1.0 Project Description

A. Introduction

The New York City Department of City Planning (DCP) proposes a zoning map amendment and a zoning text amendment (the "Proposed Actions") to the New York City Zoning Resolution (ZR) that would foster a vibrant, mixed-use Midtown South neighborhood in the heart of Manhattan. The Proposed Actions would encourage the creation of critically needed housing in both new residential development and conversions, support critical commercial activity, respond to changing conditions in the wake of the COVID-19 pandemic and shifting work patterns, and affirm the area's architectural legacy and industrial character.

This proposal has been prepared in response to neighborhood- and citywide planning challenges brought by changes in the real estate and labor markets, and informed by local residents, the business community, property owners, landlords, nonprofit organizations, elected officials, neighborhood associations, and other civic leaders. DCP conducted a stakeholder engagement process in late 2023 and 2024 to solicit feedback and potential areas for intervention in advance of the formal Uniform Land Use Review Process (ULURP) public review period.

The area affected by the Proposed Actions (Affected Area) includes approximately 141 total acres, consisting of all or parts of 42 blocks of the Midtown South neighborhood, and is roughly bounded by 40th Street to the north, Fifth Avenue to the east, 23rd Street to the south, and Ninth Avenue to the west. The Affected Area is comprised of Subdistrict A-2 in the Special Garment Center District, and the "Rezoning Area" -- an approximately 127-acre area consisting of all or parts of 42 blocks of the Midtown South neighborhood. Most of the Rezoning Area (all or portions of 35 blocks) is located in Manhattan Community District 5, while the balance (all or portions of seven blocks) is located in Manhattan Community District 4. The Rezoning Area consists of four noncontiguous manufacturing-zoned areas roughly bounded by 40th Street to the north, Fifth Avenue to the east, 23rd Street to the south, and Eighth Avenue to the west (**Figure 1-1**).

Subdistrict A-2 of the Special Garment Center District (GC) encompasses approximately four blocks, bounded by a line 100 feet east of 9th Avenue to the west, 35th Street to the south, a line 100 feet west of 8th Avenue to the east, and 39th Street to the north. The Special Midtown South Mixed-Use District created by the Proposed Actions and described later in this chapter will not be mapped on Subdistrict A-2 of the Special Garment Center District (GC).

The Reasonable Worst-Case Development Scenario (RWCDS) for the Proposed Actions identified 61 projected development sites, as well as 1,093,808 gross-square-feet (gsf) of non-residential floor area likely to be converted to residential uses within the Affected Area. On these projected development sites and in the eligible conversion area, the Proposed Actions are expected to result in a net (incremental) increase of approximately 9,676 dwelling units (DU), including 1,940 to 2,890 permanently affordable units; 462,129 gsf (402,300 zoning square feet [zsf]) of projected retail space (local retail), 81,755 gsf (71,125 zsf) of community facility use, a decrease of 732,619 gsf of commercial office space (651,316 zsf), and a decrease of 69,782 gsf of industrial/warehouse space (62,103 zsf). The RWCDS also identified seven potential

development sites that are considered less likely to be developed by the 2034 analysis year. On these sites, the Proposed Actions may result in a net increase of approximately 750 DU, including 153 to 228 permanently affordable units.

The RWCDS modeled the potential for the conversion of existing nonresidential floor area to residential use. The nonresidential area modeled as eligible residential conversion gross square footage was informed by DCP's understanding of historical conversion patterns from 2010 to 2020 and the potential for conversions in the study area under the RWCDS With-Action condition. DCP's model for assumed residential conversions in the Affected Area excluded projected and potential development sites and recent hotel development, the latter of which is unlikely to convert to residential use. The conversion analysis resulted in a net loss of 1,093,808 gsf of nonresidential floor area and a net increase of approximately 781 DU, including 156 to 234 permanently affordable units through the Mandatory Inclusionary Housing (MIH) program. Development on some of these sites, due to their location within historic districts, would be subject to future review and approval by the Landmarks Preservation Commission (LPC). These units are included in the totals above.

The Proposed Actions seek to accomplish the following land use and zoning objectives:

- Expand housing opportunities by allowing residential uses as of right and requiring permanently affordable housing through the MIH program in new development, conversions, and expansions to support neighborhood diversity and further the City's equity and Fair Housing goals.
- Promote economic recovery, resilience, and growth by allowing a wider range of compatible commercial, community facility, and light manufacturing uses; modernizing outdated zoning provisions; and reducing existing zoning barriers to accommodate a more balanced mix of uses.
- Establish appropriate FAR and bulk regulations that ensure new development harmonizes with the surrounding built context and incentivizes mixed-use buildings.
- Promote the adaptive reuse of existing commercial buildings by eliminating nonresidential floor area preservation requirements, where applicable.

B. Required Approvals

The Proposed Actions include discretionary actions that are subject to review under ULURP, Section 200 of the City Charter, and City Environmental Quality Review (CEQR) process, as follows:

Zoning Map Amendments. The Proposed Actions would rezone portions of existing M1-6 and M1-6D manufacturing districts with high-density paired manufacturing/residential mixed-use districts, establish a new Special Midtown South Mixed Use District (MSX) coextensive with the Rezoning Area, and make additional changes to the boundaries of several special purpose districts that overlap with the Affected Area.

***Zoning Text Amendments*.** The Proposed Actions would amend the ZR to establish regulations for the proposed Special Midtown South Mixed Use District (MSX), amend

Appendix F of the ZR to apply the MIH program to the Rezoning Area, and modify text in the Special Garment Center District, Special Midtown District, and Special Hudson Yards District, among other changes, which are described in greater detail below.

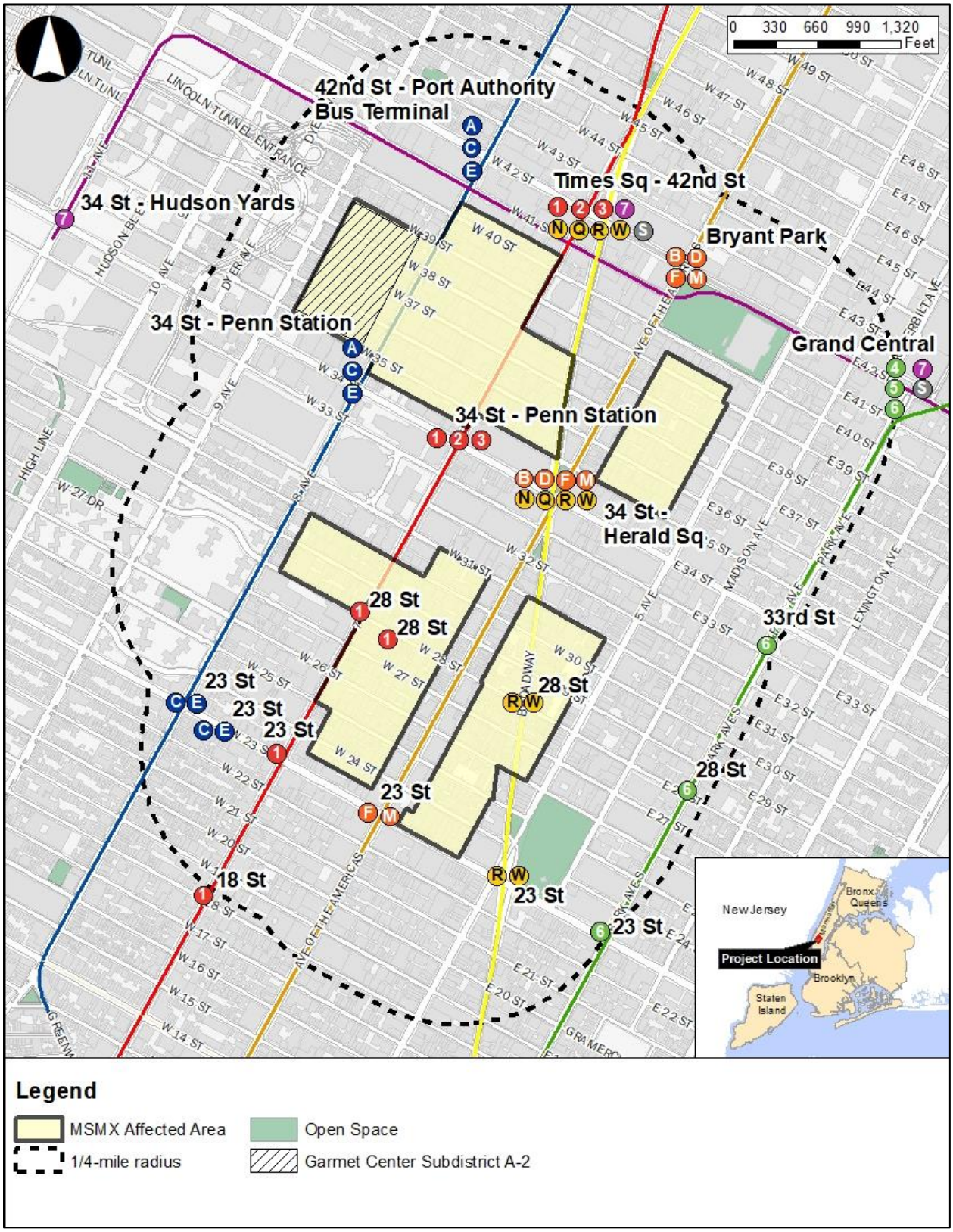
C. Background to the Proposed Actions

Community Engagement and Interagency Participation

The Midtown South Mixed-Use planning process began in earnest in 2022 in response to the COVID-19 pandemic, which exacerbated household wealth inequality and fundamentally reshaped commuting and work patterns. As New York City slowly recovered from the worst effects of the pandemic, including lower foot traffic, growing public safety concerns, and increased retail and office vacancies, it became clear that certain neighborhoods were better positioned to rebound from the pandemic's economic shocks, while others, including Midtown South, languished. Midtown South suffered from fewer employees traveling to the workplace as well as a shortage of residents, which led to the perception that the neighborhood was becoming a ghost town. Concerned for their neighborhood's future, local stakeholders, asked the City to study and consider land use or policy changes that would help reinvigorate the area.

At the citywide level, DCP was tasked by Local Law 43 with investigating how a more liberalized office-to-residential conversion regulatory framework might expand opportunities for housing production and address the growing glut of Class B and C office space—a liability that became particularly acute in the wake of the pandemic. That effort culminated in the January 2023 Office Adaptive Reuse Study, which called for 11 legal and regulatory reforms that would increase opportunities for productive conversions and help ensure the city's central business districts remain vibrant, adaptable, and successful over the long term.

Figure 1-1: Project Location



Given the Rezoning Area's manufacturing zoning and abundance of outdated office buildings, a more targeted look at Midtown South seemed appropriate. In early 2023, with support from the Manhattan Borough President and local city councilmembers, DCP began the planning process' baseline data gathering and analysis phase to set the stage for the community engagement efforts to follow. The initial findings of the analysis provided data that confirmed the sustained decline of the manufacturing sector, the growth of a diverse office-based economy, consistently high commercial vacancy rates, an outsized potential for office-to-residential conversions, and a mismatch between the demand for new housing and a zoning regime that largely prohibits housing development as of right. Concurrently, DCP conducted initial outreach with key stakeholders, including local BIDs and interested city agencies, to identify policy or planning areas that might warrant closer attention or a greater degree of sensitivity.

In October 2023, DCP, alongside local elected officials, hosted a virtual public kickoff meeting, which initiated the months-long stakeholder engagement process. These conversations examined key land use and zoning issues, made public the results of the data collection and analysis, and sought community input to develop strategies to help foster vibrant, 24/7 mixed-use neighborhoods across the Rezoning Area. The stakeholder engagement process consisted of multiple phases and touchpoints. The first phase, proposal development, was anchored by a series of curated roundtables attended by practitioners, experts, and those with first-hand knowledge of five topic areas: housing, business, existing residents, social services, and real estate. Rather than maximize attendance, the roundtables, with invitation-only participation and facilitated discussions, were designed to dig deep into issues affecting the community. Proposal development also consisted of a robust digital engagement effort which was centered on a website where the public could learn more about the study and receive updates on the process. Virtual public office hours staffed by members of the Midtown South planning team also offered opportunities for anyone to ask questions and provide feedback on the plan. The proposal development phase culminated in the publication of a community priorities document that synthesized the comments and discussions from the stakeholder engagement process and laid out a preliminary zoning proposal, among other recommendations.

Stakeholder recommendations were the first foundational milestone in the MSMX plan. These were incorporated throughout the planning process from the March 2024 release of the initial EAS/DSOW through the current precertification phase. The following month, amid the MSMX scoping meeting and the drafting of the preliminary zoning text, the New York State legislature eliminated a six-decade cap on residential floor area, allowing the Proposed Actions to include FARs greater than 12 for residential buildings. In response to stakeholders' desire for more housing, MSMX plan would be the first neighborhood rezoning to utilize the new rules, with districts that could accommodate residential development between 15 and 18 FAR.

D. Midtown South Mixed-Use Plan Area History

Affected Area History

The Early History of Midtown South

Midtown South's history can be traced back to the late 18th century when it was part of the sparsely populated outskirts of New York City. The area that would become Midtown South was characterized by open farmland, small villages, and estates owned by the city's elite. In the early 19th century, the district gradually urbanized as the city expanded northward and the neighborhood's population grew. The Commissioners' Plan of 1811, which defined the Manhattan street grid from above Houston Street and below 155th Street, had a profound impact on Midtown South's development. New streets and avenues like Broadway, Sixth Avenue (originally the Eastern Post Road), and Eighth Avenue (originally Central Avenue) improved area access and fueled rapid real estate development.

