proposed Action is intended to: a) protect and strengthen Greater East Midtown as a regional job center and premiere central business district by seeding the area with new modern and sustainable office buildings; b) help preserve and maintain landmarked buildings by permitting their unused development rights to transfer within the district's boundary; c) permit overbuilt buildings to retain their non-complying floor area as part of a new development on the site; d) upgrade the area's public realm through improvements that create pedestrian friendly public spaces and that facilitates safer, more pleasant pedestrian circulation within the transit stations and the street network; and e) 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.

Currently, the area around Grand Central Terminal and along the avenues permit development to a maximum floor area ratio (FAR) of 15.0; and, along the midblocks to a maximum of 12.0 FAR. The Proposed Action would permit developments, through as-of-right mechanisms, to achieve specific maximum densities in excess of the base FARs of 15.0 and 12.0 ranging from 18.0 to 27.0 FAR based on geography. Broadly, this would translate to higher permitted FARs in locations proximate to transit nodes and along Park Avenue, the widest street in Midtown.

The Proposed Action would permit new developments to achieve higher densities, up to specified maximum allowances, through three as-of-right mechanisms. The proposed zoning text would permit underbuilt landmark sites that are within the Subdistrict or whose lot borders the Subdistrict's boundary to transfer their unused development rights throughout the Subdistrict to a new development. The text would also allow floor area of pre-1961 buildings that exceeds the maximum permitted base FAR to be utilized in a new development on the site without requiring 25 percent of the current building be retained. New developments in close proximity to transit nodes would be required to complete pre-identified transit infrastructure projects in exchange for a portion of the permitted floor area. Each mechanism would generate public realm improvements that will have been identified by the Department of Transportation and the Metropolitan Transportation Authority.

Future development would need to occur on sites that are able to produce the high-quality office space crucial to the success of this proposal. Consequently, sites that utilize 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 performance standards.

Lastly, the proposed zoning text would modify certain Special Midtown District regulations related to height and setback, hotel use, stacking of non-residential above residential use, and urban design controls.

As noted above, DCP will be acting as lead agency on behalf of the CPC and will conduct a coordinated environmental review.

The reasonable worst case development scenario (RWCDS) for the Proposed Action identifies a total of sixteen projected development sites within the proposed Subdistrict. By 2036, the analysis year for the Proposed Action, the total development expected to occur on these sites in the future with the Proposed Action (With-Action) conditions would consist of approximately 13.4 million gross square feet (gsf) of office space, 0.6 million gsf of retail, and approximately 119 dwelling units. The projected incremental (net) change between the future without the Proposed Action (No-Action) and With-Action conditions that would result from the Proposed Action would be an increase of approximately 6.6 million gsf of office space and 0.16 million gsf of retail; and, a net decrease of 44 residential units and 0.8 million gsf of hotel space. The total difference between the built square footage in the No-Action and With-Action conditions is an increase of approximately 5.9 million gsf.

Fourteen additional sites within the affected area, which are considered possible but less likely to be developed by the analysis year, have been identified as potential development sites.

It is anticipated that in the future without the Proposed Action there would be a total of approximately 6.7 million gsf of office space, 0.4 million gsf of retail space, 0.8 million gsf of hotel space, and 163 residential units, on the sixteen projected development sites.

The proposed zoning text amendment would establish or modify provisions related to several special permits. 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. 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. As new hotel uses 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. It is possible that the Proposed Action would also include mechanisms to allow for waivers of various provisions of the Special Midtown District including height and setback. Because it is not possible to predict whether one or more special permits 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. Therefore, a conceptual analysis will be provided to generically assess the potential environmental impacts that could result from development pursuant to the special permits.

An Environmental Assessment Statement is attached. If you have any questions regarding this application, please contact the project manager, Diane McCarthy, at (212) 720-3417.

Sincerely,

Robert Dobruskin

Robert Dobruskin, AICP, Director
Environmental Assessment and Review Division
New York City Department of City Planning

cc: The Hon. Gale A. Brewer, Manhattan Borough President
The Hon. Daniel R. Garodnick, New York City Council, 4th District
Vikki Barbero, Chair, Community Board 5, Manhattan
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Richard Eggers, Chair, Community Board 6, Manhattan
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