2006 General Project Plan

EMPIRE STATE DEVELOPMENT CORPORATION 8/14/06
and
MOYNIHAN STATION DEVELOPMENT CORPORATION

MOYNIHAN STATION CIVIC AND LAND USE IMPROVEMENT PROJECT

at
James A. Farley Post Office Building
421 Eighth Avenue, New York, New York 10199

with
The Related Companies, L.P. and Vornado Realty L.P.
60 Columbus Circle, New York, New York 10023

FINAL GENERAL PROJECT PLAN – August 2006

I. Background

Today, the Pennsylvania Station complex in Manhattan ("**Penn Station**") is America's busiest passenger transportation facility, handling over 550,000 people daily -- more than any airport in the United States, and more than Kennedy, LaGuardia and Newark Airports combined. Yet the three-level, largely subterranean complex that now comprises Penn Station is inadequate to meet the needs of today's passengers. Already operating at capacity, Penn Station is expected to experience significant operational stress in coming years due to increasing demand for service and a rapidly growing passenger load.

The Moynihan Station Civic and Land Use Improvement Project, as described in more detail herein (the "**Project**"), is a comprehensive initiative to build a major transportation hub which will: (a) create the new Daniel Patrick Moynihan Station ("**Moynihan Station**"), inclusive of grand new Train and Intermodal Halls for use by New Jersey Transit and Long Island Railroad commuters, among others; (b) be physically connected to Penn Station so as to improve Penn Station circulation and capacity; (c) create dynamic mixed-use development; (d) restore and preserve an important historical resource in Midtown West; and (e) serve as the gateway to expected new development in Midtown West.

The Project would be constructed primarily at the James A. Farley Post Office Building ("**Farley**") and its Western Annex (the "**Annex**"; Farley and the Annex collectively, the "**Farley Complex**"). Farley was constructed between 1910 and 1913 for the United States Postal Service. It was designed as a companion to the original Pennsylvania Station then located across Eighth Avenue. Farley was expanded in 1934 by the creation of the Annex stretching to Ninth Avenue. The Farley Complex was constructed directly above then open-cut railroad tracks some 40 feet below (and, at the time, created a critical mail-rail link). All three projects, the original Pennsylvania Station, Farley, and the Annex, were designed by the legendary New

York architectural firm of McKim, Mead & White. The Farley Complex is currently owned by the United States Postal Service ("**USPS**"), is listed on the State and National Registers of Historic Places, and is a designated New York City Landmark.

The New York State Urban Development Corporation, d/b/a Empire State Development Corporation ("**ESDC**"), will acquire the Farley Complex from USPS. ESDC and its subsidiary, Moynihan Station Development Corporation ("**MSDC**"), will implement the Project.

II. Project Location

The Project would be constructed at two locations:

(a) Moynihan Station and accompanying commercial components would be developed at the Farley Complex, located on the superblock bound by 31st and 33rd Streets and Eighth and Ninth Avenues in the Borough of Manhattan, County, City and State of New York, within Manhattan Tax Block 755, Lot 40. The Farley Complex contains not more than approximately 1,400,000 square feet of useable space and is entitled to approximately 2,000,000 square feet of unused development rights under current City zoning (the Farley Complex was up-zoned by New York City in 2004). More specifically, the Farley Complex is contained within a rectangle approximately 740 feet wide (from Eighth to Ninth Avenues) and approximately 390 feet long (from 31st to 33rd Streets), or a "footprint" of approximately 288,600 square feet. The redevelopment of the Farley Complex, including creation of the new Moynihan Station, is sometimes referred to herein as the "**Farley Component**".

(b) off-site development would be located between 33rd and 34th Streets on the east side of Eighth Avenue in the Borough of Manhattan, County, City and State of New York, within the western portion of Manhattan Tax Block 783 (the "**Off-Site Premises**"). The Off-Site Premises represent a rectangle approximately 179 feet in width (from Eighth Avenue to the eastern Off-Site Premises boundary) and 197.5 feet in length (from 33rd to 34th Streets), or a "footprint" of approximately 35,352 square feet. The construction of a new mixed-use building at the Off-Site Premises, expected to contain residential, hotel, and retail components, is sometimes referred to herein as the "**Off-Site Component**".

A "**Project Location Map**" is attached hereto as **Attachment A**. The Farley Component and the Off-Site Component are hereinafter referred to collectively as the "**Project**".

III. Project Description

The Project consists of the design, development, construction, and operation of the Farley Component and the Off-Site Component, each in accordance with agreed plans and standards (the "**Standards**)", as follows. Basic "**Project Renderings**" are attached hereto as **Attachment B**.

(a) Required work ("**Required Work**") consists of:

(i) Moynihan Station, a flagship transportation facility consisting of approximately 300,000 square feet (the "**Train Station Premises**") for transit and cultural uses, including a grand concourse granting direct access to train platforms (the "**Train Hall**"). The Train Hall will be connected by a grand staircase to an

intermodal transportation hall, which will have direct access to Ninth Avenue and 31st and 33rd Streets (the "**Intermodal Hall**"). The Train Hall and the Intermodal Hall both will be open, high-ceiling, sky-lit, public spaces with high quality finishes and iconic architecture. The Intermodal Hall will incorporate dramatic mid-block entrances to Moynihan Station from both 31st and 33rd Streets, and the Train Station Premises will include new entrances to Moynihan Station from Eighth Avenue to enhance commuter access directly to the Station. The Train Station Premises also will include "core and shell" improvements of: (A) approximately 34,000 square feet for New Jersey Transit ("**NJT**") operations; (B) approximately 4,700 square feet for an inter-city rail user; (C) approximately 19,000 square feet for airport access and operation space operated by The Port Authority of New York and New Jersey ("**PANYNJ**"), with below-grade loading dock space, to facilitate passengers traveling to Kennedy, LaGuardia and Newark Airports; and (D) approximately 1,300 square feet for transit police space.

(ii) a substantial expansion of the existing West End Concourse beneath Farley, and approximately thirty new vertical circulation points (stairs, escalators, and elevators) by which passengers can access tracks and platforms throughout Farley, resulting in a dramatic increase in passenger access/egress and circulation space which will reduce train loading and unloading times, thereby reducing lost commuter time and permitting additional train movements.

(iii) "core and shell" improvements and loading docks totaling approximately 250,000 square feet of space for continuing postal operation by the USPS at the Farley Complex (the "**USPS Premises**").

(iv) repair, preservation, and protection of the historic features of the Farley Complex, including the exterior façade and the Eighth Avenue monumental stairs, Corinthian columns and entrance. If signage is permitted on the exterior of the Farley Complex, subject to all requisite approvals, such signage shall reflect and respect the historic and architectural features of the Farley Complex.

(v) state-of-the-art, emergency platform ventilation for the below-grade trainshed areas west of Eighth Avenue (the "**Platform Ventilation Work**").

(vi) widened and improved underground connection between Farley, the Eighth Avenue Subway, and Level A of Penn Station (the "**33rd Street Connector**"), running under Eighth Avenue between Penn Station and Moynihan Station, reconfigured to comply with ADA requirements. (The 33rd Street Connector will remain under the control of the Metropolitan Transportation Authority ("**MTA**"), and the proposed improvements will be closely coordinated with MTA and NYC Transit staff.) The subway entrance at southwest corner of 33rd Street and Eighth Avenue will be relocated within the Project property line.

(vii) "core and shell" improvements of a maximum of 100,000 square feet for private transit-oriented retail development ("**Station Retail**"), such that the Train Station Premises and the Station Retail shall, in the aggregate, consist of

approximately 400,000 square feet. Station Retail shall not compromise or impede pedestrian access to or movement through the Train Station Premises.

(vii) additional façade restoration, exterior lighting, and sidewalk improvement for the entire perimeter of the Farley Complex.

(ix) a covered, minimum thirty foot clear width, thirty foot high, well-lit, through-block connection (the "**32nd Street Pedestrian Corridor**") for pedestrians, visitors, and commuters, at grade between the Intermodal Hall and Ninth Avenue within the Annex, not more than ten feet from the centerline of 32nd Street, with Ninth Avenue street entrance and signage at both ends of the Corridor stating that the space is open to the public daily (during hours to be agreed, but expected to be during commuting hours, approximately 6AM to 10PM).

(x) loading dock(s) and associated ramps and structural work with sufficient capacity to accommodate Farley Complex users (in addition to PANYNJ and USPS loading facilities).

(b) Private commercial components (the "**Tenant Work**") consist of approximately 750,000 square feet of private development, to include an approximately 150-room boutique hotel within the upper floors of Farley (the "**Hotel**"), a merchandise mart on the upper floor of the Annex (the "**Mart**"), destination retail (including large format stores and fine dining) within the Annex, inclusive of "core and shell" improvements of approximately 500 linear feet of first floor retail frontage adjacent to the 32nd Street Pedestrian Corridor (the "**Commercial Retail**"), cultural uses, and digital art and media opportunities. Tenant Work use requirements are set forth at Section VI(H)(iii) below.

(c) Private commercial Off-Site Component consists of an approximately 1,000,000 square foot mixed-use building expected to contain residential (including units under 80/20 affordable housing program), hotel, and retail components, subject to **Attachment D** attached hereto.

IV. The Project's Public Constituents

New Jersey Transit

NJT (inclusive of NJT operations which provide service for Metro-North Railroad in New York's Orange and Rockland Counties) is the fastest growing commuter railroad in the United States. NJT's separate "Access to the Region's Core" project ("**ARC**") will accommodate greatly expanded train capacity into and out of Moynihan and Penn Stations. In order to accommodate anticipated growth in existing ridership, and additional ridership expected as a result of employment growth in Midtown West, NJT has signed a Memorandum of Understanding with MSDC agreeing to become the "anchor transportation tenant" of Moynihan Station. Moynihan Station will address NJT needs for new and improved horizontal and vertical commuter circulation space, new ticketing and administrative space, improved safety, and passenger amenities. NJT will lease approximately 34,000 square feet within Moynihan Station. Further, the West End Concourse currently existing beneath Farley will be expanded (from 20 feet to 40 feet wide) and will be extended to Platform 3 (to the south) as part of the Project,

permitting further extension to NJT's Platforms 1 and 2 which will be constructed by NJT. This will enable NJT riders to access all existing tracks serviced by NJT from the new Moynihan Station. Moynihan Station will have a train display, gateboards and announcements to inform NJT customers of track assignments.

Amtrak and Long Island Railroad

Although the National Railroad Passenger Corporation ("**Amtrak**") and the Long Island Railroad ("**LIRR**") presently do not contemplate having administrative space in Moynihan Station, both railroads will benefit from the creation of the new facility due to dramatically improved passenger circulation, additional points of ingress/egress and vertical and horizontal circulation, installation of platform ventilation to below-grade platform levels west of Eighth Avenue, enhanced safety, and a general reduction in congestion at Penn Station. The Project anticipates, and provides the opportunity for, the future re-introduction of Amtrak, or some future inter-city rail tenant, into Moynihan Station. The Moynihan Station train display also will provide information for LIRR track assignments, and LIRR ticket vending machines are expected to be placed within Moynihan Station.

Metropolitan Transportation Authority

As stated above, the 33rd Street Connector, running under Eighth Avenue between Penn Station and Moynihan Station, will be widened to accommodate the growing numbers of commuters and will be reconfigured to comply with ADA requirements. The 33rd Street Connector will remain under the control of the MTA, and the proposed improvements will be closely coordinated with MTA and NYC Transit staff. Current sidewalk subway entrances at the southwest and northeast corners of 33rd Street and Eighth Avenue will be moved within Project building lines.