Manhattan's expansion spurred significant population growth and economic diversification in Midtown South. By the mid-19th century, the area immediately to the north and west of Madison Square Park between West 23rd and West 34th streets was the city's social nexus and home to some of New York's wealthiest residents. They patronized the grand hotels and opera houses that lined Fifth Avenue and Broadway, including notable establishments like the now-landmarked Hotel Gilsey and the Manhattan Opera House. The southeastern part of the Affected Area was one of Manhattan's most fashionable shopping districts, populated by large department and dry goods stores. Farther west, between West 23rd and West 42nd streets, inexpensive hotels, vaudeville theaters, gambling houses, saloons, brothels, and other seedy venues defined the Tenderloin, a working-class neighborhood with a vice-ridden reputation. The area's name is believed to originate from the practice of police officers accepting bribes from illegal businesses, which allowed officers to afford pricier cuts of meat like tenderloin steak.

In the latter part of the 19th century, the neighborhood became a hub for industry, including printing, publishing, and wholesaling. Sheet music publishers predominated on "Tin Pan Alley," a nod to the sounds of piano music on West 28th Street between Broadway and Sixth Avenue. By the 1890s, the city's flower wholesalers, which previously congregated along the Hudson River waterfront to meet arriving ships from Long Island farms, had moved over to the blocks between Sixth and Seventh avenues from West 26th to West 29th streets. In this burgeoning Flower District, sellers gained proximity to the elegant residences, hotels, and fashionable department stores of Fifth Avenue's Ladies' Mile.

The opening of Pennsylvania Station at 34th Street and Seventh Avenue in 1910 and Grand Central Terminal in 1913 dramatically accelerated the transformation of the neighborhood from a primarily entertainment, shopping, and residential district into the city's premier manufacturing zone. In the early 20th century, New York City's entertainment center of gravity moved north to Times Square. Small garment manufacturers subsequently moved from cramped tenements in Lower Manhattan into lofts and showrooms near Madison Square. At the same time, improved rapid transit service along Broadway and the major avenues made it easier for thousands of workers, particularly new immigrants from Europe to access employment in the garment industry. An influential business trade group, the Fifth Avenue Association, objected to the encroachment

of industrial uses and immigrant laborers into the tony district and endeavored to push nascent garment businesses west into the Tenderloin. By the 1920s, the area from Sixth to Ninth avenues between West 30th and West 42nd streets evolved into the Garment District, with hundreds of manufacturing lofts, design showrooms, and offices. The Fur District, centered on West 25th and West 31st streets between Sixth and Eighth avenues, employed highly skilled fur designers and workers.

In the years immediately before World War II, garment manufacturing, wholesale, retail, and related trades became New York's largest industry by employment and commercial output. The economic strength of the apparel sector stimulated the development boom around mid- and high-rise mercantile lofts that could accommodate all aspects of the industry, including office space, showrooms, and manufacturing facilities.

After World War II, however, changes in transportation and spatial needs, as well as broader macroeconomic shifts like automation and a shift to production in countries with lower labor costs, significantly reduced the number of manufacturing businesses, particularly in the garment sector. Between 1958 and 1977, the number of garment manufacturing firms in Manhattan declined by about half—from approximately 10,000 to a little over 5,000. During this period, the geographic extent of the Garment District shrunk as well. (Today, the center of the garment industry is generally limited to the Northwest Quadrant of the Rezoning Area.)

Fearing this decline in industrial activity, which for decades had provided union-wage jobs and a steppingstone to the middle class for hundreds of thousands of workers, the City initiated a series of protectionist land use policies to stabilize the manufacturing sector and property tax base. In 1961, the Northeast Quadrant of the Affected Area - roughly the midblocks from West 35th to West 39th streets between Fifth and Sixth avenues - was zoned C6-4, a high-density commercial zoning designation that reflected its historically mixed-use character near Midtown East's office market and Fifth Avenue's concentration of retail, hospitality, and residential uses. Nonetheless, this quadrant contained a significant amount of light manufacturing, wholesale, warehousing, and office uses of considerable economic value to the city. By the 1970s, increasing residential demand south of 59th Street, coupled with extremely low vacancy rates for industrial loft spaces, prompted policymakers to protect manufacturing businesses in industrial areas from residential encroachment. In February 1981, the City Planning Commission (CPC) approved a zoning map amendment (C 800459 ZMM) and a zoning text amendment (N 800458 ZRM) to rezone the Garment Center East from C6-4 to C6-4M, a mixed-use district that limited as-of-right residential development and incentivized the preservation of manufacturing space. However, the CPC determined that nonresidential uses deserved a higher level of protection than the C6-4M could provide. Only a few months later, the CPC approved a proposal (C 810124 ZMM, N 810407 ZRM) to rezone the same geography to M1-6, thereby prohibiting all new residential uses.

Although the heart of the Garment District, which roughly extended from West 35th to West 40th streets between Broadway and Ninth Avenue, was not under particular threat from residential encroachment, policymakers feared that the conversion of mercantile lofts to offices might jeopardize the long-term viability of apparel production in the district, which was zoned M1-6 in 1961. In the early 1980s, as the area around Times Square emerged as an attractive office market, DCP, the Office for Economic Development, and the Public Development Corporation

studied the potential impact of the Times Square redevelopment on the garment industry, including the possible loss of industrial loft space and manufacturing jobs. Market research showed that approximately 3.5 msf of garment-related production activity—more than 40 percent of the manufacturing loft inventory existing at the time—would be threatened if the existing M1-6 zoning, which allowed for unrestricted industrial to office conversions, remained unchanged.

Thus, in 1987, the CPC established the Special Garment Center District (C 870242 ZMM, N 870241 ZRM) to insulate garment manufacturers from market competition for loft space. In the midblocks between Broadway and Ninth Avenue, which were perceived as particularly vulnerable to displacement pressures, the Special Garment Center District regulations allowed for conversion to office use only by preserving an equal amount of comparable floor area for retail, wholesale, showroom, warehousing, or industrial uses. The zoning on the avenues remained unchanged, and office use remained as of right. Since the enactment of the special district, approximately 180,000 feet of space has been preserved for manufacturing or warehousing uses, which comprises a little more than two percent of the manufacturing floor area in the Special Garment Center District.

In the early 2000s, as the city sought to recover from the post-9/11 economic recession, Mayor Michael Bloomberg's administration pursued an aggressive strategy of encouraging new commercial development in Manhattan's central business districts to recapture office jobs that migrated to office parks and other low-density suburban campuses in the region beginning in the 1970s. As part of the 2005 Hudson Yards Rezoning (N 040500(A) ZRM, et al.), the City rezoned the midblocks from West 35th to West 39th streets between Eighth and Ninth avenues from M1-5 and M1-6 to C6-4M and modified the Special Garment Center District regulations to encourage contextual loft-like building envelopes. The rezoning also established an Inclusionary Housing (IH) area to incentivize the creation of income-restricted affordable housing. The new C6-4M district regulations allowed for new residential development and commercial-to-residential conversions on sites with less than 70,000 square feet of floor area as of right. DCP's analysis found that most industrial uses located in the larger loft buildings, suggesting that allowing residential uses as of right on smaller sites would pose little displacement risk to existing manufacturing firms. Despite the rezoning housing goals, most new development resulted in hotels. In pursuing this rezoning, the City recognized the diminishing need for garment industry space as well as the weak development potential for the area's underutilized parcels due to zoning that encouraged noncontextual manufacturing buildings.

A similar rationale was used to justify the 2011 M1-5 to M1-6D rezoning of the midblocks bounded by West 28th Street, Eighth Avenue, West 30th Street, and Seventh Avenue in the Southwest Quadrant of the Affected Area (C 100063 ZMM, N 110285 ZRY). Once part of the Fur District, many of the fur-related businesses had left and those that remained shifted from production to sales. Like the C6-4M district, the M1-6D district sought to protect the economically important Class B and C office market that was disproportionately concentrated on the larger sites. Under the M1-6D rules, residential uses are allowed as of right on lots with less than 40,000 square feet of floor area, while lots with 40,000 square feet or more of floor area are required to preserve the amount of nonresidential floor area to construct any new residential floor area. Additionally, the rezoning applied contextual bulk rules so that new development matched the prewar character of the area, introduced restrictions on new, large hotel development, and mapped an IH area that

has resulted in the production of hundreds of income-restricted affordable homes. The rezoning recognized that the legacy M1-5 manufacturing zoning had stymied new investment, particularly new housing. It also acknowledged that reforms could complement existing uses, enhance the business environment by enlivening streets and bringing in new retail services, and create a more robust mixed-use community.

By 2016, on the eve of the Special Garment Center District's 30th anniversary, the goals of the special district, which include providing opportunities for apparel production, proved difficult to meet. In the Garment Center, apparel manufacturing employment declined to approximately 4,400 employees—an approximately 75 percent decline from 1987. Similarly, apparel manufacturing space in the special district shrunk by almost 93 percent over the same 30-year period to about 1.4 msf. The statistics for the midblock preservation areas, which limited existing buildings to retail, wholesale showroom, warehousing, and industrial uses, were even more bleak: apparel manufacturing jobs had declined by 90 percent. These trends reflected the downward trajectory of the sector throughout Midtown, the five boroughs, and the country, which accelerated in the 1990s and early 2000s as a result of globalization and automation. Many of the remaining manufacturing firms resisted closure by reducing their employee footprint and adopting new technologies.

In subsequent years, unused manufacturing space was repurposed, not abandoned. Other commercial businesses and nonprofits largely replaced the thousands of lost apparel manufacturing sector jobs. Despite zoning that limited office use, the Special Garment Center District saw a 56 percent increase in jobs between 2000 and 2016, most of which were office-based. In 2018, the City passed a text amendment to the Special Garment Center District (N 180373 ZRM) to better align zoning with the area's land use and employment trends. The changes lifted restrictions on the conversion of manufacturing and warehousing uses to office uses, created new contextual bulk envelopes for the M1-6-zoned areas, and established a CPC special permit for transient hotels. In tandem with these zoning reforms, the City also developed a package of incentives and subsidies to support investments in the broader apparel production industry to support what remained of a waning—yet historically important—source of jobs. Today, while the Rezoning Area contains a mere three percent of New York City's total jobs, it boasts almost a quarter of the city's fashion manufacturing and wholesale jobs.

In addition to its central location accessible by 15 subway lines and regional transit, businesses and nonprofit organizations are attracted to the Rezoning Area because of lower rents compared to other central business district submarkets. With a median building age of 103 years, almost 90 percent of the buildings in the Rezoning Area were built prior to 1961. Many of these buildings, typically versatile lofts or older purpose-built offices, generally have lower floor-to-ceiling heights, smaller floorplates, and fewer amenities than the newer Class A office space. In fact, 99 percent of the office space in the Rezoning Area is classified as either Class B or Class C according to CoStar. Largely due to the age and condition of the building stock, asking rents are lower than the Manhattan average of $55 per square foot and range from a high of $52 per square foot in the Southeast Quadrant to a low of $39 per square foot in the Northwest Quadrant. Because of its desirable location, bargain rents, and favorable zoning, the Rezoning Area is both a gateway for small, growing businesses to gain a foothold in Manhattan to establish themselves, grow and

move on, but also a refuge for nonprofits and firms in vulnerable industries that have fewer options where they can locate affordably.

These favorable conditions nourish new business types, but job growth is soft and unevenly distributed in the Rezoning Area's traditional sectors. Employment in non-fashion manufacturing and wholesale has remained relatively steady over the last 20 years, with 6,400 jobs, 84 percent of which are in wholesale. However, there are only about 2,300 fashion manufacturing jobs (less than two percent of area jobs) remaining in the Rezoning Area, an almost 80 percent decline in the sector over the preceding two decades. This trend is not consistent across the Rezoning Area's four quadrants, either. While manufacturing has declined in the Northeast, Southeast, and Southwest Quadrants, in the Northwest Quadrant, wholesale jobs have grown by 24 percent, and manufacturing jobs have grown by 29 percent over the last 20 years. Nevertheless, overall manufacturing growth has not offset the decline in fashion manufacturing.

Although Rezoning Area businesses have largely recovered the jobs lost during the COVID-19 pandemic, many commercial landlords feel strained by new remote work policies have put a strain on as vacancy and sublease rates continue to rise. Reflecting a growing trend of fewer in-office days for workers and more flexible work environments, Metropolitan Transportation Authority (MTA) turnstile data for the subway stations in and around the Affected Area show that ridership is only at two-thirds of the pre-pandemic average. As a result, the office market is experiencing heightened commercial vacancy rates, averaging 17.5 percent citywide and representing approximately 100 msf of available office space. These vacancy rates are nearly double the pre-COVID rates and are anticipated to remain elevated as the office supply responds to structural changes to workplace cultures and office space demand.

The Rezoning Area's commercial availability rate of more than 19 percent indicates a softer office market that will struggle to attract and retain tenants. Compounding this challenge, many businesses are taking advantage of the downturn by moving to higher quality offices as a strategy for encouraging employees to work from the office and equipping them to be their most productive when there. This "flight to quality" phenomenon represents an existential threat to the Rezoning Area where Class A office properties are almost nonexistent. Projections indicate that in the coming years, as long-term leases expire, office vacancies will continue to grow and are unlikely to return to the 10 percent average pre-Covid rate in the foreseeable future.

