Position Statement

AMENDMENTS TO THE ZONING RESOLUTION

for

EAST MIDTOWN

The New York Metro Chapter of the American Planning Association (APA-NYM) is a professional, educational, and advocacy organization representing over 1,300 practicing planners and policy makers in New York City and its surrounding suburbs. We are part of a national association with a membership of 41,000 professionals and students who are engaged in programs and projects related to the physical, social and economic environment. In our role as a professional advocacy organization, we offer insights and recommendations on policy matters affecting issues such as housing, transportation and the environment.

The Department of City Planning has proposed a significant zoning text amendment and associated map amendment (ULURP Application Nos. N 130247 ZRM and C 130248 ZMM, respectively) affecting an area of over seventy blocks in the heart of Manhattan’s central business district. Given the very large scope and potential ramifications, the Metro Chapter offers our concerns and comments.

BACKGROUND

The concept of a global economy has long been a reality as the financial power centers of London, New York and Dubai, among others, are ever more interconnected and the world’s largest corporations are truly multi-national. For many large U.S.-based companies, the domestic market is only a fraction of their total sales. Against this backdrop, New York is not simply competing with other North American cities for business and professional talent, but with major cities on nearly every continent. To stay competitive in this environment, the Bloomberg administration believes it is necessary to modernize the zoning regulations for the central core of the midtown business district to enable higher development yields and to create private-sector funding mechanisms for necessary infrastructure upgrades.
ZONING PROPOSAL

The area covered extends north from 39th Street to 57th Street and from just east of 5th Avenue to generally 3rd Avenue, encompassing all or part of 73 blocks that include many of the tallest and most famous skyscrapers in the world, as well as Grand Central Station. Not coincidentally, it is also among the densest business districts in the world, and its sidewalks, buses and subway lines often operate at or over capacity. A 1982 resolution lowered the allowable densities, successfully stabilizing the build-out rate for this area and encouraging development in other parts of the City, particularly around Times Square, but also stifled a rejuvenation of older building stock.

Under the proposed text amendment, a new East Midtown Subdistrict would be created, largely supplanting the current Grand Central Subdistrict. Allowable FARs could rise as high as 30 for certain qualifying sites in the core area (generally: having a minimum lot size of 25,000 s.f. and having avenue frontage), with 21.6 being the maximum for most of the new district. Developers seeking to use the incentives would be required to contribute to a District Improvement Fund at a rate of $250/s.f. of lot area. A five-member board would then be tasked with allocating the funds to projects needed to improve transit and/or pedestrian capacity. The board members would be appointed by the Mayor.

Also included is a special permit for “superior development” intended to spur the creation of iconic architecture and an expansion in the use of the transfer of development credits and air rights intended to enable the preservation of historic landmarks. The threshold for as-of-right development would also be raised.

CHAPTER CONCERNS

Many have questioned whether in its quest to compete with the major cities of the world, the City isn’t inadvertently competing with itself. Attracting major new projects to East Midtown may undermine ongoing efforts to develop Lower Manhattan and the Hudson Yards as well as burgeoning business districts in outer neighborhoods, such as Long Island City, Jamaica and the South Bronx.

One of the principal criticisms is the reliance on voluntary contributions from private developers as the primary source for funding for infrastructure upgrades. The concerns are twofold: first, it is highly doubtful that the rate at which developer contributions are amassed will be sufficient to implement capacity expansion projects in advance of significant increases in demand. Second, while the use of developer exactions and impact fees are a longstanding and generally accepted, though controversial, practice the District Improvement Fund concept seems to enable well-funded developers to simply buy their way into much higher development yields.

If adopted, the rezoning is likely to accelerate the pace of new construction in an area already identified as at or over capacity in terms of transportation. Completion of the long delayed East Side Access and Second Avenue Subway projects is still a few years away and both are considered vital just to meet current levels of demand. The first wave of new development
induced by the rezoning would very likely be in construction, if not completed, before these two transit connections are operational, regardless as to whether they are even sized to accommodate additional ridership.

The proposal, in its original form, did not extend any incentives for residential or mixed-use buildings. This is a surprising omission considering that the City is bracing for an influx of up to one million new residents and there is a growing market preference for housing that is within a short walking distance of the workplace. A modified proposal issued in July is only slightly improved, allowing residential use for up to 20% of the gross floor area to qualify.

The list of potential development sites includes a number of eligible landmark buildings, including the Lincoln Building, Roosevelt Hotel and the Lexington Hotel. Already one demolition has occurred and other owners have been stripping their facades to avoid landmark designation. The ability to sell or transfer air rights for eligible buildings must be further expanded unless some or all of the remaining buildings can be quickly designated by the Landmark Preservation Commission.

The proposal does not go very far in addressing green technologies. Although to a large extent, economic considerations have caused LEED certification to be almost a given even without a regulatory mandate, it is disappointing not to require new buildings to exceed a base standard of at least 20 or 25% above the Energy Conservation Code as opposed to the 15% in the current proposal.

**METRO CHAPTER POSITION**

APA-NYM recognizes the need to review and update codes regularly to accommodate the needs of an ever changing world, particularly for an area of such importance to the local, national and global economies. The amenities needed for a major corporate office tower are different than they were 30 or even 20 years ago. Long gone are the days when an entire staff arrived at 8:30 to work in separate cubicles using telephone landlines as the primary means of communicating. Today’s buildings must accommodate a workforce arriving and departing at all hours of the day, must be extensively equipped for telecommunications and must be highly energy efficient, especially with regard to billable utilities.

It is therefore somewhat surprising that the zoning proposal does not seem to accomplish these goals. There is an underlying assumption that adding more bulk is the element needed to complete with other global cities. Although it is true that the majority of new buildings making the “world’s tallest” list are on other continents, we have not found evidence that restrictive zoning regulations in New York are a major cause.

The emphasis on greater bulk over context and neighborhood character is both a surprise and a disappointment as is the treatment of residential uses as an afterthought. In our opinion, the need to create vibrant mixed-use neighborhoods is an equally, if not more, vital goal than simply to attract the largest buildings the market will bear, as is the preservation of iconic landmarks.
In response to criticisms, notably from Borough President Stringer and the *Multi-Board Task Force on East Midtown*, the Mayor’s office has made a commitment to allocate City and other government funds to transportation improvements in advance of the amassing of developer contributions. We consider this to be a positive step, but still believe the timing for implementation of the rezoning should be better coordinated with the schedule for infrastructure capacity projects.

In all, there is great potential to create a modern, vibrant East Midtown district that succeeds in attracting world-class corporate headquarters in iconic architectural showpieces, as is the goal of the rezoning. However, this has to be achieved while still preserving the best elements of our history, accommodating the increasing demand for housing close to the city center and ensuring that sidewalks and subway platforms are not hopelessly overcrowded.

With a little more time and effort, we feel all of these objectives can be accomplished but the initiation of a ULURP application is premature at this point. Consideration of the long term ramifications for such a high-profile neighborhood has to take precedence over the desire to get this done before the sunset of an outgoing Administration. The Chapter would like to see the proposal withdrawn, revised to incorporate the elements detailed above, and reintroduced at a later date.