United States Postal Service

In recent years, USPS has been consolidating its Farley Complex operations into the Morgan General Mail Facility and Annex, located at West 28th to West 30th Streets and Ninth to Tenth Avenues in Manhattan, and other USPS facilities within New York City. As a result of these consolidations, and increased USPS efficiencies, USPS is prepared to reduce its presence in the Farley Complex to approximately 250,000 square feet.

V. <u>The Project's Primary Benefits</u>

The Project will provide multiple public benefits, including but not limited to:

Transportation Hub. Moynihan Station will provide the greater New York City metropolitan area with a gleaming major new transportation hub. Amtrak, NJT and LIRR railroad tracks all run directly beneath the Farley Complex, and customers of each railroad will be able to access their connections through Moynihan Station. Multiple New York City subway lines and two PATH lines are in close proximity. NJT's proposed "Access to the Region's Core" project ("**ARC**") will bring greatly expanded train capacity to Moynihan and Penn Stations, as stated, and to a new station located one block north. PANYNJ will provide airport access space for passengers traveling to Kennedy, LaGuardia, and Newark Airports. As stated, Moynihan Station will improve circulation and relieve capacity constraints within existing Penn Station by adding a large new train hall concourse at grade off Eighth Avenue, a greatly enlarged West End Concourse, and approximately thirty new vertical circulation points – stairs, escalators

and elevators – by which passengers can more efficiently access train platforms. This will enable the complex to handle significantly increased passenger loads expected as a result of: (i) additional train movements; (i) longer trains; and (iii) double-decker trains.

Far West Side Gateway. The Farley Complex is located wholly within New York City's Special Hudson Yards District, projected to ultimately contain more than 40 million square feet of new development. The Project is consistent with the new zoning and will provide transportation infrastructure to benefit Far West Side development. The Project can be expected to support the development of new commercial and residential development in the area, subject to the new Hudson Yards rezoning, and elsewhere on the Far West Side of Manhattan.

Historic Preservation and New Iconic Architecture. Historic external and internal features of the Farley Complex will be retained and preserved. At the same time, the new Train and Intermodal Halls both will be sky-lit public atriums covered by "signature" or "iconic" roofscapes. These spaces will be dramatic indoor public spaces similar to the main concourse and Vanderbilt Hall at Grand Central Station.

Economic Benefits. Moynihan Station will provide substantial economic benefit to New York City, New York State, and to the greater metropolitan area as a whole. Initial benefit will be derived from the immediate creation of jobs and income from the construction of the Project (see "Interim construction benefits" below). Thereafter, it is estimated that Moynihan Station, the commercial space within the Annex, and the mixed-use building to be constructed at the Off-Site Premises will result in 3,300 more permanent jobs in the Project area once the Project is complete, and $50 million per year more in total tax revenue for the City and State than would have been collected without the Project. Property values in the vicinity of the Project can be expected to rise. Commuter accessibility and convenience can be expected to translate into increased worker productivity for businesses in the area.

Enhanced Subway Connections and Pedestrian Circulation. On-street subway entrances at the Project location will be relocated within the Project's property lines. The 33rd Street Connector will provide enhanced underground connection between Penn Station and the new Moynihan Station, and the 32nd Street Pedestrian Corridor will provide a covered, boulevard-like walkway from Ninth Avenue to the Intermodal Hall.

Interim construction benefits. Construction of the Project is expected to commence in 2006 and conclude in 2010, inclusive of interior fit-outs. This work will create direct benefits resulting from expenditures on labor, materials and services, and indirect benefits due to expenditures by material suppliers, construction workers, and others involved in the Project. Such expenditures will result in substantial tax revenues to the State and City of New York.

VI. Essential Transaction Terms

A. (i) Acquisition of Farley Complex; Condominium Regime

ESDC will acquire title to the Farley Complex from USPS. ESDC will, prior to completion of the Required Work, subject the Farley Complex to a condominium regime pursuant to Article 9-B of the Real Property Law of the State of New York and in accordance

with a condominium declaration and by-laws. The condominium will consist of: (a) NJT, PANYNJ, inter-city rail, and Station Retail transportation-related condominium units (the "**Transportation Units**); (b) USPS and Tenant Work commercial units (the "**Commercial Units**"); and (c) common elements consisting of the balance of the Farley Complex, including the Train and Intermodal Halls, the enlarged West End Concourse, and the 32nd Street Pedestrian Corridor (all of which will be open to the public). Required Work use requirements are set forth in Section VI(H)(i) below.

(ii) Landlord/Tenant Relationship

ESDC will lease the Commercial Units, including the Commercial Unit to be occupied by USPS (the "**USPS Unit**"), directly to an entity (hereinafter, "**Tenant**") to be owned and controlled by The Related Companies, L.P. ("**Related**") and Vornado Realty L.P. ("**Vornado**"). Tenant in turn will have the right to sublease the Commercial Units to individual users (and will be required to sublease the USPS Unit to USPS).

ESDC will transfer ownership of the Transportation Units to MSDC. MSDC in turn will sublease the Transportation Units to Tenant. Tenant in turn will be required to sublease the Transportation Units to NJT, PANYNJ, inter-city rail, and Station Retail users, respectively. If no inter-city rail user wishes to lease the inter-city rail Transportation Unit, MSDC will permit Tenant to sublease such Unit to a private user at fair market value and upon other agreed terms.

The aforesaid subleases and sub-subleases to Tenant each will have a term not longer than 99 years and will be subject to, among other things, this General Project Plan and any legal requirements arising out of the Farley Complex being designated by the State and National Registers of Historic Places and as a New York City Landmark.

(iii) Construction

ESDC and MSDC will enter into a Leasehold Improvement Agreement with Tenant pursuant to which Tenant will be obligated to design, develop and construct the Required Work (inclusive of the first $10,500,000 of Platform Ventilation Work) for a total cost not to exceed $556,000,000. Required Work may be constructed in phases. Payment will be made only for work-in-place, subject to audit. Tenant, at its sole cost and expense, will pay all other costs and expenses of design, development, and construction of the Project, specifically including the Tenant Work and the Off-Site Component (but excluding Platform Ventilation Work in excess of $10.5M, and excluding tenant fit-outs). Platform Ventilation Work (above $10,500,000) will be funded via Project contingency (see Section VI.E(iii) below). ESDC and MSDC have no obligation to fund tenant fit-outs. Construction of the Farley Component is expected to commence in 2006 and conclude in 2010. Final Project design will be developed in consultation with the New York State Office of Parks, Recreation and Historic Preservation in order to ensure that such design is compatible with the historic character of the Farley Complex.

(iv) Off-Site Premises

ESDC will either lease the Off-Site Premises from its owner, or sublease the Off-Site Premises from an entity to be owned and controlled by The Related Companies, L.P. and Vornado Realty L.P. (hereinafter, "**Off-Site Entity**"). In either case, ESDC will sublease (or sub-sublease) the Off-Site Premises to the Off-Site Entity so that the Off-Site Entity can develop

the Off-Site Component. The Off-Site Entity is expected to construct the Off-Site Component within the same timeframe as the Farley Component, namely, 2006 to 2010. The Off-Site Component will be developed in accordance with the Off-Site Premises Building and Site Plan (attached hereto as **Attachment E**), and shall have a principal sky-lit space with a 70 foot width, 85 foot depth, and height of no less than 60 feet. The design of the interior public space and through block connection shown on the Off-Site Premises Building and Site Plan shall be acceptable to the Chair of the City Planning Commission. Such design acceptance shall be obtained by the Off-Site Entity prior to commencement of construction of the Off-Site Premises. Design elements shall include but not be limited to seating, plantings, lighting, and other appropriate amenities. Hours of operation should be similar to other indoor public spaces (approximately 7AM to 10PM) and prominent signage should be provided to indicate the public nature of this space. The Off-Site Entity shall be required to execute an instrument agreeing that the interior public space, subway stair relocation, and through block connection must be substantially complete prior to the issuance of a Temporary Certificate of Occupancy for the Off-Site Premises.

B. Project Location
See Section II above.

C. Project Description
See Section III above.

D. Tenant and ESDC/MSDC Payments
In return for rights to develop the Project, Tenant will pay to ESDC/MSDC:

(i) Payments in Consideration of Project Participation
Tenant will make the following cash payments:

(a) $150,000,000 at closing;
(b) $40,000,000 not later than six months after closing; and
(c) $123,760,000 upon substantial completion of the Required Work (but not later than January 1, 2011).

Total: $313,760,000

(ii) Payments for rent and payments in lieu of real property tax (PILOT)
It is anticipated that the Project location will be tax exempt. However:

(a) Tenant will make annual rent payments to ESDC/MSDC for the Farley Complex, on a semi-annual basis, in amounts equal to the amounts shown on the schedule attached hereto as **Attachment C(1)**. After such period, Tenant will make rent payments equivalent to the actual real estate taxes that would otherwise be due but for ESDC/MSDC interest in the Farley Complex. Tenant may also make percentage rent payments to ESDC/MSDC.

(b) Tenant also will make payments directly to The City of New York or its designee ("City"), on behalf of ESDC/MSDC, for the Off-Site Premises in an amount not less than the PILOT schedule attached hereto as **Attachment D**, it being understood and agreed that such payment schedule requires participation of the Off-Site Premises in the 80/20 affordable

housing program or other affordable housing program acceptable to the City. It being further understood and agreed that the failure of the Off-Site Premises to so participate in any such affordable housing program will require the payment of full real estate taxes applicable to the Off-Site Premises. Tenant can request any tax incentive available at the time from the City.. Prior to and after such period, Tenant will make payments equivalent to the actual real estate taxes that would otherwise be due but for ESDC interest in the Off-Site Premises.

(c) ESDC/MSDC will make annual PILOT payments to the City for the Farley Complex, on a semi-annual basis, in amounts equal to the amounts shown on the schedule attached hereto as **Attachment C(2)**. Such ESDC/MSDC PILOT payments shall consist of: (I) Tenant's rent payments pursuant to Attachment C(1) (see D(ii)(a) above); and (II) the positive differential, if any, between payments due under Attachment C(2) and payments due under Attachment C(1). Tenant's rent payments pursuant to Attachment C(1) shall be dedicated by ESDC/MSDC to payment of PILOT to the City. Any such positive PILOT differential required to be paid by ESDC/MSDC to the City shall be paid as a Project operating expense (see "Operation and Maintenance", Section VI.E(iv) below). Please note that full property taxes for office buildings in Hudson Yards in 2012 are assumed at $16 per SF in the New York City Industrial Development Agency ("IDA") briefing on its "Proposal to Amend the Uniform Tax Exemption Policy for Hudson Yards Commercial Construction Projects". Full taxes at $16 per SF in Moynihan Station Year 1 (assumed to be 2010), escalating at 3% per year, yield a potential positive PILOT differential of approximately $20,270,000 (nominal dollars; or $13,130,000 NPV), inclusive of Project Years 1 through 12.

E. Financial Terms (dollars listed at nominal, not net present, value)

(i) Acquisition. Farley Complex purchase price will be $230,000,000 (of which approximately $55,000,000 is deferred until completion of the Tenant Work). PANYNJ has funded (or will fund) $140,000,000 of this price, and the remaining $90,000,000 will be funded from Tenant payments set forth in D(i) above.

(ii) Construction. The $556,000,000 for design, development, and construction of the Required Work is anticipated to be funded as follows:

Source	**Amount**
Federal Funds	$115,982,594
State Funds	85,808,054
MTA Funds	35,000,000
City Funds	154,141,531
Tenant payments	165,067,821
TOTAL	**556,000,000**

(iii) Platform Ventilation and Contingency. Current estimates indicate that the cost of Platform Ventilation Work may be in the $50,000,000 range. The Platform Ventilation Work in excess of $10,500,000 is anticipated to be funded as follows, and any additional funds constitute Project contingency:

Source	Amount	
Federal Funds	$15,000,000	
PANYNJ	10,000,000	
Tenant payments	58,692,179	[Total nominal payment of $313,760,000 less total $90,000,000 for acquisition less $165,067,821 for Required Work.]