The Rezoning Area has experienced a renaissance in recent years and evolved into a more diverse neighborhood compared to the economic nadir of the 1970s and 1980s when New York City was hemorrhaging jobs across all sectors. Today, the Rezoning Area is home to approximately 7,000 businesses across a wide range of industries employing over 135,000 people—a comparable job density to what is typically considered the core Midtown office submarket to the north. At over 23 percent, job growth across the Rezoning Area has outpaced the Manhattan (11 percent), New York City (19 percent), and U.S. (17 percent) economies over the last decade. The largest share of jobs across the Rezoning Area, about one-third, is in professional and business services; this sector represents the plurality of jobs in all quadrants except for the southeast area near Madison Square Park's upscale retail market, where the highest share of jobs is in leisure and hospitality. This trend is driven by outsized gains in emerging technology and creative industries, which have seen an explosive 60 percent growth rate over

the last decade. Complementing the established fashion-related businesses, the Northwest Quadrant's share of jobs in design, media, and the arts has almost doubled over the last 10 years. The tech sector, which includes software, web platform, and computing services as well as nano and biotechnology development, has grown by 35 percent overall in the last decade, but has seen a particularly rapid acceleration (73 percent) in the southeast—a popular cluster for startups, and where much of the area's trophy office space is located..

Neighborhood Context

Unlike most other neighborhoods in Manhattan and elsewhere that tend to have commercial uses concentrated on avenues and wide streets and predominantly residential uses in the midblocks and side streets, the Affected Area is almost uniformly commercial, consisting primarily of offices interspersed with manufacturing, wholesale, and showroom uses as well as some newer hotel developments. While the overwhelmingly commercial makeup of the area contributes to its status as an important job hub and economic driver of the local and regional economy, the absence of residents and retail options creates its own set of challenges and does not support the conditions necessary for vibrant, diverse, mixed-use neighborhoods that are active outside the workday. Affected Area

The area affected by the Proposed Actions (Affected Area) includes approximately 141 total acres, consisting of all or parts of 42 blocks of the Midtown South neighborhood in Community Districts 4 and 5, and is roughly bounded by 40th Street to the north, Fifth Avenue to the east, 23rd Street to the south, and Ninth Avenue to the west. The Affected Area includes Subdistrict A-2 of the Garment Center Special District and the Rezoning Area. The Rezoning Area consists of four noncontiguous M1-zoned areas. The northwest quadrant is roughly bounded by Eighth Avenue to the west, Broadway to the east, West 35th Street to the south, and West 40th Street to the north. The northeast quadrant consists of the midblocks between Fifth Avenue to the east, Sixth Avenue to the west, West 35th Street to the south, and West 40th Street to the north. The southeast quadrant consists of the midblocks between Fifth Avenue to the east, Sixth Avenue to the west, West 23rd Street to the south, and West 31st Street to the north, while the southwest quadrant is roughly bounded by Seventh Avenue to the west, Sixth Avenue to the east, West 24th Street to the south, and West 31st Street to the north, with a small, two-block portion extending west to Eighth Avenue between West 28th and West 30th Streets.

The Rezoning Area lies at the nexus of Manhattan's busiest and most visited neighborhoods.

The four M1-6- and M1-6D-zoned quadrants of the Rezoning Area are bifurcated by a commercially zoned area extending from West 31st to West 34th streets between Fifth Avenue to Eighth Avenue. This area, which contains Penn Station, Penn Plaza, Madison Square Garden, Macy's department store, Herald and Greeley Squares, and the Empire State Building, among other destinations, is one of the most heavily trafficked transportation, business, and retailing neighborhoods in the country. To the north of the Affected Area across 42nd Street, Times Square, the Port Authority Bus Terminal, the theater district, Bryant Park, and the New York Public Library's main branch draw millions of tourists, workers, and other visitors each day. To the south, 23rd Street is a major east–west corridor and shopping destination.

Due to its history as a commercial and manufacturing center, the Rezoning Area only contains approximately 2,300 housing units, or about 17.5 DUs per acre, which is a significantly lower housing density than the rest of Manhattan (63 DUs/acre) and lower than New York City overall (19 DUs/acre). This is a particularly striking statistic considering that there are about 74,000 homes in an approximately 10-minute walk of the Rezoning Area (0.5-mile radius). Housing types fall within four general categories. Residential buildings such as walkup tenements that predate the current manufacturing zoning and are considered legally nonconforming, converted or newly constructed residential units approved by Board of Standards and Appeals (BSA) variances or CPC special permits, new residential units constructed after the 2011 rezoning of the M1-6D portion of the Southwest Quadrant , and converted former manufacturing loft buildings such as Interim Multiple Dwellings (IMDs) and former IMDs that have legalized or are undergoing legalization under the Loft Law (also known as Article 7C of the New York State Multiple Dwelling Law [MDL]). More recent developments have added income-restricted affordable housing units through the city's Inclusionary Housing program, but market-rate housing still dominates the area.

Based on the 2020 U.S. Census Bureau's average household size for Manhattan Community District 4 and 5 of 1.68, the Rezoning Area has a population of approximately 3,864. However, because the census blocks for the Rezoning Area overlap with neighboring zoning districts that allow residential development as of right and have substantial amounts of existing housing, it is difficult to disaggregate data for the Rezoning Area from the wider neighborhood context. As a result, demographic information such as age, race, income, education, household composition, tenancy, and other metrics cannot be determined with any certainty.

The four quadrants are broadly similar in terms of building typologies and building ages represented, with most structures consisting of mercantile and office lofts constructed in the first decades of the 20th century. Approximately 11.5 acres of the Rezoning Area's Southeast Quadrant is located within either the Ladies' Mile Historic District (all or parts of 14 tax lots) or the Madison Square North Historic District (all or parts of 62 tax lots). Although they share many land use and zoning similarities, the Rezoning Area's four quadrants have subtle differences in terms of built character and mix of uses.

Northwest Quadrant

The Northwest Quadrant, which makes up the majority of the Garment Center, is roughly bounded by Broadway and Seventh Avenue to the east, West 35th Street to the south, West 40th Street to the north, and a line 100 feet west of Eighth Avenue to the west. The quadrant is characterized by loft buildings constructed in the early part of the 20th century that were originally used for production and showroom space. On the side streets, buildings are generally around 15 stories tall, while buildings generally rise from 25 to more than 40 stories on the avenues. These buildings were designed as for general purposes and could accommodate manufacturing, warehousing, retail, and office uses. More recently, buildings whose upper floors were used for production have become showrooms or Class B or C office spaces, though some garment production remains. The Northwest Quadrant has the fewest residential units of any part of the Rezoning Area. Avenue frontages tend to have a consistent ground-floor retail presence, often occupied by large chain stores including banks, restaurants, and variety stores; second-floor retail is not uncommon. The midblocks tend to have smaller retail storefronts populated by bars, local services, and specialty,

fashion-related wholesale establishments. With 65,000 jobs, the Northwest Quadrant has the largest economy, representing almost half of the Rezoning Area's total employment.

It is also the densest quadrant, with building FARs that range from 9.0 to 18.0, with some buildings over 30.0 FAR. Existing commercial loft buildings come in two basic variations: the squat, boxy typology that typically rises to its full height at the street wall, and the wedding cake style, which above a high street wall has multiple shallow setbacks whose tiers are each set back from the one below. The wedding cake loft, with its distinctive ziggurat-like profile, is a legacy of the 1916 ZR, which was designed to allow light and air to filter into the narrow streets below. Both loft typologies have high street walls, which often climb to over 150 feet before setbacks on side streets and rise to as much as 200 feet before setbacks on the avenues. These buildings tend to have high lot coverage with no or shallow rear yards.

Northeast Quadrant

The Northeast Quadrant, also known as the Garment Center East (but outside the special zoning district), is bounded by a line 150 feet west of Fifth Avenue to the east, 150 feet east of Sixth Avenue to the west, West 35th Street to the south, and the centerline of the block between West 39th and West 40th streets to the north.

Unlike the other three quadrants, which have been zoned for manufacturing since 1961, the Northeast Quadrant was originally zoned C6 and only rezoned to M1-6 in the 1980s. As a result, the building stock is more diverse, with lofts interspersed with older walkup rowhouses and tenements, as well as newer hotels. Buildings are around 15 stories tall with a median FAR of 11.0, but with a significant concentration of buildings in the 3.0 to 6.0 and the 12.0 to 15.0 FAR ranges. Most loft buildings have been converted from manufacturing and wholesale uses to Class B and C office use. Over the last 15 years, due to the M1-6 zoning (which, as of 2021, no longer allows transient hotel accommodations as of right) and proximity to the Midtown theater district, the Northeast Quadrant has seen a proliferation of budget and mid-rate chain hotel development. As a result of the quirks of the M1-6 bulk regulations, these hotels tend to have street walls that set back 10 to 20 feet from the street line and rise to their full height without setback, breaking up the street wall and creating an awkward "missing tooth" character. Ground-floor retail typically consists of local services, such as salons, dry cleaners, hardware stores, bars, and restaurants.

Southeast Quadrant

Bisected by Broadway, the Southeast Quadrant consists of the midblocks bounded by a line 100 to 275 feet west of Fifth Avenue to the east, a line 125 to 150 feet east of Sixth Avenue to the west, West 23rd Street to the south, and West 31st Street to the north. The Southeast Quadrant is the most historically intact portion of the Rezoning Area; approximately 50 percent of the area is within a LPC historic district with a further nine individual landmarks. The southeast has the most heterogeneous built character. While 10- to 15-story lofts are still the predominant building type, there are many three- to six-story historic rowhouses as well as Class A office buildings; much of the Class A office space was converted from former department stores and hotels. The

median FAR for the Southeast Quadrant is 5.2, though there is a notable concentration of buildings in the 9.0 to 15.0 FAR range.

In recent years, this area has become part of the trendy NoMad (North of Madison Square Park) neighborhood. Because of its popularity with tourists and employers alike, the Southeast Quadrant has seen a proliferation of large upscale hotel developments, including the Ritz-Carlton at Broadway and West 28th Street and the Virgin Hotel at Broadway between West 29th and West 30th streets. Myriad institutional uses are concentrated here, including the Serbian Orthodox Cathedral of Saint Sava at 13 West 25th Street and Marble Collegiate Church at Fifth Avenue and West 29th Street. The southeast has the second-highest residential population among the four quadrants, with approximately 425 residential units, mostly IMDs and pre-1961 legally nonconforming residences. The area also includes at least one residential development enabled by the issuance of a 74-711 special permit at 39-41 West 23rd Street in the Ladies' Mile Historic District that allowed for 43 homes, four of which are affordable. In its approval of the application (C 140404 ZSM), the CPC noted that there was already an appreciable residential presence in the M1-6 district and surrounding areas alongside shrinking demand for conforming manufacturing and commercial uses, particularly on small sites. There is a wide range in area retail, including upmarket restaurants, boutiques, bookstores, and gyms, as well as a robust, if dwindling, concentration of small wholesale import shops and low-cost clothiers. Notably, the Southeast Quadrant has the Rezoning Area's highest concentration of large, underdeveloped and undeveloped soft sites, such as parking lots.

Southwest Quadrant

The Southwest Quadrant is roughly bounded by Seventh Avenue and a line 100 feet east of Eighth Avenue to the west, a line 125 feet west of Sixth Avenue to the east, West 28th Street and the centerline of the block between West 23rd and West 24th Street to the south, and West 30th and West 31st streets to the north. While most of the building stock consists of 12- to 15-story masonry loft buildings, like the Northeast Quadrant, the southwest has seen a proliferation of hotels over the last two decades that are built 15 to 20 feet from the street line and rise without setbacks or articulation to a height taller—sometimes taller than 40 stories—than their prewar neighbors. The Southwest Quadrant has the widest variation of building densities; while the median FAR is 8.3, there are a significant number of buildings built to less than 5.0 FAR and greater than 12.0 FAR.

While many of the older lofts have been converted to office use, this quadrant still has the Rezoning Area's highest concentration of wholesale establishments, a trend that has remained relatively stable over the last two decades despite a shrinking manufacturing sector. With approximately 37,000 jobs, the Southwest Quadrant is second only to the Northwest Quadrant in terms of economic impact, and it includes a flourishing creative and tech sector. The Southwest Quadrant has historically been the heart of the Flower District; today, there are several dozen floral retail and wholesale businesses that employ around 200 people and are mostly concentrated along West 28th Street between Sixth and Seventh avenues. In the warmer months, the sidewalks and streets along this stretch of West 28th Street transform into an open-air flower market that serves restaurants, hotels, and other businesses across Manhattan and the city.

The Southwest Quadrant is within the orbit of the Fashion Institute of Technology and its large population of students and staff. Like the Northwest Quadrant, avenue frontages tend to have ground-floor retail consisting mostly of chain stores and restaurants with smaller storefronts in the midblocks tenanted with bars, local services, and fashion-related businesses. The Southwest Quadrant has the largest share—over 70 percent—of the Rezoning Area's homes. Most residential development is concentrated in a roughly two-block M1-6D area west of Seventh Avenue, which was rezoned in 2011 from M1-5 and mapped as an IH area. The success of the 2011 rezoning, which catalyzed hundreds of new market-rate and affordable units, indicates strong demand for residential development in the Rezoning Area.

