



CITY OF NEW YORK

MANHATTAN COMMUNITY BOARD FOUR

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CHRISTINE BERTHET
Chair

ROBERT J. BENFATTO, JR., ESQ.
District Manager

April 11, 2014

Kenneth Adams
President & CEO
Empire State Development
633 Third Avenue
New York, NY 10017

Re: Need for a comprehensive plan before the sale of air rights from the Farley Post Office for Phase 2 of the Moynihan Station Project

Dear President Adams:

On February 6, Empire State Development (ESD) issued a Request for Proposal (RFP) for a listing agent to determine the value of, and eventually to sell, development rights from the Farley Post Office building to fund Phase 2 of the Moynihan Station project. Recognizing that this RFP does not involve the actual sale of development rights, Manhattan Community Board 4 (CB4) is very concerned that even this preliminary step was taken without prior consultation with the community. It is imperative that all community stakeholders be involved in a fully transparent process.

The Farley Building has 2.5 million square feet of transferrable development rights, including one million sq. ft. to be transferred to the northeast across the intersection of Eighth Avenue and West 33rd Street under a prior agreement. The designation of receiving sites for these development rights and the process by which decisions regarding them are made are of critical concern to us. Because the increased density created by this volume of development rights will affect the community significantly, the community must be involved in identifying and assessing potential receiving sites at the earliest possible stage.

As a NY State agency, ESD has the power to impose its will, including, as the RFP makes clear, the power to override New York City zoning requirements. CB4 has a long history of working productively with state agencies to develop projects that better serve their function within the community and has been a strong supporter of the conversion of Farley into Moynihan Station. We believe it is in ESD's long term interest to work with CB4 and the community, and in particular to follow the New York City Uniform Land Use Review Procedure for the transfer of development rights rather than use its powers to override current zoning.

In addition to our concerns over transparency, we believe that the issuing of the RFP was premature. We recognize that ESD and its subsidiary, Moynihan Station Development Corporation (MSDC), are working with limited resources in a complex environment, but we believe that any decisions regarding Farley development rights must be made in the context of a comprehensive plan that includes both a Development Plan and a Funding Plan. These plans should be developed collaboratively, in a public process led by ESD that coordinates the interest of all public sector stakeholders.

The Development Plan should encompass both urban planning and transportation issues, including the planning for, and creation of, an appropriate development rights transfer area or district to govern where and in what amounts rights are transferred. The transfer area/district must be based on sound urban planning, be broad enough to mitigate potential overdevelopment in the immediate area and must be approved through the city's ULURP process. It should include consideration of the 7 million square foot Manhattan West and 12 million square foot Hudson Yards projects immediately to the west of the Farley Building. It also must consider the future of Madison Square Garden. The Development Plan also should provide a framework for the broader consideration of the multiple transportation projects that are being discussed for the area, including the Gateway Project, a future Pennsylvania Station that could include MetroNorth, and improvements to the Port Authority Bus Terminal.

The Funding Plan should include consideration of a wide range of potential funding sources, including appropriate public sector funding from the Federal, State and City governments, including Amtrak, as well as the appropriate sale of development rights as determined by the Development Plan. We are concerned that the current funding for Moynihan Station, which relies heavily on private funding in the form of the sale of development rights, creates an overly strong incentive to transfer these rights to sites where they are most valuable instead of where they would be most appropriate, as determined by the Development Plan. This can be mitigated by the inclusion of other funding mechanisms in the Funding Plan.

CB4 formed the Moynihan Station Community Advisory Committee (MSCAC) in 2007, along with representatives of Manhattan Community Board 5 and representatives of our local elected officials. MSCAC worked closely with MSDC during the planning of Phase 1. Now, as planning for Phase 2 accelerates, we ask that MSCAC be included as an active participant in these discussions. CB4 and MSCAC would have preferred to have been included in the development of the criteria by which a listing agent for the sale of those rights was chosen; we request that the responses to the RFP be made public; and we strongly request that we be included in the identification and assessment of potential receiving sites by being included in the crafting of the Development Plan and the Funding Plan.

Sincerely,



Christine Berthet
Chair



J. Lee Compton
Co-Chair
Chelsea Land Use Committee



Betty Mackintosh
Co-Chair
Chelsea Land Use Committee

CC: Michael Evans, Director, Moynihan Station Development Corporation
Congressman Jerrold Nadler
Congresswoman Carolyn Maloney
State Senator Brad Hoylman
State Senator Adriano Espaillat
State Assemblymember Richard Gottfried
Councilmember Corey Johnson
Councilmember Dan Garodnick
Manhattan Borough President Gale Brewer
Alicia Glen, Deputy Mayor, Housing & Economic Development
Carl Weisbrod, Chair, Department of City Planning
Peter Cohen, Amtrak
Petra Todorovich, Amtrak
Dan Biederman, Bryant Park Corporation
Vicki Barbero, Community Board Five