(iv) Operation and Maintenance. Public sector contribution to operating expenses for the condominium unit common areas in year one of operation are projected currently at approximately $4,600,000 (nominal 2010 dollars; exclusive of any potential operating expense deficit related to USPS Premises). The ESDC/MSDC contributions to these common charges, as well as any positive PILOT differential (see Section VI.D(ii)(c) above), will be funded by revenues derived from condominium unit leases, including the NJT, PANYNJ and inter-city rail leases.. Revenues are projected to exceed charges (specifically including any positive PILOT differential) for a period of several decades, during which time a sinking fund will accrue which will be sufficient to enable coverage of ESDC/MSDC common charge contributions for the remaining lease terms.

(v) Other

(a) The Farley Component will be exempt from mortgage recording taxes for initial development mortgages. It is anticipated that the 421-A (80-20) program elements only, if any, of the Off-Site Component will be exempt from mortgage recording taxes for initial development mortgages.

(b) Farley Component construction materials will be exempt from sales tax (including initial build-out of all tenant spaces in the Farley Component). It is anticipated that at the Off-Site Component, 421-A (80-20) construction materials only, if any, will be exempt from sales tax (including initial build-out of all tenant spaces in the Off-Site Component).

(c) Tenant will pay all out-of-pocket fees and costs actually incurred by ESDC/MSDC from and after November 12, 2004 in connection with the preparation and review of the Project environmental impact statement, including but not limited to any reasonable consulting and legal fees.

(d) Tenant will pay: (1) all reasonable out-of-pocket fees and costs incurred by ESDC/MSDC relating to negotiation of the transaction, up to a maximum of $4,150,000; plus (2) all reasonable legal fees incurred through closing.

(e) Tenant will pay all transfer taxes due and owing as a result of the transaction contemplated by the Project.

(f) Tenant will collaborate with and support the Moynihan Station Arts Foundation in its role as curator of all public art, cultural and educational endeavors for the Project.

F. Loan Concept

The Project currently contemplates that the $556,000,000 in funding for the Required Work (Federal, State, City, and Tenant, as listed above under Section VI.E(ii), "Financial Terms, Construction") will be paid to Tenant for design, development and construction of the Required Work in monthly installments against work-in-place, subject to audit. Alternately, Tenant has requested that ESDC instead loan certain portions of the publicly funded dollars to Tenant (also in monthly installments against work-in-place, subject to audit), subject to repayment by Tenant,

and that certain of Tenant payments to ESDC instead be direct Tenant contribution to construction, so that Tenant may obtain historic tax credits in connection with the expenditure of such funds. MSDC is willing to consider further Tenant's request for the loan concept subject to review by the MSDC Directors once the terms and conditions of the loan concept have been worked out. If such a loan arrangement is implemented:

(i) Tenant will not make all of the Tenant payments set forth in Section VI D(i), "Tenant Payments, Payments in Consideration of Project Participation" above, but will instead apply certain of such funds directly to Project design, development and construction costs, inclusive of Platform Ventilation costs in excess of $10.5M.

(ii) Tenant's repayment obligation will be in an agreed upon amount, it being understood that total Tenant payment obligation under Section VI.D(ii) and Attachment C(1) shall remain the same, and even if any Tenant payments are deemed to be loan repayment for purposes of this Section VI.F, such payments shall be deemed to constitute rent for the purposes of the calculation of the payments due under Section VI.D(ii)(a) and VI.D(ii)(c) above.

G. Guarantees

Tenant's parent entities, Related and Vornado, collectively, will guarantee to ESDC/MSDC:

(i) payment of Section VI D(i) payments not paid at closing.
(ii) completion of Required Work (or by phase, if the Required Work is constructed in phases).
(iii) payment of a portion of environmental liability arising from Farley Complex condominium units or from space controlled by or subject to easements in favor of Amtrak within or below the Farley Complex.

H. Use

(i) Required Work (other than USPS Premises and the Station Retail) will be used for the operation of a first-class train station, and such restricted use shall be set forth in a Restrictive Declaration which shall run with the land, enforceable as necessary by ESDC/MSDSC and/or by The City of New York;

(ii) Station Retail will be used for such retail and other uses as are compatible with the operation of a first-class train station, and such restricted use shall be set forth in a Restrictive Declaration which shall run with the land, enforceable as necessary by ESDC/MSDSC and/or by The City of New York;

(iii) Tenant Work will be used for commercial uses (which, absent MSDC Director approval, can include only retail, hotel, and merchandise mart uses) during the twenty (20) year period immediately following substantial completion of the Required Work; and

(iv) USPS Premises will be sublet to USPS.

I. Purchase Option

After completion of Required Work, and payment of Tenant payments set forth in Section VI D(i) above, Tenant will have option to purchase the Commercial Units from ESDC (excluding the USPS Unit) for a purchase price equal to the greater of: (i) One Dollar; or (ii) the then Net Present Value of the aggregate amount of Tenant rent payments that are utilized by

ESDC/MSDC to finance any portion of the $556,000,000 cost (or, in the event that the loan described in Section VI F above is implemented, utilized by ESDC/MSDC for repayment of the loan, or the portion thereof allocable to the Commercial Unit being purchased).

J. Assignment

Before completion of Required Work, and payment of Tenant payments set forth in Section VI D(i) above, Tenant may not assign the Project or any Commercial or Transportation Unit (except to a related or tax credit entity).

VII. ESDC and MSDC Participation

In order to implement the Project, ESDC will conclude: (1) appropriate environmental review under the New York State Environmental Quality Review Act ("**SEQRA**"); (2) all necessary transaction documents; (3) required override of local law under the New York State Urban Development Corporation Act (the "**UDC Act**"); and (4) acquisition of the Farley Complex and an interest in the Off-Site Premises. Specifically:

(A) ESDC will serve as lead agency pursuant to SEQRA and be responsible for preparing Draft and Final Environmental Impact Statements analyzing all environmental aspects of the Project;

(B) ESDC will acquire the Farley Complex and subject it to a condominium regime pursuant to Article 9-B of the Real Property Law of the State of New York and in accordance with a condominium declaration and by-laws;

(C) ESDC and MSDC will enter into Transportation and Commercial Unit condominium leases, the Leasehold Improvement Agreement, and other related transaction documents with Tenant, upon the terms generally described under Section VI, "Essential Transaction Terms" above, pursuant to Sections 6 and 9 of the UDC Act;

(D) ESDC will acquire an interest in the Off-Site Premises; and

(E) ESDC will override local law as it would otherwise apply to the Project, pursuant to Section 16 of the UDC Act (as specifically set forth under Section VIII, "Override of Local Law; Standards" below).

As a result of ESDC/MSDC ownership/interest, the Farley Complex and the Off-Site Premises will be exempt from taxation. However, as set forth under Section VI, "Essential Transaction Terms" above, Tenant will be required to make payments to ESDC/MSDC (in the nature of rent, or a combination of rent and loan amortization) in lieu of taxes.

ESDC and MSDC also are coordinating the Project with:

New York City Economic Development Corporation
New York City Department of City Planning
New York City Department of Buildings
New York City Department of Transportation
New York State Office of Parks, Recreation and Historic Preservation

New York State Department of Transportation
Metropolitan Transportation Authority
New Jersey Transit
Port Authority of New York and New Jersey
United States Postal Service
National Railroad Passenger Corporation ("Amtrak")
Federal Railroad Administration

VIII. Override of Local Law; Standards

Although rail passenger stations are not as-of-right under New York City zoning regulations, the Project would not conflict with overall zoning policy for the Farley Complex. The Project's proposed changes to the Farley Complex would simply extend existing rail passenger service westward, and would not require any new structures or expansion of building floor area. Nonetheless, ESDC will exercise its powers under the UDC Act to override local regulation inconsistent with the Farley Component, including New York City Zoning Resolution ("ZR") 74-62 (railroad passenger stations). Further, in connection with the Off-Site Component, ESDC would override portions of the ZR relating to FAR and bulk regulations otherwise applicable at the Off-Site Premises, as specifically set forth below. The required size of the Off-Site Project dictates instead that such portion of the Project will be developed in accordance with Project Standards.

ESDC and MSDC find that it is not practicable for the Project to comply with the ZR. Specifically, ESDC and MSDC will override the ZR, including:

(i) ZR 74-763 and 81-231: Reduction in size of previously bonused urban plaza;
(ii) ZR 81-211: Permitted floor area;
(iii) ZR 81-26 and 81-27: Height and setback regulations;
(iv) ZR 81-45: Pedestrian circulation space;
and, to the extent necessary:
(v) ZR 81-46: Relocation of subway stairway entrance onto zoning lot; and
(vi) ZR 74-52: Special Permit required for public parking.

Nonetheless, the override will not create a new zoning lot on Block 783, which shall continue to be one zoning lot. The Off-Site Premises will be consistent generally with underlying zoning, which encourages taller towers on the avenues, and will be compatible with neighboring dense commercial and residential developments in the area.

Project renderings are attached hereto as Attachment B. Approval of any material modifications from Project Standards shall be within ESDC's sole discretion.

IX. UDC Act Section 10d, 10(c) and 10g Findings; Public Purpose

ESDC and its subsidiaries, including MSDC, were created to implement the "policy of the state to promote a vigorous and growing economy, to prevent economic stagnation and to encourage the creation of job opportunities". UDC Act Section 2. To this end, ESDC and MSDC are empowered, pursuant to UDC Act Section 10, to undertake Projects upon making the necessary statutorily mandated findings. Such projects, including Moynihan Station, "are public

uses and public purposes for which public money may be loaned and private property may be acquired and tax exemption granted". UDC Act Section 2. Accordingly, based on the information set forth in this General Project Plan and in other due investigation conducted by ESDC and MSDC, ESDC and MSDC hereby find that:

A. Civic Project Findings: UDC Act Section 10(d)

(1) There exists in the area in which the project is to be located, a need for the educational, cultural, recreational, community, municipal, public service or other civic facility to be included in the project.
There exists within the Project location on the West Side of Manhattan in New York City a need for the Project, inclusive of Moynihan Station.

(2) The project shall consist of a building or buildings or other facilities which are suitable for educational, cultural, recreational, community, municipal, public service or other civic purpose.
The Project, inclusive of Moynihan Station, consists of facilities suitable for the civic purpose of providing transportation facilities.

(3) Such project will be leased to or owned by the state or an agency or instrumentality thereof, a municipality or an agency or instrumentality thereof, a public corporation, or any other entity which is carrying out a community, municipal, public service or other civic purpose, and that adequate provision has been, or will be, made for the payment of the cost of the acquisition, construction, operation, maintenance and upkeep of the project.
The Project will be owned by ESDC and/or MSDC, or a successor ESDC subsidiary, and adequate provision has been, or will be, made for the payment of the cost of the acquisition, construction, operation, maintenance and upkeep of the Project.

(4) The plans and specifications assure or will assure adequate light, air, sanitation and fire protection.
The plans and specifications for the Project assure adequate light, air, sanitation and fire protection for the Project.

B. Land Use Improvement Project Findings: UDC Act Section 10(c)

(1) The area in which the project is to be located is a substandard or insanitary area, or is in danger of becoming a substandard or insanitary area and tends to impair or arrest sound growth and development of the municipality.
The Farley Complex and the Off-Site Premises are currently significantly underutilized.

