

BRAD HOYLMAN
27TH SENATE DISTRICT

DISTRICT OFFICE
322 EIGHTH AVENUE, SUITE 1700
NEW YORK, NEW YORK 10001
PHONE: (212) 633-8052
FAX: (212) 633-8096

ALBANY OFFICE
ROOM 413
LEGISLATIVE OFFICE BLDG.
ALBANY, NEW YORK 12247
PHONE: (518) 455-2451
FAX (518) 426-6846

E-MAIL: HOYLMAN@NYSENATE.GOV
WEBSITE: HOYLMAN.NYSENATE.GOV



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TESTIMONY BY NEW YORK STATE SENATOR BRAD HOYLMAN
BEFORE THE NEW YORK CITY PLANNING COMMISSION
ON EAST MIDTOWN REZONING
(ULURP NOs. N 130247 ZRM and C 130248 ZMM)

August 7, 2013

My name is Brad Hoylman and I represent New York State's 27th Senate District, which includes much of the East Midtown Rezoning study area. Thank you for the opportunity to submit testimony regarding the proposal before the New York City Planning Commission (CPC) today.

I understand and appreciate the importance of securing East Midtown's position as a premiere business district to the economic health of our city, but I have serious reservations about the proposal. I am deeply concerned that it was drafted with limited community consultation and rushed into the Uniform Land Use Review Procedure so that it could be approved during Mayor Bloomberg's tenure. Given the plan's Sunrise Provision, which does not allow new development to receive building permits until July 2017, I question the City's haste. A plan this wide-ranging and consequential warrants broad input and serious deliberation. We should not forsake the opportunity to revitalize the area through inclusive planning that integrates commercial and residential development, infrastructure, public spaces and historic preservation, in order to facilitate construction of new office towers – starting four years from now. As Michael Kimmelman noted in his recent *New York Times* critique of this rezoning, modern cities are judged not just by the height of their towers but by the sophistication of their transportation networks and the liveliness of their streets and public spaces.

Manhattan Community Boards 5 and 6 and the Multi-Board Task Force on East Midtown are to be heartily commended for their careful deliberation and thoughtful,



well-supported recommendations that this proposal be denied. I share their objections, and in my testimony today, I will highlight several of my major concerns with the proposal.

I believe it is critical that any plan to rezone East Midtown be preceded by a concrete plan to finance the much-needed improvements to the area's transportation infrastructure in a timely manner. Such infrastructure is fundamental to our city's economy, culture and global stature, and ensuring its long-term viability must be a top priority. Indeed, we must not be put in the position of relying upon a local rezoning to fund transit infrastructure improvements that benefit the entire region. Urgently needed improvements must be made and funds must be secured before we put more pressure on Grand Central Terminal and local subway stations that cannot safely sustain existing ridership let alone that which would result from new development as well as East Side Access and the extension of the 7 subway line.

I greatly appreciate Manhattan Borough President Scott Stringer's successful efforts to secure a commitment from the City to provide upfront funding to improve the Lexington Avenue subway line at Grand Central Station. Still, more is needed to improve the area's wider mass transit infrastructure before we add thousands of new workers and residents. In addition, we are lacking specific details on the City's commitment, notably how much it will provide and how long it will be before we see those improvements go into effect.

Also essential to any large scale rezoning of East Midtown is a clear preservation plan for potential landmarks. It is my understanding that of 32 properties that the New York City Landmarks Preservation Commission (LPC) identified within the project area as "potentially eligible" for landmark designation, there are only eight on which it intends to act in the near future. Many noteworthy buildings in East Midtown – the Yale Club among them – are not on LPC's short list. We must act to protect the many historically and architecturally important buildings within the rezoning area before adding new development pressure.

I recognize the intent behind the creation of the Northern Landmark Transfer Area. As the Department of City Planning (DCP) notes on its website, "These changes are designed to create an appropriate balance between offering landmarks greater opportunities and flexibility for transfer of development rights to a broader area beyond 'adjacent' sites -- thus facilitating the continued maintenance of their properties - and ensuring that the District Improvement Fund (DIF) will be funded to make area-wide subway and pedestrian network improvements." However, in the case of Lever House at 390 Park Avenue, the owner of the land, which would pocket up to \$75 million in proceeds from the sale of the development rights, does not operate the landmark building. As such, it is under no obligation to maintain the building at all let alone to invest the proceeds from the sale of air rights in its preservation. This glaring loophole

is yet another example of a hurried rezoning proposal that would have benefited from greater deliberation. To close this loophole and to ensure the Northern Landmark Transfer Area meets its intent, I urge DCP to establish a mechanism to mandate that property owners who take advantage of it use the proceeds, after their DIF contribution, for the preservation of their properties' historic structures.

I am pleased that in response to requests from City Councilmember Dan Garodnick and the Multi-Board Task Force on East Midtown, this past May the City Department of Transportation and DCP selected a team to lead the City's public planning and design process for the rezoning's public realm improvements. The team has been leading public workshops to identify local stakeholders' priorities and preferred approaches to enhance the public realm in this area, however, these conversations should have happened sooner and been integrated with the rest of the proposal. I am also concerned that as envisioned, the contributions to the DIF, which is to fund transit and public realm improvements, will be too low for significant improvements to the area.

Finally, I have reservations about this proposal because of the potential negative impact on other emergent business districts also competing for tenants seeking Class "A" office space. This includes Hudson Yards, in my own district, as well as Lower Manhattan, downtown Brooklyn and Long Island City. Having said that, I also believe that DCP is underestimating the economic impact of Class "B" office space in New York City. In my Senate district, startup companies and technology firms are increasingly choosing space in neighborhoods like Chelsea and Flatiron. These companies are the future of our city's economy, and they need affordable Class "B" office space. More established companies like Google aren't seeking Park Avenue addresses, either. Google's decision to establish its New York headquarters in the old Port Authority building in Chelsea suggests that the idea of modern glass-enclosed towers housing corporate world headquarters may be an outmoded way of thinking.

I am disappointed that DCP refused to slow this process down and work with affected communities, preservationists and advocates for a more livable city to develop a more thoughtful, bolder rezoning that would truly revitalize East Midtown. As such, I cannot support the current iteration of this proposal and urge disapproval. The concerns raised over the last several months by community boards, planning organizations, my fellow elected officials and I must be fully addressed, even if this means delaying any rezoning. This rezoning is a once-in-a-generation opportunity. The stakes for public benefits, infrastructure improvements, historic preservation and economic development are too high not to take the appropriate amount of time to get this proposal right.

Thank you for your consideration of my comments.