Previous Planning Efforts and Past Actions

Garment Center Text Amendment

In May 2017, then New York City Deputy Mayor for Housing and Economic Development Alicia Glen, then Manhattan Borough President Gale A. Brewer, and then Council Member Corey Johnson announced the formation of the Garment Center Steering Committee. With the proposed text amendment lifting the manufacturing preservation requirement, the Committee was formed with the purpose of identifying non-zoning strategies to support the continued presence of garment manufacturing in mid-Manhattan that could be implemented by the City. Chaired by then Borough President Brewer, the Steering Committee comprised representatives from the fashion and garment industries; organized labor; industrial advocates; real estate and economic development organizations; local Manhattan Community Boards; and local, state, and federal elected officials. DCP and the New York City Economic Development Corporation served as technical advisers to the Committee.

The Garment Center Text Amendment was proposed to meet the City's goal of preserving the Garment Center, an area that encompasses eight full blocks and five partial blocks in the Midtown neighborhood, as a hub for the fashion industry as well as a center for a variety of office spaces catering to several industries (CEQR No. 17DCP149M and N 180373 ZRM). This text amendment was intended to reflect existing conditions and simplify the rules of the special district that in some cases created contradictory standards in different parts of the special district. The area subject to the Garment Center Text Amendment was conterminous with Subdistrict A-2 of the Special Garment Center District and the current Rezoning Area's northwest quadrant, described above.

Board of Standards and Appeals Applications

In the past 10 years, the BSA has approved several applications in the Affected Area for special permits of physical cultural establishments (PCE) within an existing commercial building and variances. These PCE special permit approvals include applications at 132 West 31st Street (235-13-BZ) and 218-222 West 35th Street (279-13-BZ).

In addition, BSA granted several variances in the Affected Area. In 2015, BSA approved a variance at 1162 Broadway (175-14-BZ) to allow the construction of a 14-story hotel building seeking waivers for setback and side yard requirements in the M1-6 district. A subsequent CEQR Technical Memorandum was issued in 2021. At 118 West 28th Street (2019-179-BZ), the BSA approved a variance in 2022 to permit the development of a 12-story mixed-used building

containing commercial use at the ground floor and 12 residential condominium units above contrary to ZR 42-00. As of January 2024, there is a variance application currently before BSA at 112-116 West 28th Street (2021-60-BZ) to permit the enlargement of an existing hotel contrary to ZR 42-111.

Historic Districts and Landmarks

Approximately nine percent, or 11.5 acres, of the Rezoning Area is within two LPC-designated historic districts – the Ladies' Mile Historic District (all or parts of 14 tax lots) or the Madison Square North Historic District (all or parts of 62 tax lots), both in the Southeast Quadrant. Proposed development that would affect buildings in the historic districts are subject to LPC review, including new construction, alteration, reconstruction, or demolition.

LPC designated the Ladies' Mile Historic District in 1989. The district is roughly bounded by West 15th Street at the south to West 24th Street at the north, extends into the blocks east of Broadway and into the blocks west of Sixth Avenue. It covers all or parts of 28 city blocks and contains approximately 440 individual buildings. With its concentration of surviving hotels and large department stores that once catered to clienteles of varying economic classes, the Ladies' Mile Historic District is significant for its historical role in the commercial, retail, and hospitality development of New York City.

The Madison Square North Historic District, designated by the LPC in 2001, consists of approximately 96 buildings representing the period of New York City's commercial history from the 1870s to the 1930s, when this area prospered first as a major entertainment district of hotels, clubs, stores, and apartment buildings, and then as a mercantile district of high-rise offices and lofts. Located to the north and west of Madison Square Park, along Fifth Avenue and Broadway, the district also contains numerous rowhouses, art deco-style towers, as well as modest 20th-century commercial structures, all of which testify to each successive phase in the area's development.

E. Existing Zoning

As noted above, the Rezoning Area consists of approximately 127 acres in Manhattan's Midtown South, and NoMad neighborhoods. The Rezoning Area's 42 blocks are split between Community Board 4 (all or parts of seven blocks) and Community Board 5 (all or parts of 35 blocks).

The Rezoning Area is composed of M1-6 and M1-6D districts. These existing zoning districts are discussed below and are shown in **Figure 1-2**.

Rezoning Area

M1-6

The majority of the Rezoning Area—all or parts of 40 blocks—is mapped M1-6. M1-6 districts are high-density manufacturing districts that permit a maximum FAR of 10.0 for commercial, light manufacturing, and community facility uses. Residential use or community facility uses with sleeping accommodations are not permitted as of right. M1-6 districts are eligible for a density bonus for the provision of public plazas and arcades. The maximum height of a building at the street wall is six stories or 85 feet, whichever is less, above which, an initial setback of 20 feet

(narrow street) or 15 feet (wide street) is required. Maximum building height and setbacks are controlled by a sky exposure plane (2.7:1 on a narrow street or 5.6:1 on a wide street) that may be penetrated by a tower subject to lot coverage requirements. If front setbacks are provided at the ground floor, a steeper sky exposure plane is permitted. A 20-foot rear yard is required in most cases. Most of the loft buildings in the Rezoning Area were built prior to 1961 and do not comply with today's M1-6 bulk regulations.

M1-6D

The M1-6D district, mapped across portions of two blocks in the Southwest Quadrant, is a high-density mixed-use district that allows 10.0 FAR for light manufacturing, commercial, and community facility uses. The base residential FAR is 10.0 or 12.0 with Qualifying Affordable Housing (QAH). Residential use is only permitted as of right on zoning lots with less that 40,000 sf of floor area. On sites with more than 40,000 sf of floor area, residential use is permitted only by preserving the amount of non-residential floor area existing on the lot at the time of conversion/redevelopment. M1-6D district bulk regulations generally follow the bulk regulations of C6-4A (R10A equivalent) districts. For non-residential buildings, the maximum height of a building at the street wall is six stories or 85 feet, whichever is less, above which an initial setback of 20 feet (narrow street) or 15 feet (wide street) is required. Maximum building height and setbacks for non-residential uses are controlled by a sky exposure plane (2.7:1 on a narrow street or 5.6:1 on a wide street) that may be penetrated by a tower subject to lot coverage requirements. For residential buildings subject to R10A bulk regulations within 100 feet of a wide street, the base height must be between 125 and 155 feet and the maximum building height is 290 feet. For residential buildings along narrow streets, the base height must be between 60 and 125 feet (155 feet with QAH) and the maximum building height is 185 feet, or 235 feet with QAH. Alternative tower regulations do not apply to R10A districts. A standard setback of 10 feet along wide streets or 15 feet along narrow streets applies above the base. Residential buildings have a maximum lot coverage of 80 percent for interior and through lots and 100 percent for corner lots. Residential buildings are required to provide a 20-foot-deep rear yard below a height of 75 feet and a 30-foot-deep rear yard above a height of 75 feet.

Special Garment Center District – Subdistrict A-1 (M1-6)

The Special Garment Center District extends roughly from a line 100 feet east of Ninth Avenue to Broadway between West 35th and West 40th streets. When it was established in 1987, residential use was already restricted by the M1-6 zoning; the primary goal of the special district was to protect the remaining garment manufacturing sector and the ecosystem of related businesses by restricting the conversion of existing factory, warehouse, and showroom floor area to office use within designated "Preservation Areas" that roughly corresponded to the midblocks within the special district boundaries. As part of the 2005 Hudson Yards Rezoning, the Preservation Areas were divided into two zones with slightly different preservation requirements: P-1, two midblock areas east of Eighth Avenue where most of the remaining garment-related activity was concentrated, and P-2, the midblock area west of Eighth Avenue. In P-1, the manufacturing preservation controls of the 1987 Special Garment Center District zoning were maintained. In P-2, which was remapped from M1-5

and M1-6 to C6-4M, restrictions on office conversions were lifted, and residential conversions and the construction of new residential buildings on sites with less than 70,000 sf of floor area became permitted as of right; residential conversions on sites above 70,000 sf of floor area were permitted subject to modified floor area preservation requirements. The 2005 amendments also applied new bulk regulations to P-2 to ensure that new development would be consistent with the "wedding cake" loft typology. In addition, P-2 became subject to some of the Special Hudson Yards District's regulations.

The 2018 Garment Center Text Amendment reexamined the appropriate mix of uses within the area and removed the restriction on the conversion of manufacturing and warehousing uses to office uses in P-1, thereby permitting a wide range of non-residential manufacturing and commercial uses. P-1 and all the avenue frontages outside the preservation areas were redesignated as Subdistrict A-1. In P-2, which was redesignated Subdistrict A-2, the floor area preservation requirements were slightly amended to prohibit the conversion of manufacturing and warehousing space in buildings 70,000 square feet or larger to residential or dormitory use to maintain the larger sites for both office and manufacturing uses.

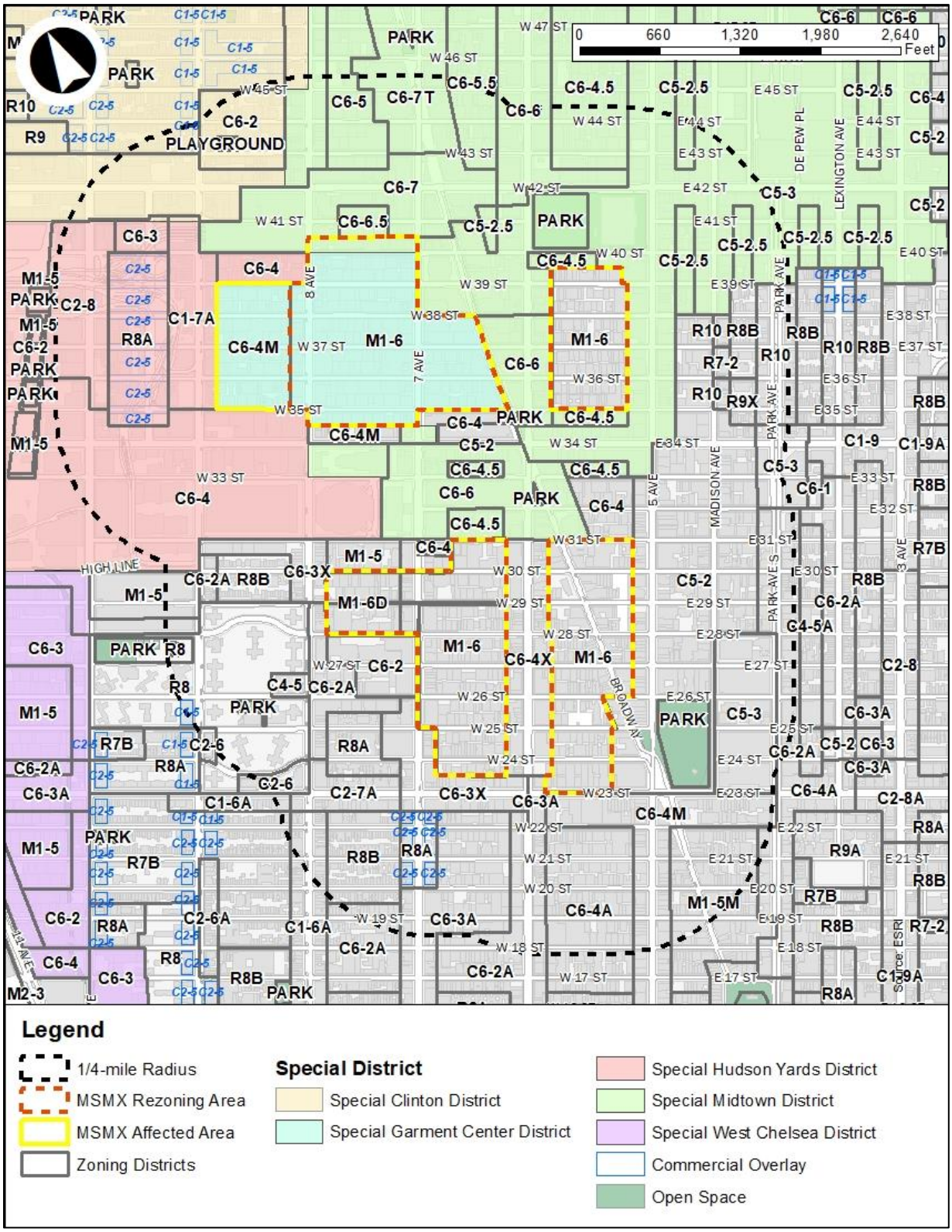
The 2018 text amendment also established contextual bulk regulations for Subdistrict A-1 that permit a building envelope better aligned with the existing context of Manhattan loft districts. Street walls are required to be located at the street line. On wide streets, the base height must be between 125 and 155 feet but may extend up to 205 feet to match existing adjoining buildings. On narrow streets, the minimum base height is 85 feet and the maximum base height is 135 feet. After an initial setback above the base height (10 feet on wide streets, 15 feet on narrow streets), there is no maximum building height. Instead, buildings must comply with tower regulations that limit tower coverage to a maximum of 50 percent of the lot area. The arcade bonus is not available, and the public plaza bonus is only available on lots 100 feet beyond a wide street to promote contiguous street walls along the avenues and to maintain an inviting pedestrian experience. The signage regulations applicable to C6-4 districts apply across the special district.

Special Midtown District – Theater Subdistrict (M1-6)

The portion of the northwest quadrant of the Rezoning Area between Seventh Avenue to the east, Eighth Avenue to the west, West 40th Street to the south, and the midline of the block between West 40th Street and West 41st Street to the north is within the Theater Subdistrict of the Special Midtown District. The Theater Subdistrict was created to preserve and protect the character of the area as a cultural, theatrical, and entertainment destination and to preserve a complementary cluster of shops, restaurants, and related amusement activities. Permitted uses are limited to a defined set of uses meant to support the theater industry and enhance the character of the area; ground floors are further restricted to more active retail and service uses. Larger developments are required to provide entertainment-related uses such as theaters and studios. Qualifying sites may increase the maximum allowable FAR up to an additional 4.4 FAR through one or a combination of density bonus programs, including a transfer of development rights from a listed theater or a CPC special permit for the

substantial rehabilitation or restoration of a theater. Retail and street wall continuity requirements apply along Seventh Avenue.