(2) The project consists of a plan or undertaking for the clearance, replanning, reconstruction and rehabilitation of such area and for recreational and other facilities incidental or appurtenant thereto.
The Project calls for the rehabilitation of the Farley Complex and for the development of the Off-Site Component.

(3) The plan or undertaking affords maximum opportunity for participation by private enterprise, consistent with the sound needs of the municipality as a whole.

Tenant will design, develop and construct the Project pursuant to Agreement with ESDC and MSDC.

C. UDC Act Section 10(g)

Necessary relocation of any Project location site occupants will be performed in accordance with applicable law. ESDC and MSDC understand that there are no residential occupants at the Project location and, accordingly, no residential relocation is required under UDC Act Section 10(g).

X. Environmental Review

ESDC, acting as lead agency pursuant to the requirements of the State Environmental Quality Review Act ("SEQRA"), is required to comply with SEQRA and the implementing regulations of the New York State Department of Environmental Conservation in connection with the Project. In addition, USPS is required to comply with the National Environmental Policy Act ("NEPA") in connection with the sale of the Farley Complex, and the Federal Railroad Administration ("FRA") and the Federal Highway Administration ("FHWA") are required to comply with NEPA and related laws and regulations in connection with the Federal funding being extended to MSDC in connection with Moynihan Station. During the initial stages of the Project, FRA had taken the lead in conducting the environmental review under NEPA and had issued a Finding of No Significant Impact for the Train Station Premises and the Station Retail in September 1999. USPS has now assumed the role of NEPA lead agency with FRA and FHWA participating as cooperating agency and consulting agency, respectively. ESDC will be completing an environmental impact statement under SEQRA with respect to the Project. Tenant shall be responsible for the payment of fees and costs incurred in connection with this environmental impact statement.

XI. Building Code

The construction of the Project will conform to the New York City Building Code except in designated areas of the Farley Component only where design renders conformance not feasible. In such areas of the Farley Component only, an engineered solution acceptable to NYC Department of Buildings will be developed and agreed to by ESDC and MSDC, USPS, Tenant, and NYC Department of Buildings.

XIII. Affirmative Action

ESDC's Non-Discrimination and Affirmative Action policies will apply. There is a 20% Minority/Women-owned Business Enterprise contractor and/or subcontractor participation goal during development of the Project, and an overall goal of 25% minority and female workforce participation during construction of the Project.

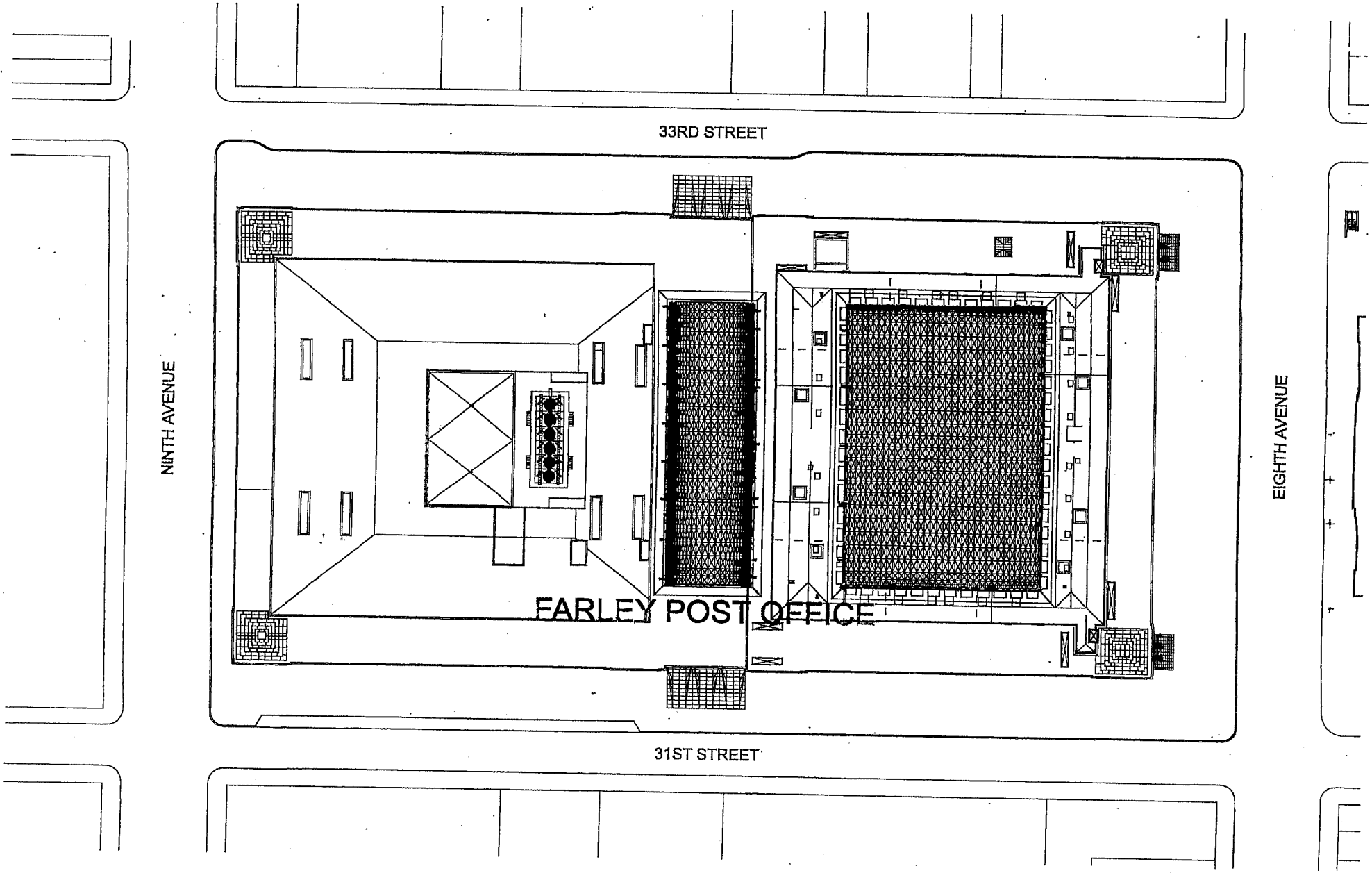
XIV. MSDC Directors

Any material modifications of the terms and conditions of this General Project Plan are subject to approval by MSDC Directors as set forth in the MSDC Certificate of Incorporation and the MSDC By-Laws.

Attachments

A. Project Location Map
B. Project Renderings
C(1). Farley Component Rent Schedule
C(2). Farley Component PILOT Schedule
D. Off-Site Component PILOT Schedule
E. Off-Site Premises Building and Site Plan

