DEPARTMENT OF CITY PLANNING
CITY OF NEW YORK

ENVIRONMENTAL ASSESSMENT AND REVIEW DIVISION

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Department of City Planning

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OFFICE OF ENVIRONMENTAL COORDINATION

December 19, 2008

Robert Kulikowski, Director
New York City Office of Environmental Coordination
253 Broadway, 14th Floor
New York, NY 10007

NOTICE OF LEAD AGENCY DETERMINATION AND REVIEW

Re: 15 Penn Plaza
CEQR No. 09DCP019M
ULURP No. Pending
Manhattan, Community District 5
Type I Action

Dear Mr. Kulikowski:

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

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

The applicants, 401 Commercial LP and 401 Hotel REIT LLC, propose to redevelop the current site of the Hotel Pennsylvania (Block 808, Lots 1001 and 1002) on Seventh Avenue between West 32nd and West 33rd Streets adjacent to Penn Station with a new commercial office building - a redevelopment project known as 15 Penn Plaza. The development site is located within a C6-6 zoning district and partly within a C6-4.5 zoning district, within the Penn Center Subdistrict of the Special Midtown District, in Manhattan Community District 5.

The proposed actions consist of a zoning map amendment to rezone a portion of the project site from C6-4.5 to C6-6, zoning text amendments to various sections of the

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Zoning Resolution and special permits to modify bulk regulations and certain mandatory district plan elements of the Special Midtown District pursuant to the proposed text amendments and to allow for a floor area bonus of up to 20 percent for rail mass transit improvements. The area affected by the actions includes the adjacent Manhattan Mall, located on Block 808, Lot 40, which would be merged with the development site to create a single zoning lot. The proposed actions would facilitate either one of two building scenario proposals by the applicant - a Single Tenant Office Scenario with up to approximately 2,840,000 gross square feet (gsf), or a Multi-Tenant Office Scenario with up to approximately 2,650,000 gsf. Both scenarios would be constructed within the same maximum building envelope and would contain new commercial office space located above retail use. Additionally, both scenarios would include 100 below-grade accessory parking spaces and new below-grade mass transit improvements.

Approvals from the Metropolitan Transportation Authority (MTA)/New York City Transit (NYCT), the Port Authority of New York and New Jersey (PANYNJ) and Amtrak are required for the design and maintenance of the below-grade mass transit improvements.

With the proposed actions, the midblock area of the zoning lot would be rezoned from C6-4.5 to C6-6. The midblock area that would be rezoned includes both the eastern half of the development site and the western portion of the Manhattan Mall site. Specifically, the rezoning area would cover the portion of the zoning lot 200 feet east of Seventh Avenue to 150 feet west of Sixth Avenue. In general, C6 commercial districts permit a wide range of high-density commercial uses requiring a central location, such as corporate headquarters, large hotels, entertainment facilities, retail stores, and high-rise residences.

The C6-4.5 district is mapped only within the Special Midtown District. Commercial and community facility development is permitted to a maximum FAR of 12.0 (14.4 with applicable bonus), and residential development is permitted to 12.0 FAR. Within C6-6 commercial districts, commercial and community facility development is permitted to 15.0 FAR (18.0 with applicable transit bonus), and residential development is permitted to a maximum FAR of 12.0.

While the proposed rezoning would apply to portions of both the development site and the Manhattan Mall site, the additional floor area generated by the rezoning (270,000 zsf) would be used in the development of the proposed project (either scenario) on the development site. The applicant has stated that there would be no changes to the Manhattan Mall. The proposed uses for the project (both scenarios) are permitted under existing zoning; there would be no change in permitted use with the proposed rezoning. However, the applicant would improve the development site pursuant to the terms and conditions of a Restrictive Declaration that would limit development pursuant to the proposed actions and intended use.

Absent the proposed actions, the applicant has stated that it would develop the 15 Penn Plaza site under existing C6-6 and C6-4.5 zoning with an as-of-right office building of approximately 1,600,000 gsf. The applicant indicates the build year for the project is 2014.

Enclosed please find the Environmental Assessment Statement and Draft Scope of Work for a Draft Environmental Impact Statement, Positive Declaration, and the Public Notice of a Scoping Meeting. If you have any questions regarding this application, please contact the Project Manager, Celeste Evans, at (212) 720-3321.

Sincerely,

Robert Dobruskin

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

Cc: Hon. Scott Stringer
Chair of Community Board 5, Manhattan
District Manager of Community Board 5, Manhattan
Robert Kulikowski (OEC)
Gail Benjamin (City Council)
Terrell Estesen (DEP)
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