Figure 1-2: Existing Zoning



Surrounding Area

M1-5

An M1-5 manufacturing district is mapped across a small area south of Penn Station between West 31st Street, Eighth Avenue, West 30th Street, and Seventh Avenue. M1-5 districts permit a maximum FAR of 5.0 for commercial and manufacturing uses and 6.5 FAR for community facility uses. Residential uses are not permitted unless paired with residence districts in a Special Mixed-Use District. The maximum height of a building at the street wall is six stories or 85 feet, whichever is less, above which, an initial setback of 20 feet (narrow street) or 15 feet (wide street) is required. Maximum building height and setbacks are controlled by a sky exposure plane (2.7:1 on a narrow street or 5.6:1 on a wide street) that may be penetrated by a tower subject to lot coverage requirements. If front setbacks are provided at the ground floor, a steeper sky exposure plane is permitted. A 20-foot rear yard is required in most cases.

C5

To the east and north, much of the Rezoning Area is surrounded by various high-density C5 commercial districts, including C5-2, C5-2.5, and C5-3 districts. C5 is a central business district commercial district with continuous retail frontage intended for offices and retail establishments that serve the entire metropolitan region. Most residential and community facility uses are also allowed as of right. The basic maximum commercial FAR in the surrounding areas ranges from 10.0 (C5-2) to 15.0 (C5-3). C5 districts without a letter suffix have a corresponding residential district equivalent of R10, which regulates most residential and mixed-use buildings. Under typical C5 bulk regulations, the maximum height of a building at the street wall is six stories or 85 feet, whichever is less, above which, an initial setback of 20 feet (narrow street) or 15 feet (wide street) is required. Maximum building height and setbacks are controlled by a sky exposure plane (2.7:1 on a narrow street or 5.6:1 on a wide street) that may be penetrated by a tower subject to lot coverage requirements. If front setbacks are provided at the ground floor, a steeper sky exposure plane is permitted. A 20-foot rear yard is required in most cases. There are no off-street parking requirements.

Most of the surrounding C5 districts are within the Special Midtown District, which may, depending on the particular subdistrict, modify the underlying C5 use, height, setback, and/or streetscape regulations. In almost all cases, the height and setback regulations of the underlying C5 districts are superseded by two exotic height and setback regulations: Daylight Compensation and Daylight Evaluation. The Special Midtown District also provides a menu of as-of-right and discretionary density bonus incentives that allow qualifying sites to achieve significantly higher FARs, in some cases exceeding 18.0 FAR.

C6

Much of the Rezoning Area is surrounded by various medium- and high-density C6 commercial districts to the north, west, and south, including C6-2, C6-2A, C6-3A, C6-3X, C6-4, C6-4M, C6- 4X, C6-4.5, C6-6, C6-6.5, and C6-7 districts. C6-2 and C6-3 districts are typically mapped in areas just outside central business districts (e.g., Chelsea) and have a basic maximum commercial FAR of 6.0. C6-4 through C6-9 districts, typically mapped within the city's major business districts, have a basic maximum commercial FAR of 10.0 (C6-4) or

15.0 (C6-6 and C6- 7), exclusive of any bonuses. C6 districts permit a wide range of high-bulk commercial uses requiring a central location as well as most residential and community facility uses. Corporate headquarters, large hotels, department stores, and entertainment facilities in high-rise mixed buildings are permitted in C6 districts. C6 districts without a letter suffix have a corresponding residential district equivalent of R8 (C6-2) or R10 (C6-4, C6-6, C6-7) that regulates the bulk of residential and mixed-use buildings; C6 districts with a letter suffix have a corresponding residential district equivalent of R8A (C6-2A), R9A (C6-3A), R9X (C6-3X), R10 (C6-4M), or R10X (C6-4X). Under typical C6 bulk regulations, the maximum height of a building at the street wall is six stories or 85 feet, whichever is less, above which, an initial setback of 20 feet (narrow street) or 15 feet (wide street) is required. Maximum building height and setbacks are controlled by a sky exposure plane (2.7:1 on a narrow street or 5.6:1 on a wide street) that may be penetrated by a tower subject to lot coverage requirements. If front setbacks are provided at the ground floor, a steeper sky exposure plane is permitted. A 20-foot rear yard is required in most cases. There are no off-street parking requirements.

Most of the surrounding C6 districts are within special districts, including the Special Garment Center District, the Special Hudson Yards District, and the Special Midtown District. C6-4M districts in the Special Garment Center District are governed by contextual bulk regulations designed to mirror the high street wall loft buildings. C6 districts in the Special Hudson Yards District generally have bespoke building envelope and FAR regulations that supersede those of the underlying zoning districts as well as a unique density bonus structure that allows FARs to reach between 13.0 and 19.5, depending on the subdistrict. As noted above, Special Midtown District rules generally modify the underlying C6 use, height, setback, and/or streetscape regulations, depending on the subdistrict. In almost all cases, the height and setback regulations of the underlying C6 districts are superseded by two exotic height and setback regulations: Daylight Compensation and Daylight Evaluation. The Special Midtown District also provides a menu of as-of-right and discretionary density bonus incentives that allow qualifying sites to achieve significantly higher FARs, in some cases exceeding 18.0 FAR.

F. Purpose and Need for the Proposed Actions

Midtown South is one of the most well-connected and transit-dense areas of the entire country. Because of its central location and older building stock, the area has become a magnet for businesses across a wide range of industries seeking both accessibility and affordability. As a result, the Rezoning Area supports a diverse ecosystem of thousands of businesses and tens of thousands of jobs—mostly in office-based sectors—that are critical to the local and regional economies. However, while DCP recognizes the significant value of the affordable office market that has been created and the importance of the array of businesses located in these areas to the city's economic diversity, the existing manufacturing zoning has, in general, stymied new investment and development, including new housing, that could complement existing uses, enhance the business environment by enlivening streets and bringing in new retail services, and create a more robust mixed-use community. The percentage of jobs in the Rezoning Area in the manufacturing sector is a fraction of what it once was. As described in greater detail in the background section of this document, the goal of preserving manufacturing jobs and businesses by retaining a zoning regime favorable to manufacturing has largely not achieved its stated purpose. The Proposed Actions are necessary to address neighborhood and citywide planning goals, including supporting economic recovery and resiliency, increasing access to housing, establishing a harmonious built form, and promoting the adaptive reuse of older buildings.

- *Introduce residential use, promote equity in housing, and reinvigorate the retail and service sectors*

Despite COVID-19-related shocks to the office market, the New York City economy has largely recovered from the worst of the pandemic job losses. In fact, the city has consistently added jobs at a higher rate than the DUs necessary to house new workers. Since 1980, the number of jobs in the city has grown by 35 percent while the number of residential units has only grown by 24 percent. More workers competing for a smaller universe of homes drive up the price of housing and are a direct contributor to homelessness, tenant harassment, and displacement. High housing costs place a considerable burden on the city's working families and exacerbate legacies of segregation, discrimination, and concentrated poverty that have led to neighborhood-based inequities and unequal access to resources and opportunities. One of the most direct ways to combat the city's housing crisis is to grow the stock of both market-rate and affordable housing.

While a limited number of residential conversions have occurred through legalizations under the Loft Law as well as use changes and new construction allowed by BSA approvals, the Rezoning Area's M1-6 manufacturing zoning does not allow residential use (Use Group II) as of right. This is a significant barrier to the equitable production of market-rate and affordable housing in a high-opportunity neighborhood close to transit and employment. No income-restricted affordable housing units exist in the M1-6 districts; the existing affordable housing stock is primarily units subject to rent regulation via the Loft Law and legally nonconforming residential units that predate the existing manufacturing zoning and are subject to rent stabilization laws. The limited number of residential conversions and ground-up developments in the past few decades have only provided market-rate units and made marginal contributions to the city's overall housing supply.

The absence of a residential population also has direct implications on the health of the microeconomy and street life. Although the daytime worker population supports an ecosystem of restaurants, convenience stores, banks, and other local services, businesses tend to close earlier than in areas with a more established, captive residential presence which translates to noticeably less activity after 5 p.m. and on weekends. This lack of demand limits the diversity of retail offerings and directly contributes to storefront vacancy. The Rezoning Area has a storefront vacancy rate of 15 percent, higher than New York City's overall 12 percent retail vacancy rate. Vacant and dark storefronts make for an unpleasant pedestrian experience and contribute to a sense that the Rezoning Area is unsafe or should be avoided, further eroding demand for goods and services. The Proposed Actions would allow residential use as of right in conversions, expansions, and new construction and implement the MIH program within the Rezoning Area. This proposal would help further the City's objective of increasing housing production across all five boroughs as articulated by Mayor Adams's City of Yes for Housing Opportunity (COYHO), a suite of zoning reforms with a goal to deliver 80,000 new homes to New Yorkers by 2033. A larger residential population would expand the number and diversity of retail stores and amenities, which would invigorate the public realm and contribute to greater economic stability.

- *Remove barriers to housing production in the M1-6D district*

The experience of the M1-6D district provides valuable insight into the potential pent-up demand for housing in Midtown South. The roughly two-block M1-6D area consisting of the midblocks between Seventh and Eighth avenues from West 28th to West 30th streets has seen a remarkable transformation over the past decade. Prior to the 2011 rezoning from M1-5, this area languished with an overabundance of parking facilities and vacant lots. In the last 12 years, the former center of the city's fur trade has emerged as the Rezoning Area's densest sub-neighborhood. Although it represents just over five percent of the Rezoning Area, the M1-6D district contains approximately 38 percent of the total number of homes and 100 percent of the income-restricted affordable units in the Rezoning Area. Between 2011 and 2022, total built floor area in the M1-6D increased by almost 50 percent, an increase driven almost exclusively by 920,000 square feet of residential development. Across the same period, employment in the M1-6D area also rose by 44 percent.

Despite the success of the 2011 rezoning, the M1-6D district is still limited in how much residential capacity it can deliver. As a result of the 40,000-square-foot nonresidential floor area preservation requirement, the district has not seen any major conversions of the older loft buildings to residential use. This measure was intended to preserve the area's remaining production jobs, which tended to locate in larger buildings. However, despite these protections, the M1-6D area still lost approximately seven percent of its industrial jobs between 2011 and 2022. These data, coupled with evidence from prior protectionist zoning proposals described in greater detail above, demonstrate that even the most well-intentioned land use policies are limited in their efficacy by macroeconomic changes continue to affect shrinking manufacturing and production businesses.

Recognizing that these outdated policies have had a chilling effect on housing production and only a marginal, if any, impact on preserving specific nonresidential uses, the City adopted a separate proposal—CHO—that eliminated commercial-to-residential conversion restrictions in

most districts where such regulations exist. CHO entered public review on April 29, 2024, and was adopted by City Council on December 5, 2024. The Proposed Actions would remap the M1-6D district to allow for unrestricted residential development, bringing the MSMX plan into alignment with broader citywide policies.

- *Right-size the commercial real estate market and stabilize the city's property tax base*

Midtown South's economic landscape has changed significantly since manufacturing zoning was put in place decades ago, consistent with citywide and regional macroeconomic trends and the shift toward an office- and service-oriented economy. However, the Rezoning Area's manufacturing zoning continues to prioritize traditional light industrial and related uses that have largely relocated to other parts of the city, region, and beyond, creating significant barriers for property owners and businesses who wish to respond to market and industry changes. The shift away from manufacturing toward retail, office, creative production, tech, and other commercial uses is consistent with economic conditions and land use trends around the Rezoning Area.

Prior to the COVID-19 pandemic, office vacancy rates for Manhattan averaged 10 percent. In the post-pandemic market, however, remote work has become more common and businesses are trimming their office footprints. As a result of these changes, Manhattan vacancy rates have soared to almost 19 percent. In certain portions of the Rezoning Area, vacancy rates are even higher. As leases begin to expire in the coming years and tenants opt for higher quality office space to better compete for talent, the outlook for the Class B and C office market is particularly dire. This outlook not only threatens landlords who depend on the income generated by their properties but endangers the financial stability of the entire city as consistently high vacancy rates may lead to depressed property values. One way the City has addressed this is through CHO's expansion of relaxed residential conversion rules (ZR Article I, Chapter 5) to non-residential buildings constructed before 1990, which would apply to most commercial buildings in the Rezoning Area. However, that policy change would not add any housing to the Rezoning Area if the M1-6 zoning, which does not allow housing as of right, were to remain. Therefore, the Proposed Actions would allow for the broadest possible range of residential, commercial, light industrial, and community facility uses as of right so that property owners have the flexibility to reposition their assets to respond to shifting demand.

- *Facilitate superior urban design and appropriate building form*

While the Special Garment Center District and M1-6D district have bulk regulations that create contextual building envelopes, the existing bulk regulations in M1-6 districts do not always facilitate building forms that relate harmoniously to the loft building context. As a result, much of the development that has occurred pursuant to the M1-6 sky exposure plane regulations have low base heights or shallow front setbacks that break the street wall and create an awkward pedestrian experience. The Proposed Actions would establish bulk regulations that respond to neighborhood context, including appropriate base and building heights and street wall requirements, and provide flexibility to minimize the effects of new developments and enlargements on neighboring buildings.