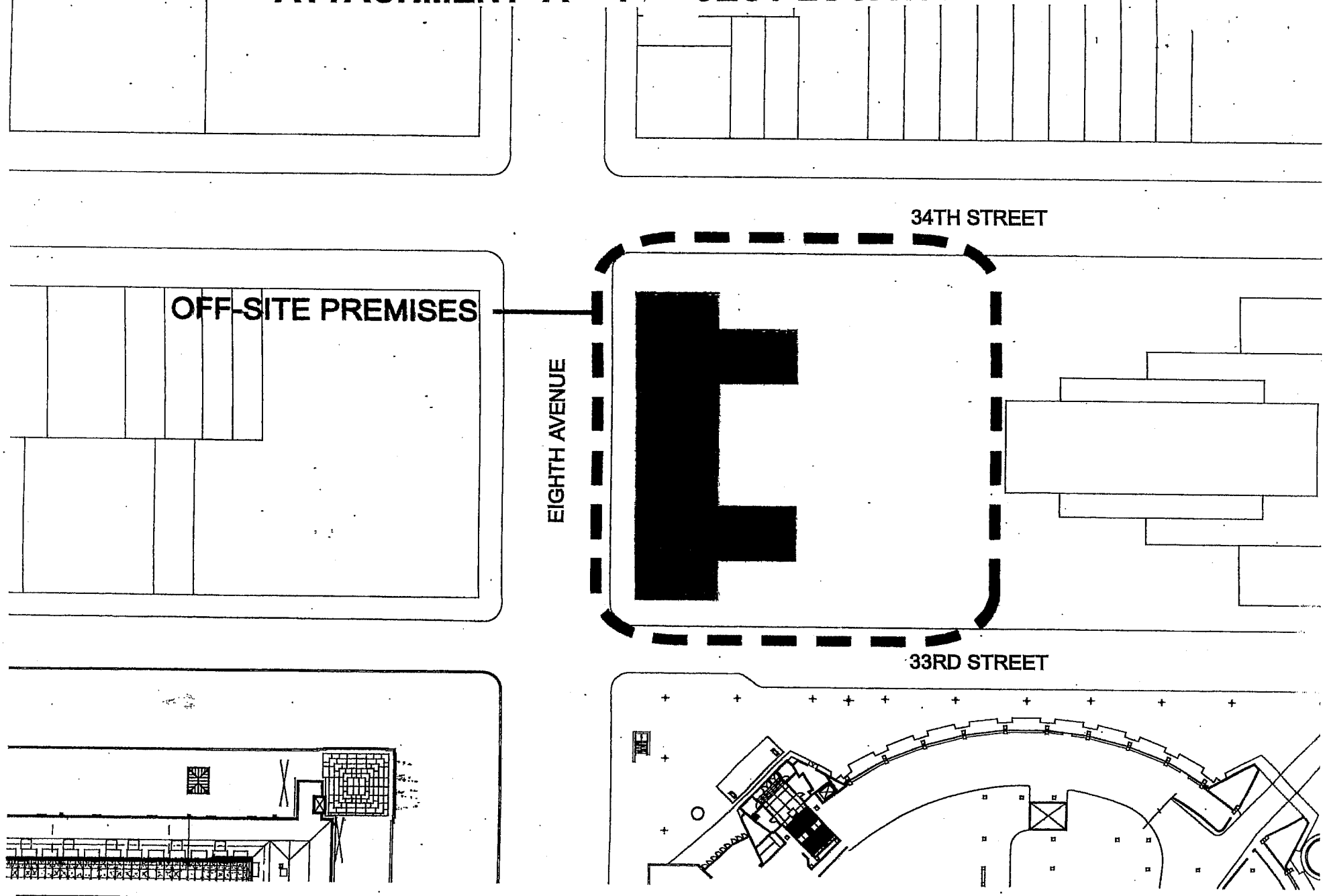
ATTACHMENT "A" – PROJECT LOCATION MAP



SOM

FARLEY POST OFFICE SITE

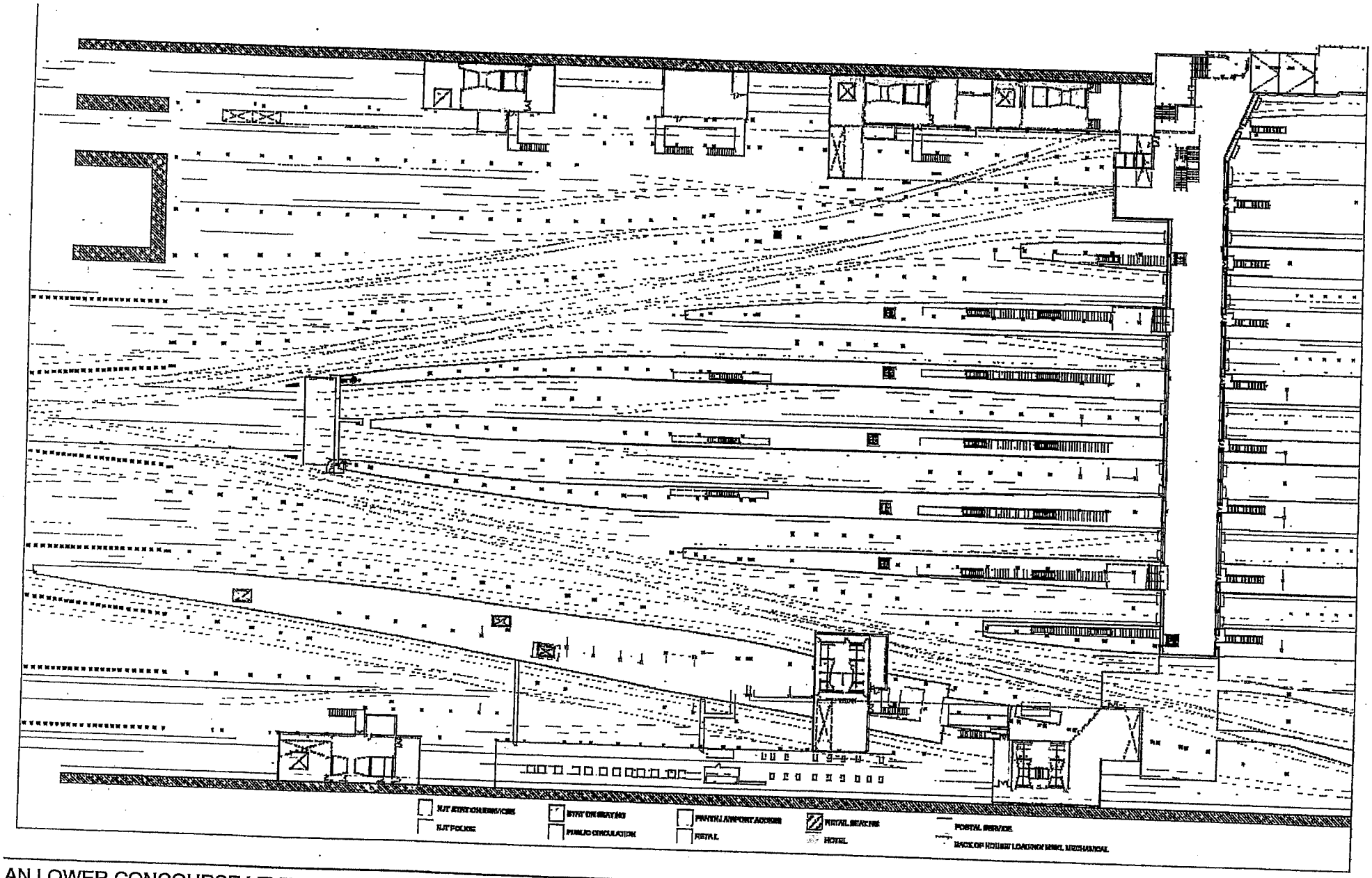
ATTACHMENT 'A' – PROJECT LOCATION MAP



SOM

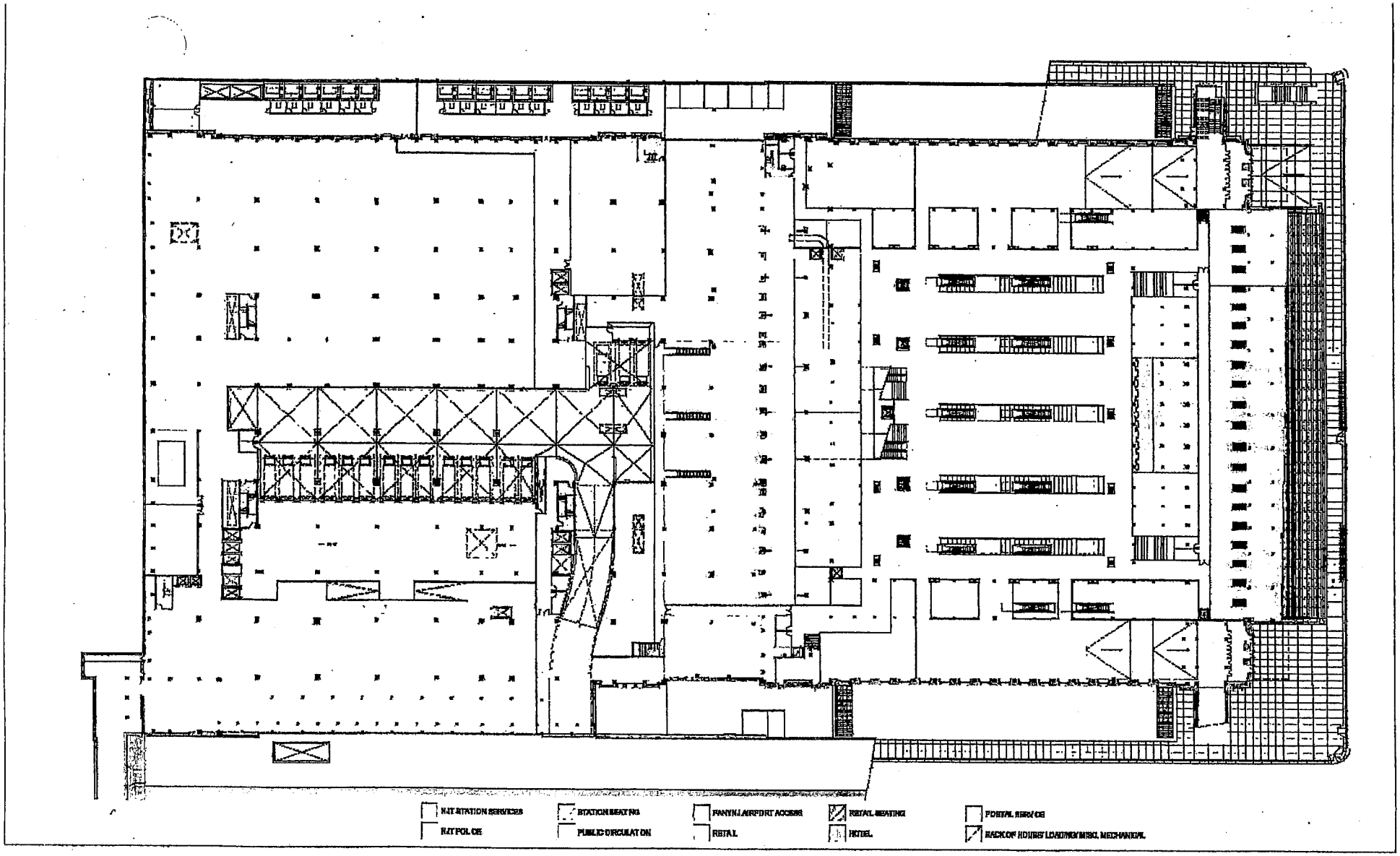
OFF-SITE PREMISES

ATTACHMENT B



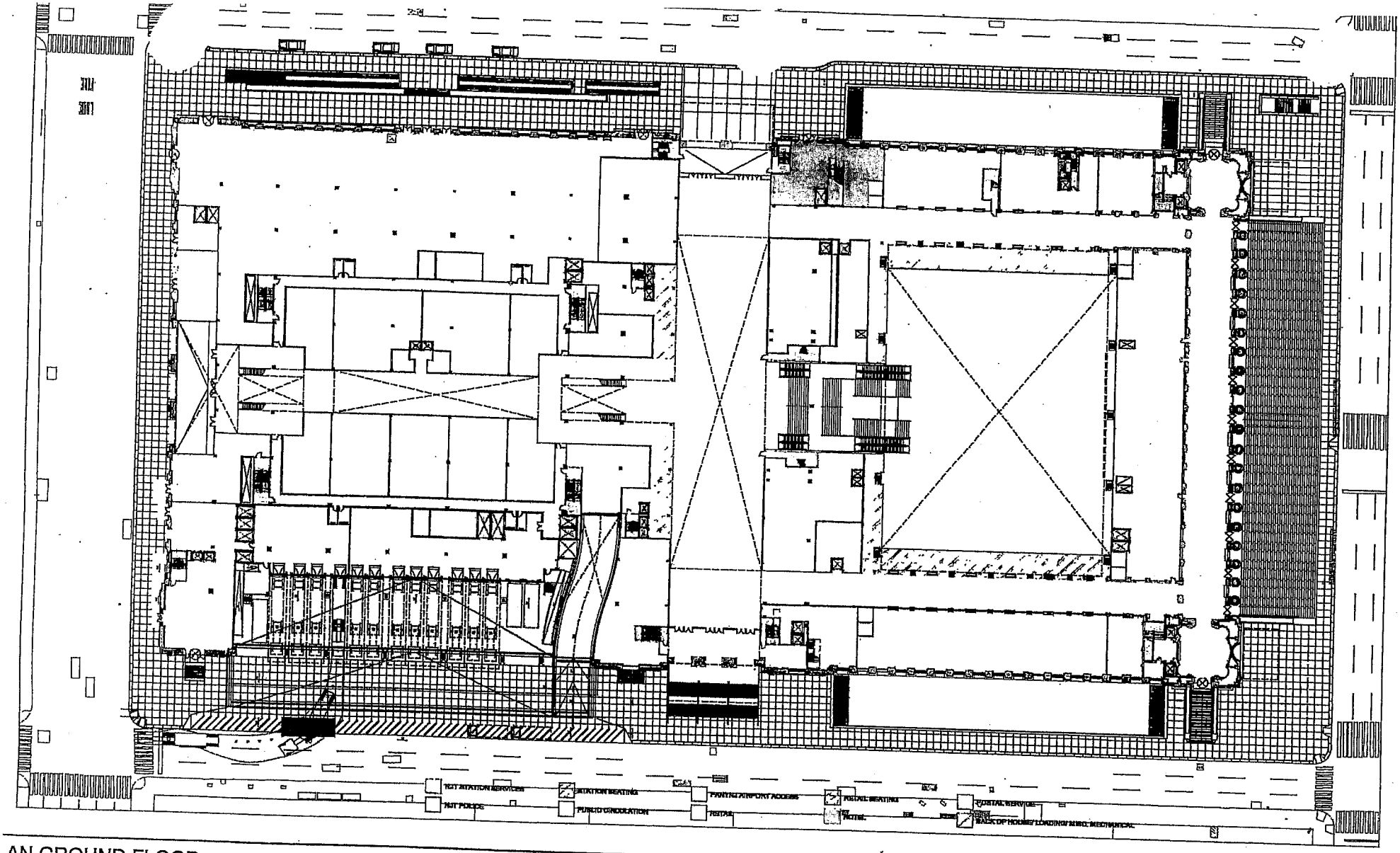
AN LOWER CONCOURSE LEVEL

SOM 3/23/2006



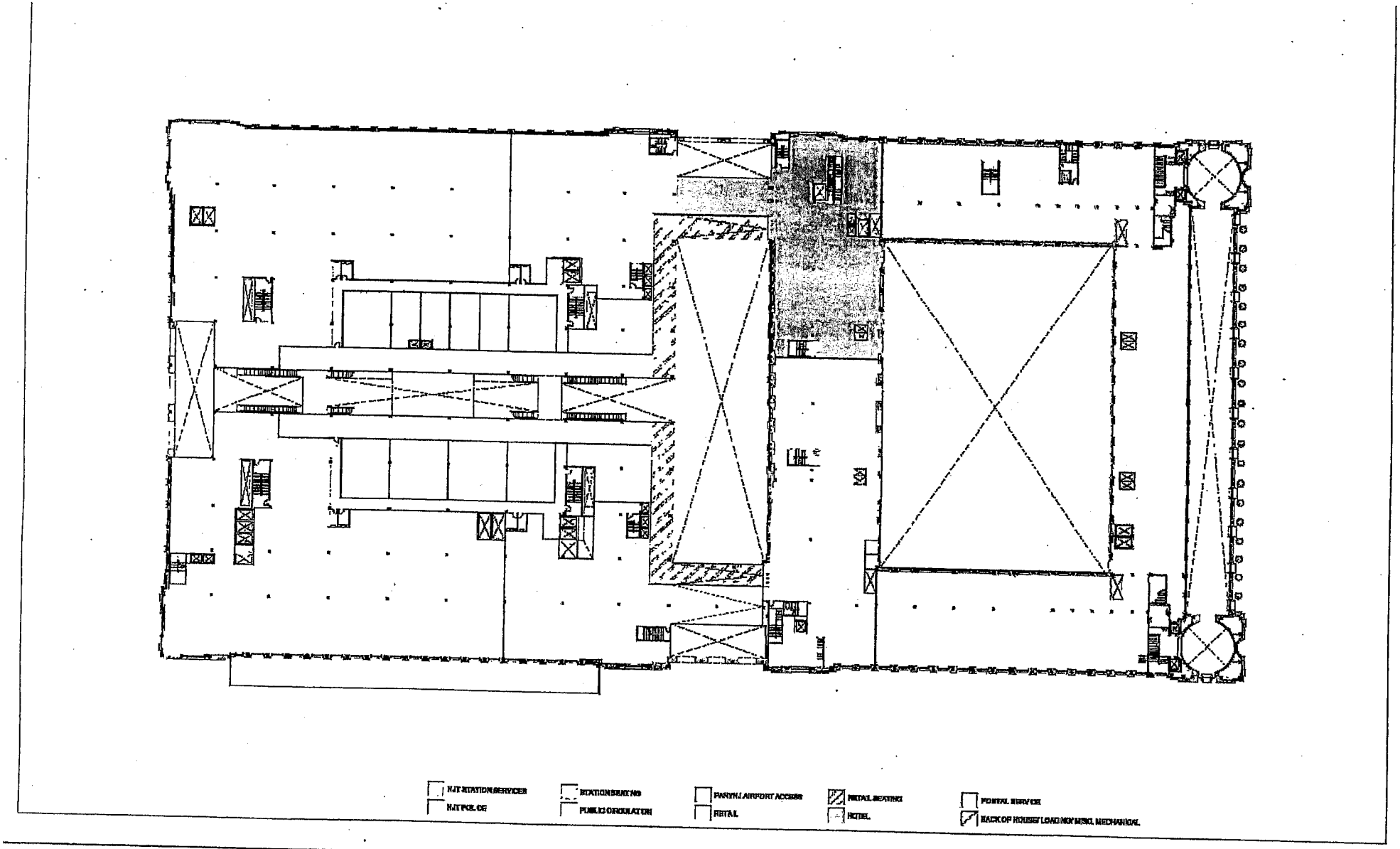
LAN CONCOURSE LEVEL

SOM 3/23/2006



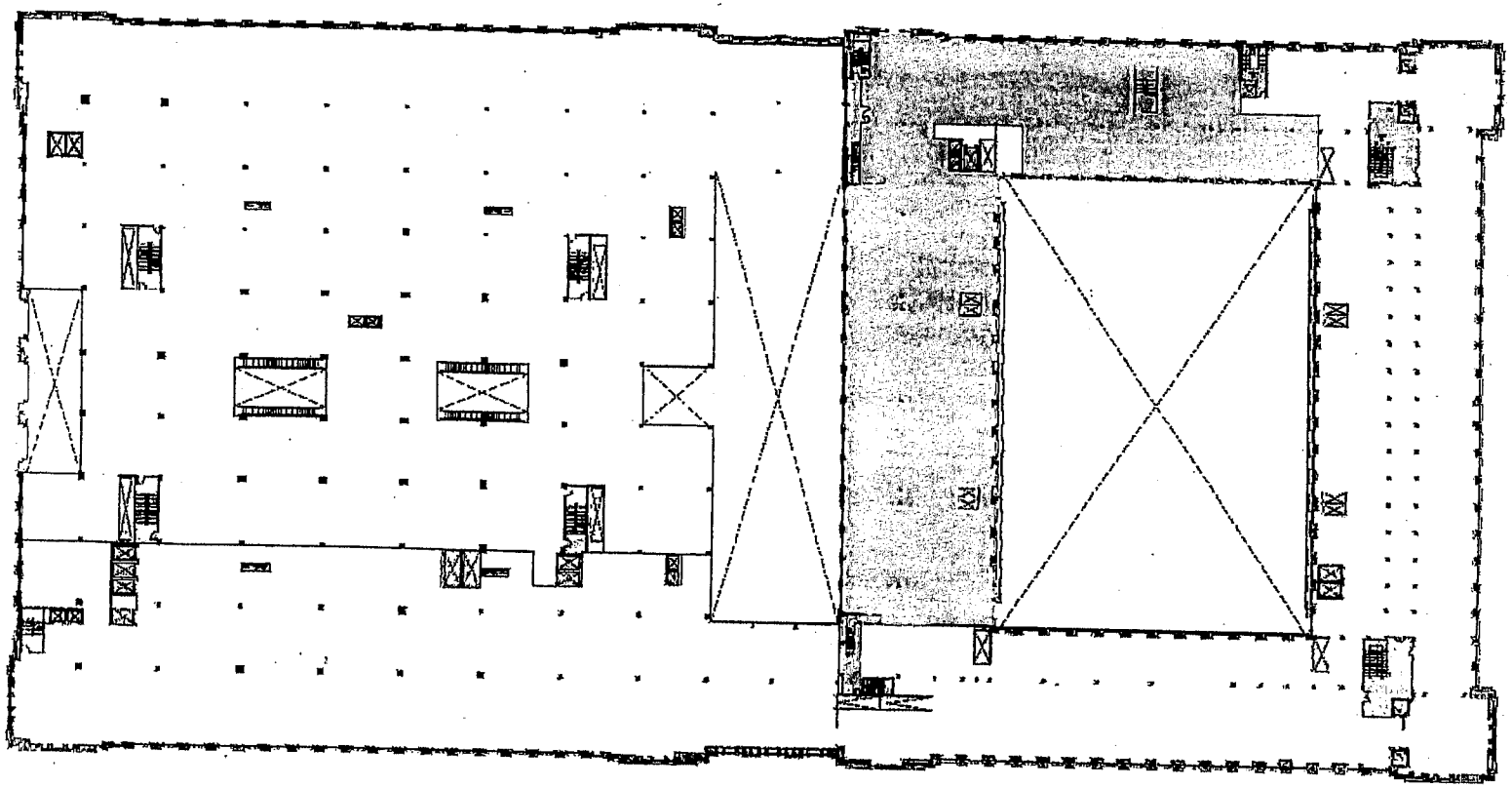
.AN GROUND FLOOR

SOM 3/23/2006



LAN 2ND FLOOR LEVEL

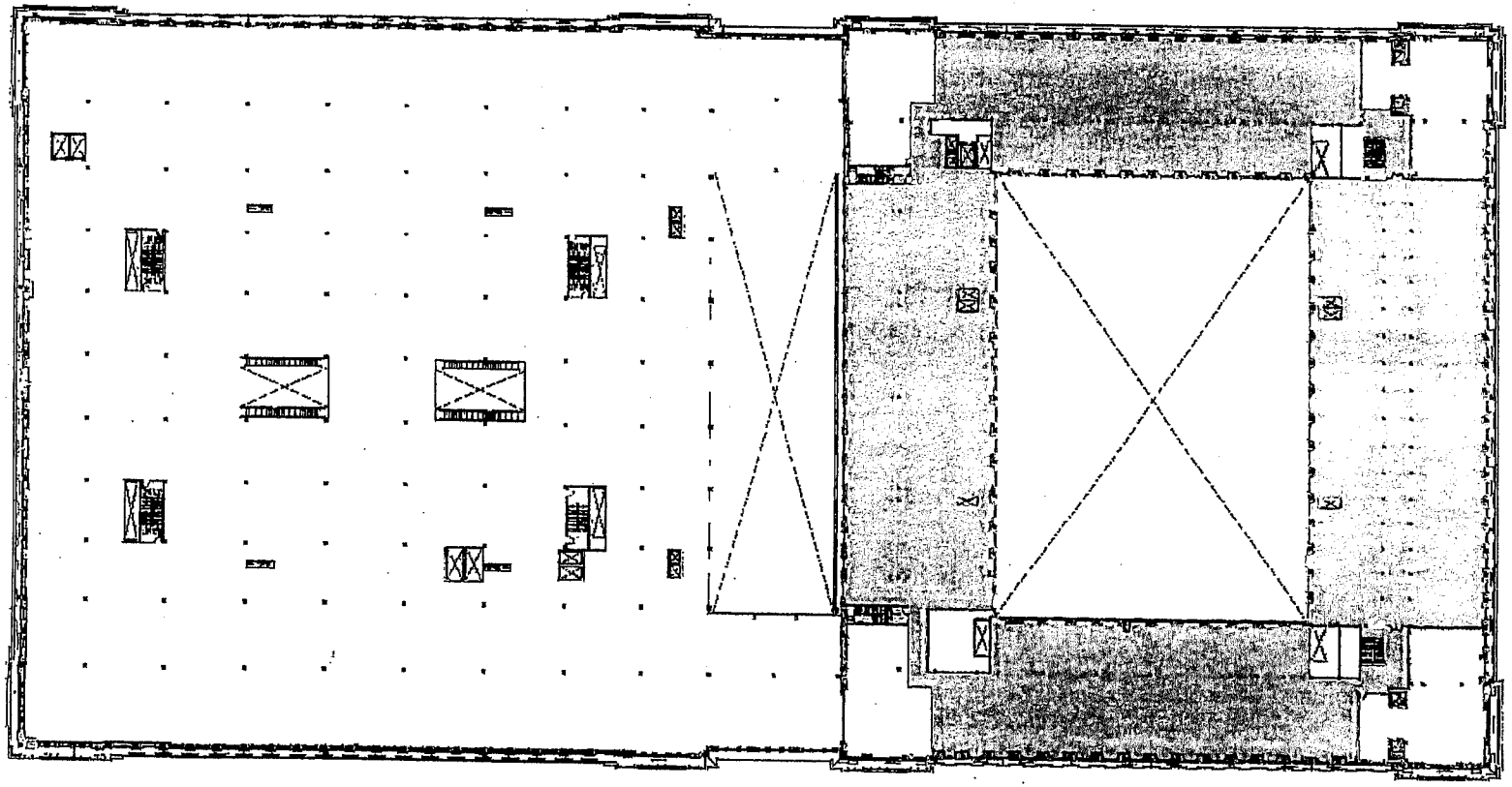
SOM 3/23/2006



NJT STATION SERVICES
NJT POLICE
STATION SEATING
PUBLIC CIRCULATION
PANYNJ AIRPORT ACCESS
RETAIL
RETAIL SEATING
HOTEL
POSTAL SERVICE
BACK OF HOUSE/ LOADING/ MISC. MECHANICAL