Summary

Informed by existing land use and economic conditions in the Rezoning Area and the neighborhood and citywide needs in light of the ongoing housing crisis and the COVID-19 pandemic, the purpose of the Proposed Actions is to support the transformation of Midtown South into a dynamic, mixed-use neighborhood by addressing the area's significant challenges while respecting its unique economic legacy. By removing zoning barriers for businesses and property owners; allowing residential use and requiring affordable housing; and supporting more active, vibrant streetscapes, the Proposed Actions would ensure Midtown South's economic vitality, adaptability, and resilience; support citywide housing and equity goals; and expand access to the neighborhood's amenities and opportunities.

G. Description of Proposed Actions

The Proposed Actions are intended to address the land use and zoning challenges raised during the MSMX planning process and strengthen Midtown South as a vibrant, mixed-use, and inclusive community while striking an appropriate balance among residential and nonresidential uses. The Proposed Actions would:

- Allow a wider range of nonresidential uses, strengthen the mixed-use character of the neighborhood, and support a healthy retail ecosystem.
- Allow residential use and apply MIH.
- Establish appropriate bulk regulations to better reflect the existing character and enhance the historic built environment while providing flexible envelopes for new development.

To accomplish these goals, DCP is proposing a zoning map and zoning text amendments that would affect all or parts of approximately 42 blocks in Midtown South. Each of these actions is discretionary and subject to review under ULURP, Section 200 of the City Charter, and the CEQR process. The Proposed Actions are described in further detail below.

Proposed Zoning Map Amendments

A proposed zoning map amendment would rezone all or portions of existing M1-6 and M1-6D districts within the Rezoning Area with a range of paired districts. Additionally, a series of zoning map amendments would create a new special district – The Special Midtown South Mixed Use District (MSX) – and reconfigure the boundaries of three other special districts in the area.

Proposed Zoning Districts

As detailed in **Table 1-1** and **Figure 1-3**, M1-9A/R12, M1-8A/R12, and M1-8A/R11districts would be mapped in different areas to respond to the varied bulk contexts within the Rezoning Area. These zoning districts are proposed to respect differing neighborhood contexts, achieve the right balance among uses, and facilitate appropriate building forms that reflect the bulkier, loft-style buildings that tend to have high street walls.

The proposed paired high-density M/R districts differ only in their respective FAR limits. Most residential, community facility, commercial, and light industrial uses in Use Groups I through X would be permitted as of right. Across the entire rezoning area, the proposed districts would

require a minimum base height of 60 feet and a maximum base height of 155 feet. A standard setback of 10 feet along wide streets or 15 feet along narrow streets would apply above the base. There would be no maximum building height limit, but tower regulations would require that the lot coverage of any portion of a building above a height of 350 feet cannot exceed 50 percent of the area of the zoning lot. Within 100 feet of an intersection, no rear yard would be required, though, in practice, light and air requirements for legal windows would typically result in at least 20-foot-deep rear yards for residential buildings. Beyond 100 feet of an intersection, non-residential buildings must provide a 10-foot-deep rear yard below a height of 65 feet, a 15-foot-rear yard above a height of 65, and a 20-foot-deep rear yard above a height of 125 feet; residential buildings would be required to provide a 20-foot-deep rear yard below a height of 75 feet and a 30-foot-deep rear yard above a height of 75 feet. On through lots, no rear yard equivalent would be required for non-residential buildings; residential buildings must provide a rear yard equivalent of 40 feet below a height of 75 feet and 60 feet above a height of 75 feet. Residential buildings would have a maximum lot coverage of 80 percent for interior and through lots beyond 100 feet of an intersection and 100 percent for corner lots, interior, and through lots within 100 feet of an intersection. Non-residential buildings would not be subject to lot coverage requirements.

Table 1-1: Proposed Zoning Districts

Quadrant	Proposed District	Proposed Residential FAR	Proposed Commercial/ Manufacturing FAR	Proposed Commercial Facility FAR
Northeast, Northwest, parts of Southwest	M1-9A/R12	18.0	15.0	15.0
Parts of Southwest, Southeast	M1-8A/R12	18.0	12.0	12.0
Parts of Southwest	M1-8A/R11	15.0	12.0	12.0

*This table has been revised for the final scope of work.
Refer to **Figure 1-3**

Proposed Special Midtown South Mixed-Use District (MSMX)

The proposed MSX district would be mapped over the entire Rezoning Area, which spans all or parts of 42 blocks. To support the above-specified planning goals, the MSX special district would establish regulations to address the neighborhood's distinctive history, building typologies, as well as existing and anticipated mix of uses. The proposed MSX special purpose district would be mapped over existing portions of the Special Garment Center District and the Special Midtown District. Special Garment Center District

Proposed Actions would remove the Special Garment Center District (GC) from the zoning map. GC Subdistrict A-1 (underlying M1-6 zoning district) would be remapped as part of the larger MSX special purpose district. GC Subdistrict A-2 (underlying C6-4M zoning district), bounded by a line 100 feet east of Ninth Avenue to the west, West 35th Street to the south, a line 100 feet west of Eighth Avenue to the east, and West 39th Street to the north, would be subsumed into the Special Hudson Yards District as a new Subdistrict H.

Special Midtown District

The Proposed Actions would eliminate from the zoning map the half-block portion of the Special Midtown District (Theater Subdistrict) bounded by West 40th Street to the south, Seventh Avenue to the east, Eighth Avenue to the west, and the centerline of Block 1012 to the north. This half block would be remapped as part of the larger MSX special purpose district.

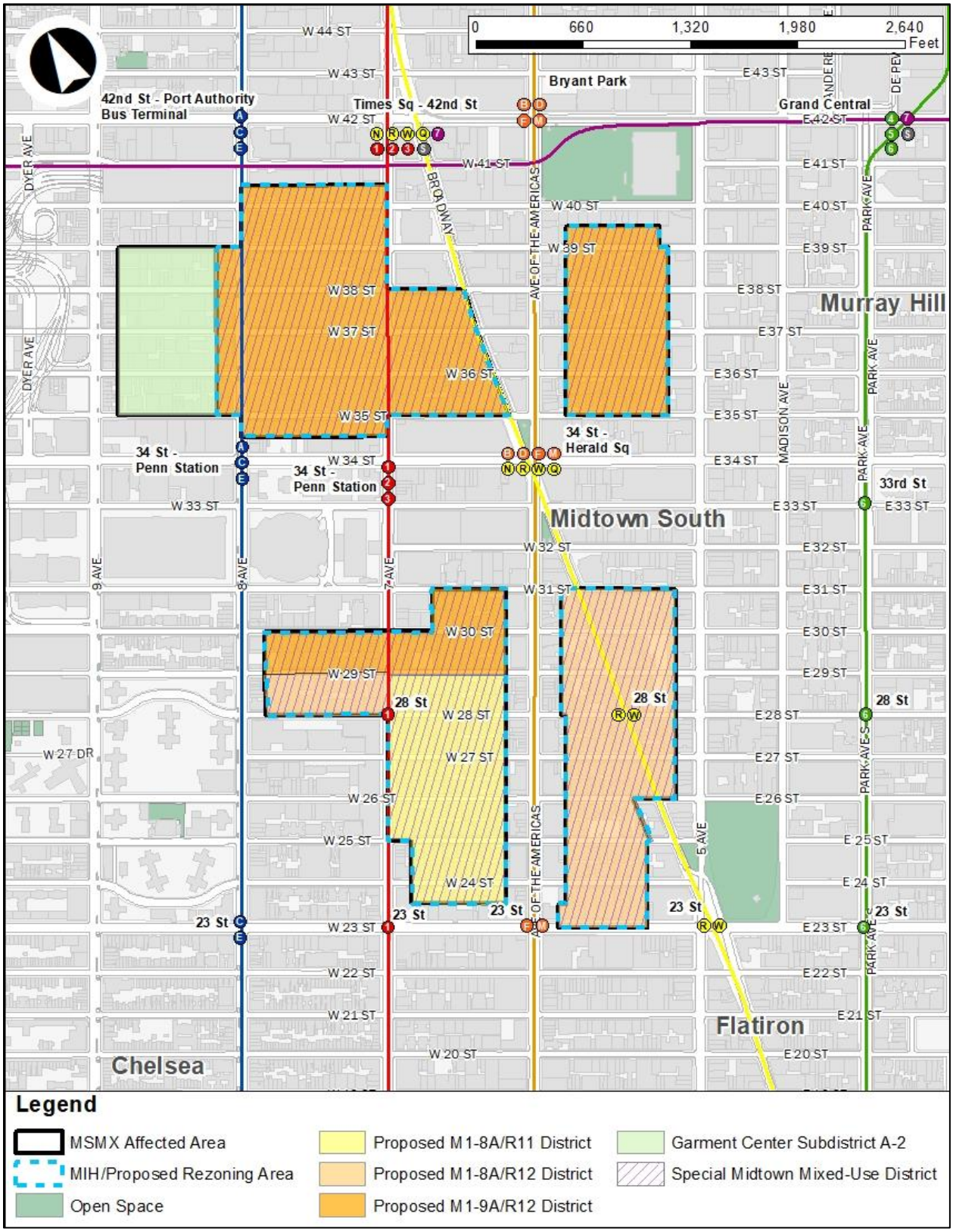
Special Hudson Yards District

The Proposed Actions would expand the boundaries of the Special Hudson Yards District eastward approaching Eighth Avenue between West 39th and West 35th streets, subsuming Subdistrict A-2 (underlying C6-4M zoning district) of the Special Garment Center District and reconstituting it as HY Subdistrict H.

Proposed Zoning Text Amendments

The Proposed Actions include amendments to the New York City ZR to establish special rules for the MSMX special purpose district, including regulations related to street wall and streetscape, the size of retail uses, distance between buildings on the same zoning lot, and the exemption of community facility floor area from FAR calculations on sites with public schools, among other rules. Additionally, the Proposed Actions include an amendment to Appendix F of the ZR to map an MIH area across the Rezoning Area, setting mandatory affordable housing requirements pursuant to the MIH program.

Figure 1-3: Proposed Zoning



Special Midtown South Mixed-Use District

The MSMX district would modify the typical regulations of the underlying paired districts and establish additional requirements and parameters for future development derived from and responsive to block- and neighborhood-wide characteristics.

Street Wall and Streetscape Requirements

It is typical for many of the older buildings in the Rezoning Area to have street walls that are built right at the street line. However, due to the permissive M1-6 bulk regulations, much of the new development built over the last two decades contain shallow front setbacks—often 15 to 20 feet—with buildings rising to their full height without setbacks. These conditions limit visibility into ground floors and can feel out of scale with the rest of the neighborhood. To maintain a strong street wall in harmony with the existing built character and create an inviting pedestrian experience, the Proposed Actions would require 100% of a building's street wall on the first story be within eight feet of the street line. Above the first story, at least 70 percent of a building's street wall would have to be located within eight feet of the street line and extend to at least the minimum base height of 60 feet, or the height of the building, whichever is less. These rules would balance the need for a strong, contiguous street wall while allowing for architectural expression and flexibility.

Additionally, building frontages along north-south streets would be subject to the ZR's highest Tier C streetscape standards. Tier C street frontage regulations strictly regulate the percentage of a building's ground floor street wall that can be devoted to non-active uses such as lobbies, residential amenity space, parking, and loading. East-west streets would be subject to Tier B urban design standards, which are slightly more permissive than Tier C, but still have strong active ground floor requirements. Provide More Flexible Base Heights

Base height provisions are generally intended to align new development with neighboring buildings but can prevent alignment when they are not flexible enough. The Proposed Actions would retain existing minimum and maximum base heights while adding an allowance that enables new developments in the Rezoning Area to go higher than those limits to match the base heights of neighboring buildings, similar to a provision that already exists in Subdistrict A-1 of the Special Garment Center District.

Minimum Distance Between Buildings

The Rezoning Area contains a number of large lots capable of being redeveloped with multiple buildings. In order to provide additional site planning flexibility and minimize the potential for non-compliances, the Proposed Actions would reduce the minimum distance between buildings or portions of buildings on a single zoning lot to eight feet. Residential developments would still be required to comply with legal light and air requirements of the state Multiple Dwelling Law (MDL).

Large Retail Uses

In M1 districts, many common retail and services uses such as clothing stores, grocery stores, and electronics stores, among others, are limited to 10,000 zoning square feet per establishment. The surrounding Midtown neighborhood is characterized by a range of large retail offerings,

including department stores such as Macy's that are famous for their expansiveness. Limiting the scale of retail uses is inconsistent with Midtown's role as a regional shopping destination. Therefore, the Proposed Actions would eliminate the 10,000-square-foot cap on Use Group VI uses with such size restriction.

Floor Area Exemption for Public Schools

In order to better facilitate the siting of public schools to serve the local community, the Proposed Actions would permit up to 150,000 square feet of floor space within a public school, constructed in whole or in part pursuant to an agreement with the New York City School Construction Authority (SCA) and subject to the jurisdiction of New York City Schools, to be exempt from the definition of floor area for the purposes of calculating the permitted floor area ratio for community facility uses and the total maximum floor area ratio of the zoning lot. This exemption would apply to qualifying sites of at least 20,000 square feet in area.

Split Lots with Historic Landmarks

Ordinarily, the ZR restricts the movement of floor area on zoning lots that are split between zoning districts with different maximum FARs. However, the Rezoning Area contains sites with this split lot condition. Moreover, these sites may contain LPC-designated landmark buildings with excess development rights for which it is often difficult to find appropriate landing sites that can utilize that floor area. To allow greater flexibility in site planning, maximize the development of new homes, and ensure that landmark buildings are best able to capture the value of their unused development rights, the special district would allow floor area to be distributed anywhere on a zoning lot divided by zoning district boundaries provided that the majority of the zoning lot is within MSX and the zoning lot contains an LPC-designated landmark.