PLAN 3RD FLOOR LEVEL

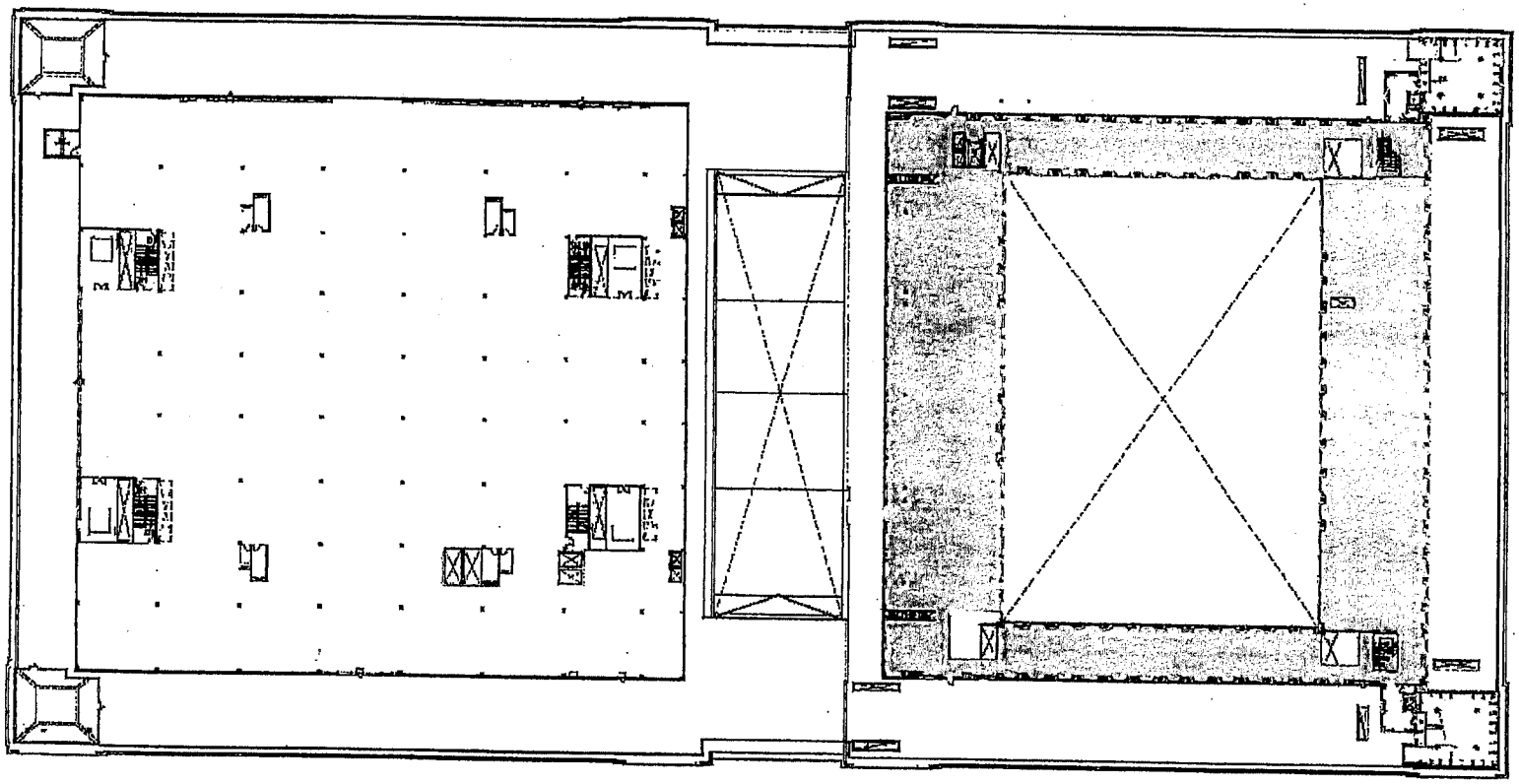
SOM 3/23/2006



N.T. STATION SERVICES
N.T. POLICE
STATION SEATING
PUBLIC CIRCULATION
PANYNJ AIRPORT ACCESS
RETAIL
RETAIL SEATING
HOTEL
POSTAL SERVICE
BACK OF HOUSE/ LOADING/ MISC. MECHANICAL

'LAN 4TH FLOOR LEVEL

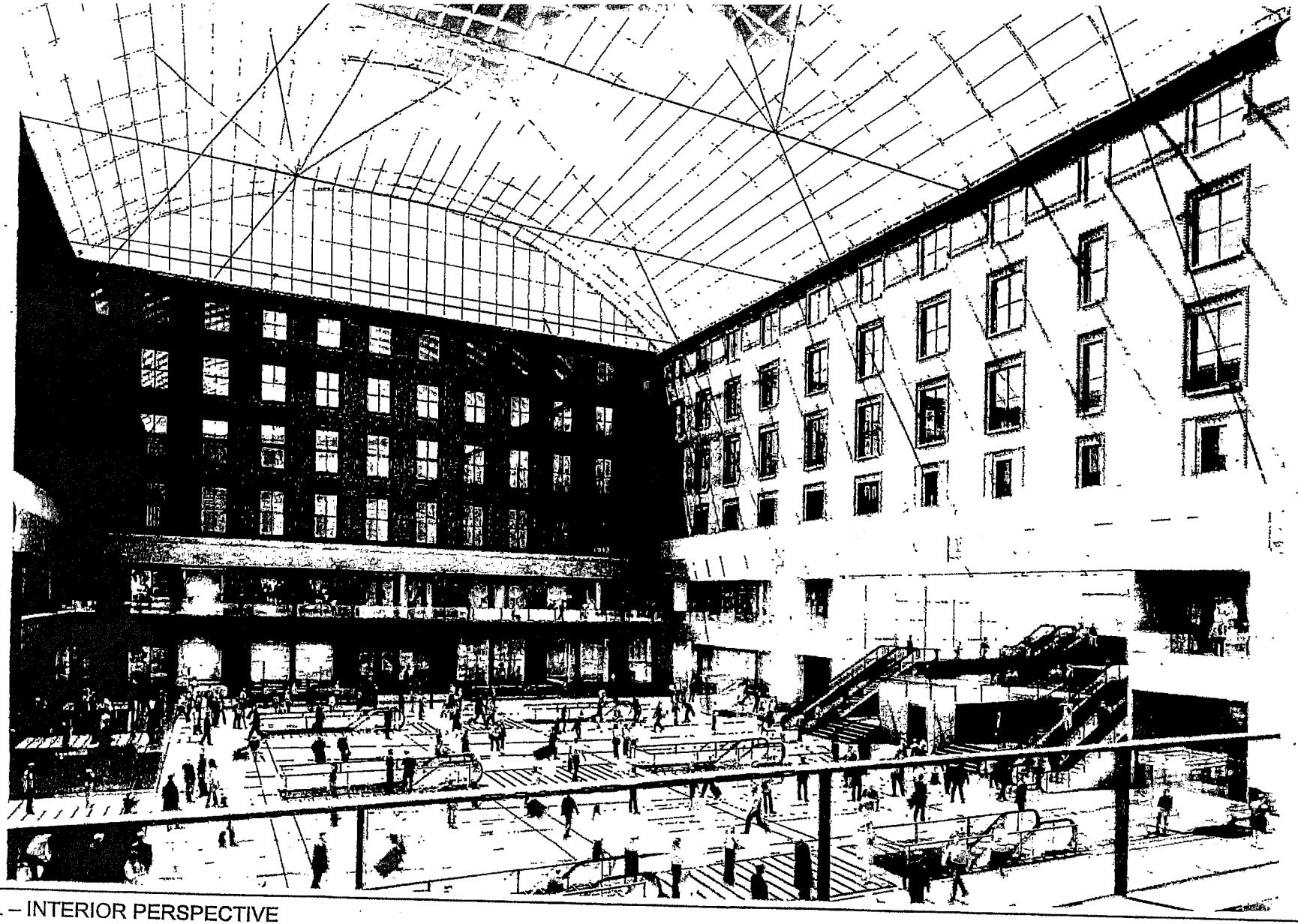
SOM 3/23/2006



NJT STATION SERVICES
NJT POLICE
STATION SEATING
PUBLIC CIRCULATION
NEWARK AIRPORT ACCESS
RETAIL
RETAIL SEATING
HOTEL
POSTAL SERVICE
BACK OF HOUSE LOADING MISC. MECHANICAL