Covered Pedestrian Space Bonus

Currently, Covered Pedestrian Spaces (CPS), a type of Privately-Owned Public Space (POPS) that can be outdoor or indoor, are not permitted within the proposed mixed-use zoning districts. To provide additional opportunities for valuable public space within Midtown South, the Proposed Actions would allow new developments or enlargements to apply via CPC special permit for a CPS floor area bonus of up to 20 percent Transit Bonus

Currently, large portions of the Rezoning Area are located more than 500 feet from a mass transit station, making many sites ineligible for a transit bonus and related bulk waivers pursuant to ZR 66-50. For the purposes of applying ZR Article 6, Chapter 6 regulations, the Proposed Actions would add the proposed MSMX to the definition of "Central Business District" (ZR 66-11), thus extending the density bonus applicability to 1,500 feet from mass transit stations and making virtually all sites within the Rezoning Area qualifying transit improvement sites.

Special Garment Center District

The Proposed Actions would remove Article XII, Chapter 1 (Special Garment Center District) from the ZR in its entirety. *Special Midtown District*

The Proposed Actions would modify Appendix A of ZR Article VIII, Chapter 1 to eliminate the southern half of Manhattan Block 1012 (West 40th Street to the south, Seventh Avenue to the east, Eighth Avenue to the west, and the centerline of the block to the north) from the Special Midtown District maps.

Special Hudson Yards District

With the removal of Special Garment Center Subdistrict A-1, Subdistrict A-2 would be an island less than four blocks in area. Recognizing that Subdistrict A-2 already contains provisions related to the Special Hudson Yards District (HY), namely, the district improvement bonus, parking regulations, and anti-harassment and demolition rules, the Proposed Actions seek to rationalize the patchwork of special districts in the area. The Proposed Actions would modify the Special Hudson Yards District maps (Appendix A and Appendix B of ZR Article IX, Chapter 3) and create the new Subdistrict H within HY co-extensive with the existing Special Garment Center Subdistrict A-2. Subdistrict H would retain all the rules that currently apply to GC Subdistrict A-2 except that the prohibition on residential conversions in buildings over 70,000 square feet would be eliminated.

Mandatory Inclusionary Housing Program

The Proposed Actions include a zoning text amendment to Appendix F of the ZR to apply the MIH program to the Rezoning Area. The MIH program requires permanently affordable housing within new residential developments, enlargements, and conversions from nonresidential to residential use within the mapped Mandatory Inclusionary Housing Areas. The program requires permanently affordable housing set-asides for all developments over 10 units or 12,500 zoning square feet within the MIH-designated areas or, as an additional option for developments between 10 and 25 units (12,500 to 25,000 sf), a payment into an Affordable Housing Fund. Developments, enlargements, or conversions that do not exceed either 10 units or 12,500 sf of residential floor area would be exempt from the requirements of the program.

In cases of hardship, where these requirements would make development financially infeasible, developers may apply to BSA for a special permit to reduce or modify the requirements. In addition, within the MSX special district, for conversions from non-residential to residential use in buildings that are not otherwise subject to the MIH program's affordable housing fund provisions, BSA may permit a contribution to the affordable housing fund where strict compliance with the options for affordable housing requirement may not be feasible. In such case, BSA must determine that the configuration of the building imposes constraints such as deep, narrow or otherwise irregular floorplates, limited opportunities to locate legally required windows, or pre-existing locations of vertical circulation or structural column systems that would create practical difficulties in reasonably configuring the required affordable floor area into a range of apartment sizes and bedroom mixes.

In most areas of Manhattan, the MIH program includes three primary options that pair set-aside percentages with different affordability levels to reach a range of low and moderate incomes while providing flexibility for the number of affordable units and level of affordability. Option 1 would require 25 percent of residential floor area be for affordable housing units for residents with incomes averaging 60 percent of the area median income (AMI). Option 1 also includes a

requirement that 10 percent of residential floor area be affordable at 40 percent AMI. Option 2 would require 30 percent of residential floor area be for affordable for residents with incomes averaging 80 percent AMI. Option 3 would require that 20 percent of the residential floor area be affordable to residents with incomes averaging 40 percent AMI. For all options, no units could be targeted to residents with incomes above 130 percent AMI. (Option 4, a middle-income affordability option, does not apply to the Manhattan Core.)

H. Framework for Environmental Review

Reasonable Worst-Case Development Scenario

To assess the possible effects of the Proposed Actions, a RWCDS was developed, in accordance with the methodologies in the 2021 *CEQR Technical Manual* and as explained in the final scope of work for the current (future No-Action) and proposed zoning (future With--Action) conditions for a 10-year period (analysis year 2034). The incremental difference between the No-Action and With-Action conditions will serve as the basis for the impact analyses of the environmental impact statement (EIS). A 10-year period typically represents the amount of time developers would act on a proposed action for an area-wide rezoning not associated with a specific development. To determine the With-Action and No-Action conditions, standard site selection criteria have been used, following the *CEQR Technical Manual* guidance, as described below. These methodologies have been used to identify the amount and location of future development in response to the Proposed Actions.

Development Site Criteria

Several factors have been considered in identifying the amount and location of new development generated by the Proposed Actions. These factors include known development proposals, past and current development trends, and the development site criteria described below. Generally, for area-wide zoning changes that create a broad range of development opportunities, new development is expected to occur on selected, rather than all, sites within the Rezoning Area. The first step in establishing the development scenario for the Proposed Actions was to identify those sites where new development is reasonably expected to occur.

Development sites were initially identified based on the following criteria:

- Lots located in areas where changes in use would be permitted.
- Lots located in areas where a substantial increase in permitted residential FAR is proposed.
- Lots with a total size of approximately 4,000 sf or larger (may include potential assemblages totaling approximately 4,500 sf, if assemblage seems probable) or certain smaller-sized lots (2,000 sf or greater) that are substantially underutilized.

Certain lots that meet these criteria have been excluded from the development scenario based on the following conditions because they are unlikely to be redeveloped as a result of the proposed rezoning.

- Lots where construction activity is actively occurring or has recently been completed.

- Long-standing institutional uses, such as schools (public and private), municipal libraries, government offices, and large medical centers in control of their sites, with no known development plans. These facilities may meet the development site criteria, because they are built to less than half of the permitted floor area under the current zoning and are on larger lots. However, these facilities have not been redeveloped or expanded despite the ability to do so, and it is unlikely that the increment of additional FAR permitted under the proposed zoning would induce redevelopment or expansion of these structures. Additionally, for government-owned properties, development and/or sale of these lots may require discretionary actions from the pertinent government agency.
- Multi-unit buildings (i.e., existing individual buildings with six or more residential units) built before 1974 are unlikely to be redeveloped because they may contain rent-stabilized units. Buildings with rent-stabilized units are difficult to legally demolish due to tenant relocation requirements. Unless there are known redevelopment plans (throughout the public review process or otherwise), these buildings are generally excluded from the analysis framework.
- Certain large commercial or industrial structures, such as certain large, multistory nonresidential buildings where redevelopment is unlikely to occur and sites owned and operated by major national corporations. Although these sites may meet the criteria for being built to less than half of the proposed permitted floor area, some of them are unlikely to be redeveloped because of their current or potential profitability, the cost of demolition and redevelopment, or their location.
- Lots occupied by buildings designated by LPC as individual landmarks, as well as buildings located within City-designated historic districts (sometimes identified in designation reports as “with style”). Individual landmarks and buildings within City-designated historic districts are subject to LPC review and approval in accordance with the New York City Landmarks Law under a significant level of scrutiny and are therefore unlikely to be altered or redeveloped. Several substantially underbuilt buildings that are considered “no style” by LPC are included as potential development sites as an exception for the purpose of a conservative analysis.
- Lots whose size, location or highly irregular shape would preclude or greatly limit future as-of-right development. Generally, development on highly irregular lots does not produce marketable floor space.
- Lots used for public transportation and/or public utilities.

Projected and Potential Development Sites

To produce a reasonable, conservative estimate of future growth, the development sites have been divided into two categories: projected development sites and potential development sites. The projected development sites are considered more likely to be developed within the 10-year analysis period for the Proposed Actions (i.e., by the analysis year 2034), while potential sites are considered less likely to be developed over the 10-year analysis period. Potential development sites were identified based on the following criteria:

- Lots whose slightly irregular shapes, smaller size, or encumbrances would make development more difficult.
- Lots with 10 or more commercial tenants, which are less likely to redevelop in the foreseeable future.
- Lots occupied by larger buildings, or larger buildings with higher occupancies.
- Active businesses that may provide unique services or are prominent, successful neighborhood businesses or organizations that are unlikely to move.

Based on the above criteria, 68 development sites (61 projected and 7 potential) have been identified in the Rezoning Area. These projected and potential development sites are depicted in **Figure 1-4,** and the detailed RWCDS tables provided in **Appendix 2** identify the uses expected to occur on each of these sites under No-Action and With-Action conditions.

The EIS assesses both density-related and site-specific potential impacts from development on all projected development sites. Density-related impacts depend on the amount and type of development projected on a site and the resulting impacts on traffic, air quality, community facilities, and open space.

Site-specific impacts relate to individual site conditions and do not depend on the density of projected development. Site-specific impacts include potential noise impacts from development, effects on stationary air quality, shadow effects from development sites, effects on historic resources, and the possible presence of hazardous materials. Development is not anticipated on the potential development sites in the foreseeable future. Therefore, these sites have not been included in the density-related impact assessments. However, review of site-specific impacts for these sites will be conducted to ensure a conservative analysis in accordance with the 2021 *CEQR Technical Manual*.

Conceptual Analysis

Under the State Environmental Quality Review Act (SEQRA), a conceptual analysis is warranted if a Proposed Action creates new discretionary actions that are broadly applicable even when projects seeking those actions will trigger a future, separate environmental review. It is the lead agency's responsibility to consider all possible environmental impacts of the new discretionary actions at the time it creates them. The Proposed Actions would create two new discretionary actions; 1.) A CPC special permit to allow floor area bonuses for covered pedestrian spaces (CPS), and 2.) the Proposed Special Midtown South Mixed Use District would be defined as a "Central Business District" (ZR 66-11). This would extend the applicability of the density bonus authorization for improvements to mass transit stations (ZR 66-50) to sites that are 1,500 feet from mass transit stations, making virtually all sites within the Rezoning Area qualifying as transit improvement sites. A conceptual analysis is provided to understand how the new discretionary actions could be used in the future and to generically assess the potential environmental impacts that could result. However, all potential significant adverse impacts related to these future discretionary actions would be disclosed through environmental review at the time of application.

Development Scenario Parameters

For the purposes of presenting a conservative analysis, and where applicable, reasonable factors based on recent development trends were used to approximate the gross square footage, zoning floor area, and DU size of each soft site in this document.

Dwelling Unit Factor

The number of projected DUs in residential use buildings is determined by dividing the total amount of residential floor area by 850 and rounding to the nearest whole number.

Floor to Floor Height

The RWCDS assumes the following floor heights for development facilitated by the Proposed Actions:

- All nonresidential use: 15 feet (ground floor)/10 feet
- Residential: 10 feet

Development Within Historic Districts on Projected and Potential Sites

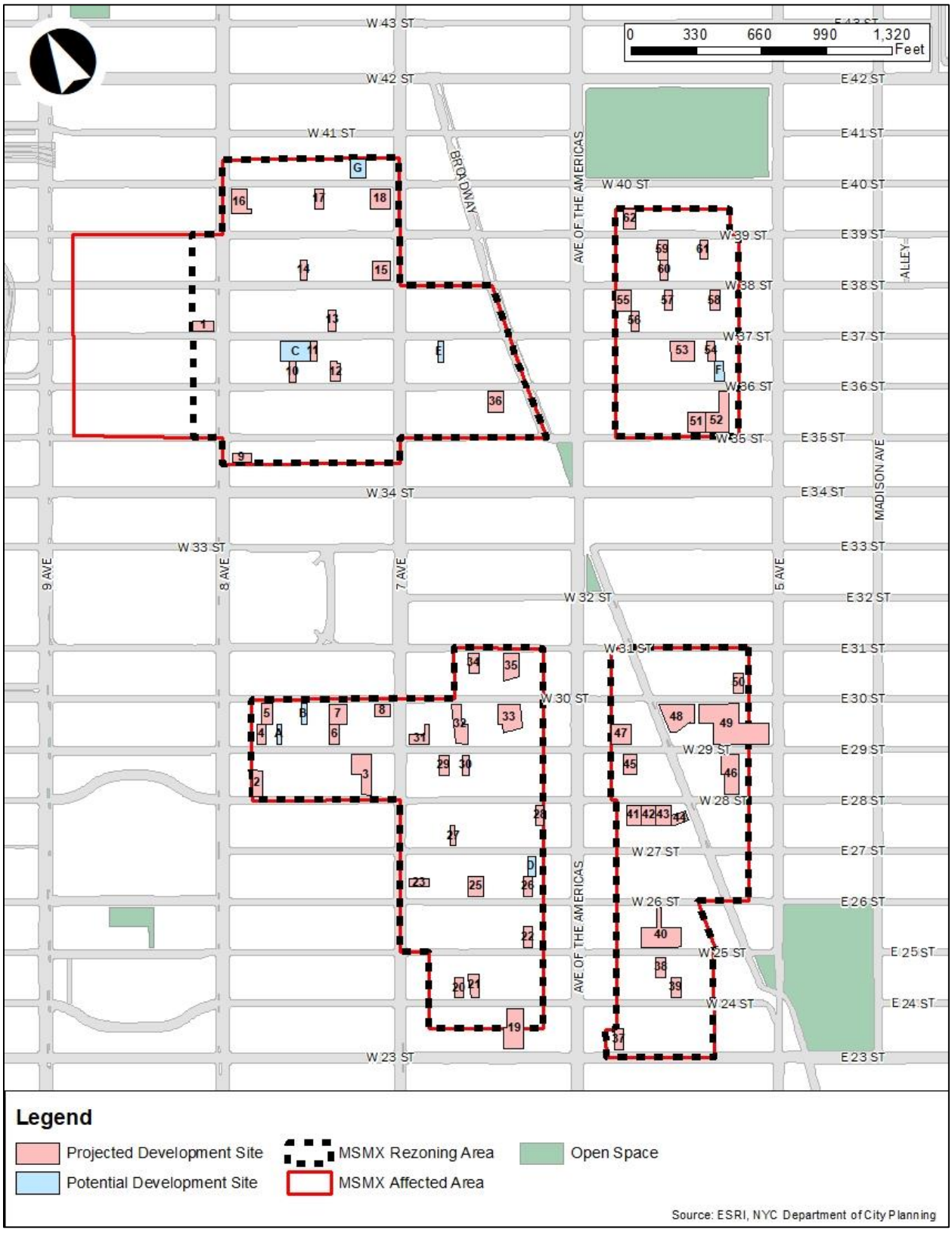
For conservative analysis purposes, development shown on sites within historic districts is assumed to maximize the permitted FAR within the allowable building envelope. The represented building form does not reflect LPC's future review and approval, which is required for actual development on all of the projected and potential development sites on a site-by-site basis.

Future Without the Proposed Actions (No-Action Condition)

In the future without the Proposed Actions (No-Action condition), the identified projected development sites are assumed to remain unchanged from existing conditions. Given the outdated manufacturing zoning and low demand for ground-up manufacturing and commercial development in the area, vacant parcels and sites occupied by low-intensity uses are not likely to be developed as of right. **Table 1-2** shows the No-Action condition for the projected development sites.

The limited number of recent developments in the Rezoning Area have consisted of mid-rise market-rate residential buildings pursuant to variances granted by BSA, high-rise commercial office/retail buildings, and mid- to high-rise hotels that require a CPC special permit as of 2021.

Figure 1-4: Projected and Potential Development Sites



In the future without the Proposed Actions, based on recent development trends, limited development is anticipated in the Rezoning Area. As-of-right residential development would not occur without a zoning map amendment. While underutilized sites could be developed pursuant to the existing M1-6 district regulations, there is currently a glut of commercial space and little, if any, demand for new inventory. Absent the Proposed Actions, it is anticipated that the conversion of former industrial space to other commercial uses would continue to occur on occasion.

As detailed below, it is anticipated that, in the future without the Proposed Actions, existing conditions would remain. Under the RWCDS, total No-Action development would comprise 54 existing residential DUs with no affordability requirement. The total No-Action condition floor area is approximately 2,472,744 gsf and includes 81,610 gsf of residential space, 431,623 gsf of local retail space, 799,323 gsf of office space, 13,984 gsf of community facility (house of worship), 69,782 gsf of industrial/warehouse space, and 1,093,808 gsf of nonresidential area eligible for residential conversions. As noted above, based on 2020 U.S. Census, the average household size in Manhattan Community Districts 4 and 5 is 1.68. The No-Action condition estimated population would include approximately 91 residents and 8,959 workers on these projected development sites in the eligible conversion area.

Future with the Proposed Actions (With-Action Condition)

The Proposed Actions would allow for the development of new uses and higher densities at the projected and potential development sites.

With the Proposed Actions, with the introduction of residential use and allowance for residential infill development, significant housing production, including affordable housing, is anticipated. This residential development would include two stories of commercial use across the Rezoning Area. Some sites with wider street frontages that can accommodate larger floorplates may be redeveloped with a mix of residential, community facility, and/or commercial uses.

Under the Proposed Actions, the total development expected in the RWCDS With-Action condition would consist of approximately 10,924,194 gsf (9,650,109 zsf). Approximately 9,867,999 gsf (8,721,229 zsf) of residential use is anticipated on the projected development sites and area eligible for residential conversions, including approximately 9,730 DUs, a substantial proportion of which are expected to be affordable, and 960,456 gsf (845,607 zsf) of commercial floor area (local retail and office) and 95,739 gsf (83,291 zsf) of community facility area.

The projected incremental (net) change between the No-Action and With-Action conditions that would result from the Proposed Actions would be a net increase of approximately 9,676 DUs (including 1,940 to 2,890 affordable units), 462,129 gsf of local retail space, 81,755 gsf of community facility space, and a decrease of 732,619 gsf of office space and 69,782 gsf of industrial/warehouse space.

In the RWCDS With-Action condition, 7 sites with a potential of 751 DUs, including between 153 and 228 permanently affordable DUs, were considered less likely to be developed within the foreseeable future and were thus considered potential development sites (see **Appendix 2**). As noted earlier, the potential sites are deemed less likely to be developed because they did not closely meet the criteria described above. However, the analysis recognizes that a number of

potential development sites could be developed under the Proposed Actions in lieu of one or more of the projected development sites to accommodate the development anticipated under the RWCDS. Therefore, the potential development sites are also analyzed in the EIS for site-specific effects.

Outside the projected and potential development sites, it is assumed that approximately 1,093,808 gsf of existing nonresidential floor area would convert to residential use over the next decade—an estimate informed by DCP's understanding of historical conversion patterns from 2010 to 2020 and the potential for conversions in the study area under the RWCDS With-Action condition. Assuming one DU for every 1,400 sf converted, which is the historical average for office-to-residential conversion from 2010 to 2020, conversion may yield approximately 781 net DUs over the next decade. Approximately 156 to 234 of those DUs would be permanently income-restricted under the MIH program.

Development shown on sites within historic districts is assumed to maximize the permitted FAR within the allowable building envelope for conservative analysis purposes. The represented building form does not reflect the LPC's future review and approval, which is required for actual development on all projected and potential sites on a site-by-site basis.

Based on the average household size in Manhattan Community Districts 4 and 5 and standard ratios for estimating employment for commercial and industrial uses, **Table 1-2** also provides an estimate of the number of residents and workers generated by the Proposed Actions. As indicated in **Table 1-2**, the Proposed Actions would result in a net increment of 16,256 residents (including the population from the residential conversion model and projected development site DU). The size of the workforce is estimated to result in a net decrease of 5,523 workers.

Table 1-2: 2034 RWCDS No-Action and With-Action Land Uses

Land Use	No-Action Condition	With-Action Condition	Increment
Residential			
Residential	81,610 gsf	8,774,191 gsf	+ 8,692,581 gsf
	54 DU	8,949 DU	+ 8,895 DU
Residential (From Conversions)			
Residential (via conversions)	0 gsf	1,093,808 gsf	+ 1,093,808 gsf
	0 DU	781 DU	+ 781 DU
Residential Total			
Total Residential	**81,610 gsf**	**9,867,999 gsf**	**+ 9,786,389 gsf**
	54 DUs	**9,730 DUs**	**+ 9,676 DUs**
Commercial			
Local Retail	431,623 gsf	893,752 gsf	+ 462,129 gsf
Office	799,323 gsf	66,704 gsf	- 732,619 gsf
Total Commercial	**1,230,946 gsf**	**960,456 gsf**	**- 270,490 gsf**
Community Facility			
Total Community Facility	**13,984 gsf**	**95,739 gsf**	**+ 81,755 gsf**
Industrial			
Industrial	17,386 gsf	0 gsf	-17,386 gsf
Warehouse	52,396 gsf	0 gsf	- 52,396 gsf
Total Industrial	**52,396 gsf**	**0 gsf**	**- 69,782 gsf**
Non-Residential(Conversion)	**1,093,808 gsf**	**0 gsf**	**-1,093,808 gsf**
Total Floor Area	**2,472,744 gsf**	**10,924,194 gsf**	**+ 8,451,450 gsf**
Parking	**69,500 gsf**	0 gsf	**- 69,500 gsf**
Parking Spaces	**225**	**0**	**- 225 spaces**
Population			
Residents [1]	91	16,347	+ 16,256 residents
Workers [2]	8,959	3,435	- 5,523 workers

Notes:

[1] Assuming an average occupancy of 1.68 persons per household based on the average household size in Manhattan Community Districts 4 and 5 (2020 Decennial Census).

[2] Estimate of workers based as follows: 1 employee per 250 sf of office; 1 employee per 875 sf of destination retail; 1 employee per 333 sf of local retail; 1 employee per 25 DUs; 1 employee per 1,000 sf of industrial/warehouse space; 1 employee per 1,000 sf of community facility space; and 1 employee per 50 parking spaces.

I. Public Review Process for the Proposed Actions

The Proposed Actions described above are subject to public review under ULURP, Section 200 of the City Charter, as well as CEQR procedures. ULURP and CEQR review processes are described below.

Uniform Land Use Review Procedure

The City's ULURP, mandated by Sections 197-c and 197-d of the City Charter, is a process especially designed to allow public review of a proposed project at four levels: the community board, the Borough President and (if applicable) Borough Board, CPC, and the City Council. The procedure sets time limits for review at each stage to ensure a maximum total review period of approximately seven months.

The ULURP process begins with a certification by CPC that the ULURP application is complete and satisfies CEQR requirements (see the discussion below). The application is then forwarded to the community board(s), which has 60 days to review and discuss the proposal, hold public hearings, and adopt recommendations regarding the application. Once this step is complete, the Borough President reviews the application for up to 30 days. CPC then has 60 days to review the application, during which time a ULURP/CEQR public hearing is held. Comments made at the draft EIS (DEIS) public hearing (the record for commenting remains open for 10 days after the hearing to receive written comments) are incorporated into a final EIS (FEIS); the FEIS must be completed at least 10 days before CPC makes its decision on the application. CPC may approve, approve with modifications, or deny the application.

If the ULURP application is approved or approved with modifications, it moves to the City Council for review. The City Council does not automatically review all ULURP actions that are approved by CPC. Zoning map changes and zoning text changes (not subject to ULURP) nevertheless must be reviewed by the City Council; the Council may elect to review certain other actions. The City Council, through the Land Use Committee, has 50 days to review the application and, during this time, will hold a public hearing on the proposed project. The Council may approve, approve with modifications, or deny the application. If the Council proposes a modification to the proposed project, the ULURP review process stops for 15 days, providing time for a CPC determination on whether the modification is within the scope of the environmental review and ULURP review. If it is, then the Council may proceed with the modification; if it is not, then the Council may only vote on the project as approved by CPC. Following the Council's vote, the Mayor has 5 days during which to veto the Council's actions. The City Council may override a Mayoral veto within 10 days.

New York City Environmental Quality Review

Pursuant to the New York State Environmental Quality Review Act (SEQRA) and its implementing regulations found at 6 New York Codes, Rules and Regulations (NYCRR) Part 617, New York City established rules for its own environmental quality review in Executive Order 91 of 1977, as amended, and 62 Rules of the City of New York (RCNY) Chapter 5, the Rules of Procedure for CEQR. The environmental review process provides a means for decision-makers to systematically consider environmental effects and other aspects of project planning and design, to propose reasonable alternatives, to identify, and when practicable to mitigate, significant adverse environmental effects. CEQR rules guide environmental review, as follows:

- *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 a proposed action. CPC is the lead agency for the Proposed Actions.

- *Determination of Significance*: The lead agency's first charge is to determine whether a proposed action may have a significant adverse impact on the environment. To do so, it must prepare an Environmental Assessment Statement (EAS). The Proposed Actions were the subject of an EAS that was issued on March 19, 2024. Based on the information contained in the EAS, the lead agency (CPC) determined that the Proposed Actions may have a significant adverse effect on the environment and issued a Positive Declaration on March 19, 2024, requiring preparation of an EIS.
- *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 to be studied in the EIS. The draft scope of work was prepared in accordance with SEQRA, CEQR, and the CEQR Technical Manual. Along with the Positive Declaration, the Draft Scope of Work was issued on March 19, 2024. CEQR requires a public scoping meeting as part of the process. A scoping meeting was heldon April 18, 2024 at 2:00 pm. The period for submitting written comments remained open through April 29, 2024 at 5:00 pm. This final scope of work (FSOW) was prepared taking into consideration comments received during the public comment period to direct the content and preparation of the Draft EIS. DCP issued the FSOW on January 17, 2025.
- *Draft Environmental Impact Statement*: The DEIS is prepared in accordance with the final scope of work, and follows methodologies and criteria for determining significant adverse impacts in the CEQR *Technical Manual*. The lead agency reviews all aspects of the document, calling on other City and State agencies to participate where the agency's expertise is relevant. 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 DEIS was deemed complete and the Norice of Completion was issued January 17, 2025.
- *Public Review*: Publication of the DEIS and issuance of the Notice of Completion signal the start of the public review period. During this time (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 CPC ULURP process, joint hearings may be held. 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. All substantive comments received at the hearing become part of the CEQR record and must be summarized and responded to in the FEIS.
- *Final Environmental Impact Statement*: After the close of the public comment period on the DEIS, theFEIS will be prepared. 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.
- *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 action, 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 CPC must wait at least 10 days after the FEIS is complete to act on a given application.