PLAN 5TH FLOOR LEVEL

SOM 3/23/2006

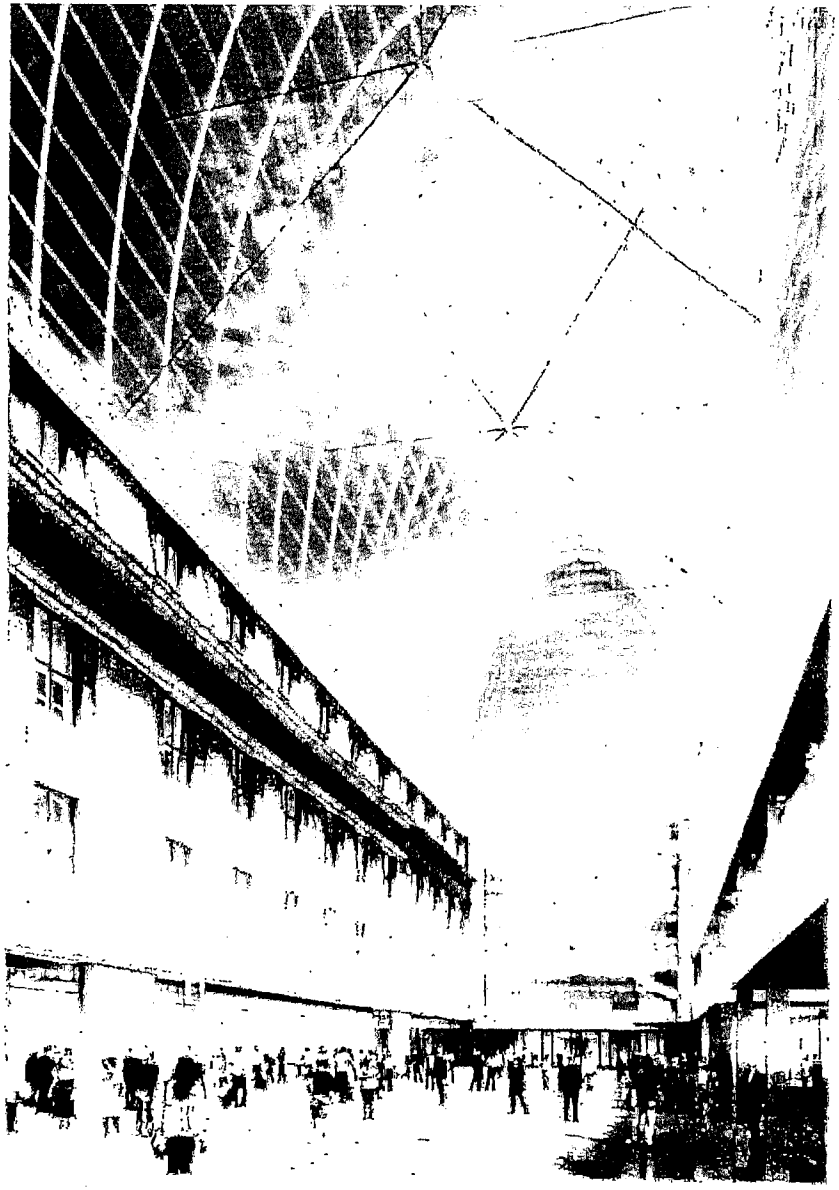


RAIN HALL – INTERIOR PERSPECTIVE

SOM 3/23/2006

ERSPECTIVE VIEW FROM 31ST STREET

SOM 3/23/2006



INTERMODAL HALL – INTERIOR VIEW

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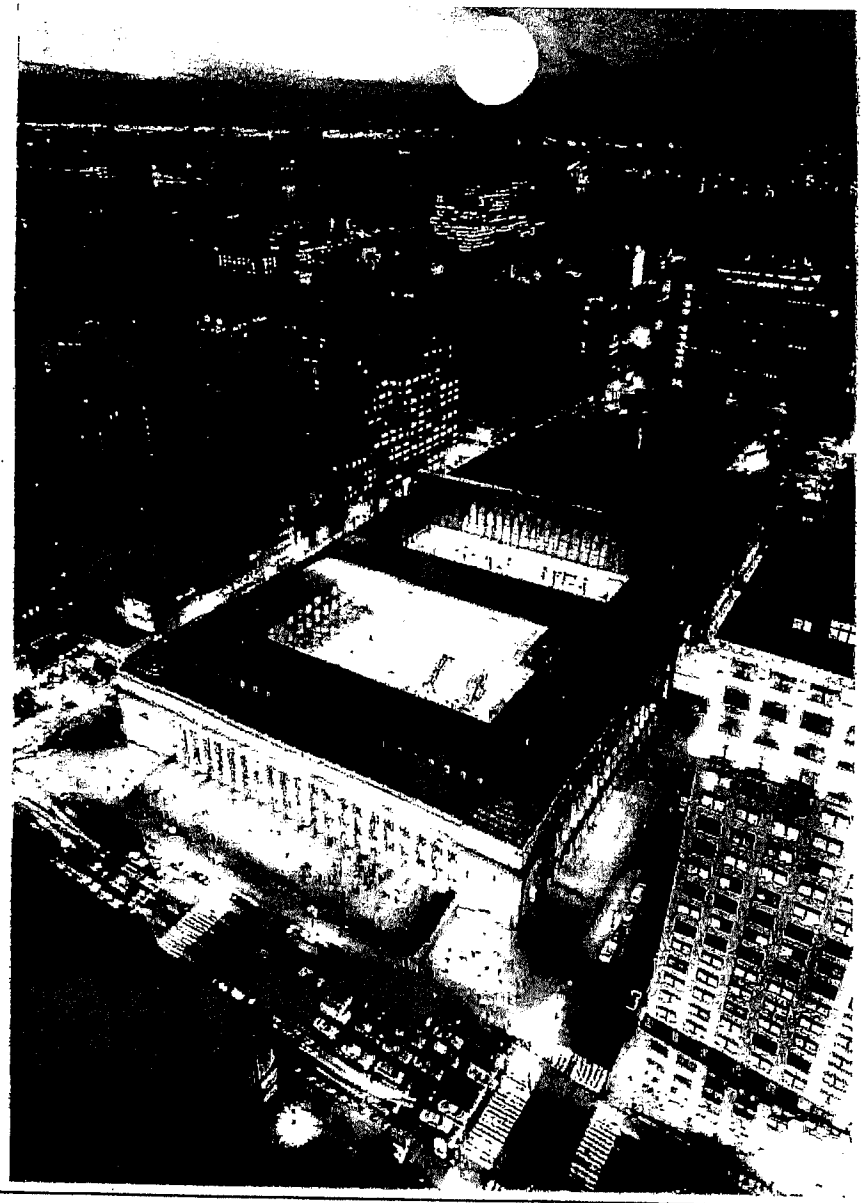


MOYNIHAN STATION / FARLEY POST OFFICE BUILDING

SOM 3/23/2006

ATTACHMENT C(1)

SCHEDULE OF RENTS PAYMENTS FOR FARLEY BUILDING
TO BE PAID BY TENANT TO EDSC/MSDC

YEAR	Rent Schedule (in nominal $ millions)
2010	$2.45
2011	$2.45
2012	$2.45
2013	$2.45
2014	$2.45
2015	$2.45
2016	$2.45
2017	$2.45
2018	$4.08
2019	$5.84
2020	$7.72
2021	$9.75
2022	Equivalent to Full Taxes

Notes:

1. 2010 is used for illustrative purposes
2. Year 1 represents the first tax year following substantial completion of Guaranteed Portion of the Work, but not later than January 1, 2011.
3. In Year 13 (2022) and beyond, rent is equivalent to the taxes that would otherwise be payable to the City, assuming no abatements or exemptions.

ATTACHMENT C(2)

SCHEDULE OF PILOT PAYMENTS TO BE PAID BY ESDC/MSDC TO CITY

YEAR	PILOT Schedule (in nominal $ millions)
2010	$2.45M
	Y1 Abatement Amount ("1AA") = Full Y1 per SF Taxes minus $3.60 per SF
2011	$2.45M
	Y2 Abatement Amount ("2AA") = Full Y2 per SF Taxes minus $3.60 per SF
2012	Equivalent to Full Taxes minus [(greater of 1AA or 2AA) X 100%]
2013	Equivalent to Full Taxes minus [(greater of 1AA or 2AA) X 100%]
2014	Equivalent to Full Taxes minus [(greater of 1AA or 2AA) X 100%]
2015	Equivalent to Full Taxes minus [(greater of 1AA or 2AA) X 100%]
2016	Equivalent to Full Taxes minus [(greater of 1AA or 2AA) X 100%]
2017	Equivalent to Full Taxes minus [(greater of 1AA or 2AA) X 100%]
2018	Equivalent to Full Taxes minus [(greater of 1AA or 2AA) X 80%]
2019	Equivalent to Full Taxes minus [(greater of 1AA or 2AA) X 60%]
2020	Equivalent to Full Taxes minus [(greater of 1AA or 2AA) X 40%]
2021	Equivalent to Full Taxes minus [(greater of 1AA or 2AA) X 20%]
2022	Equivalent to Full Taxes

Notes:

1. 2010 is used for illustrative purposes.
2. Year 1 represents the first tax year following substantial completion of Required Work, but not later than January 1, 2001.
3. In Year 13 (2022) and beyond, PILOT is equivalent to the taxes that would otherwise be payable to the City, assuming no abatements or exemptions.

ATTACHMENT D

SCHEDULE OF PILOT PAYMENTS FOR OFF-SITE PREMISES*

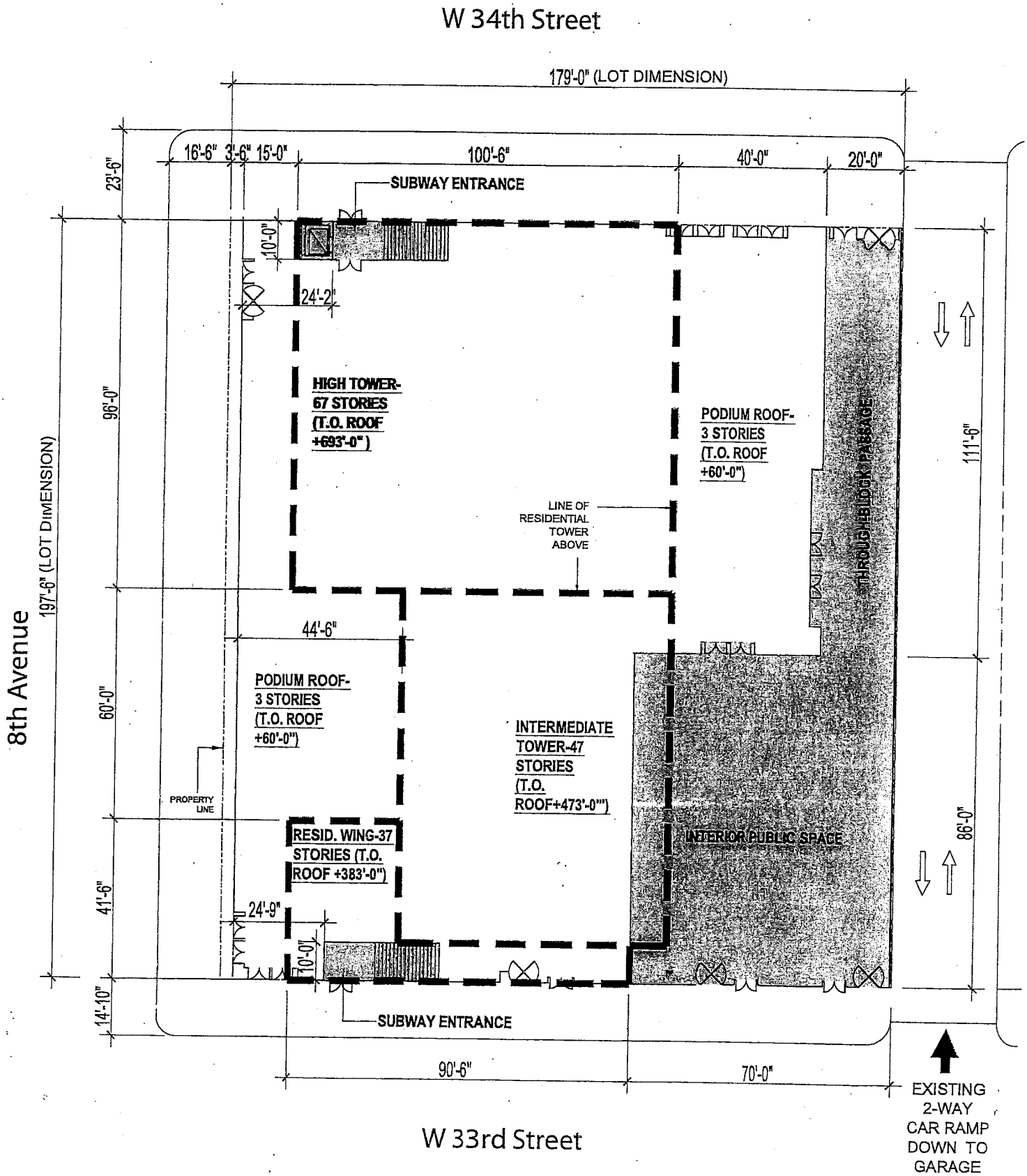
Component	Period[1]	PILOT	Year PILOT equivalent to Full Taxes
Residential Rental	Baseline	$1.00/NRSF[2]	21
	Years 1-12	$1.00/NRSF	
	Years 13-20	PILOT due in each tax year beginning in the thirteenth tax year following substantial completion and continuing for each of the remaining years will equal the sum of (i) the exemption base ($1.00/NRSF) and (ii) the product of the (x) percentage multiplier and (y) the difference between actual taxes and the baseline tax ($1.00/NRSF). The percentage multipliers will be: Years 13-14 20% Year 15-16 40% Year 17-18 60% Year 19-20 80%	
	Years 21 and beyond	PILOT equivalent to full taxes	
Residential For Sale	Baseline	$1.00/NRSF[2]	11
	Years 1-10	PILOT due in each tax year beginning in the third tax year following substantial completion and continuing for each of the remaining years will equal the sum of (i) the exemption base ($1.00/NRSF) and (ii) the product of the (x) percentage multiplier and (y) the difference between actual taxes and the baseline tax ($1.00/NRSF). The percentage multipliers will be: Years 1-2 0% Year 3-4 20% Year 5-6 40% Year 7-8 60% Year 9-10 80%	
	Years 11 and beyond	PILOT equivalent to full taxes	

Notes:

1. Year 1 represents the first tax year following substantial completion, but not later than January 1, 2011.
2. Assumed current value of taxes.
3. To the extent commercial space exceeds the area allowed by as-of-right 421-A (80/20) program, PILOT shall be equivalent to full taxes for such portion. Developer can request any commercial tax incentive available at the time from the City.

ATTACHMENT E

Off-Site Premises Building and Site Plan



FINDINGS UNDER THE STATE ENVIRONMENTAL QUALITY REVIEW ACT BY NEW YORK STATE URBAN DEVELOPMENT CORPORATION, NOW D/B/A/ AS EMPIRE STATE DEVELOPMENT CORPORATION,

IN CONNECTION WITH THE FARLEY POST OFFICE/MOYNIHAN STATION REDEVELOPMENT PROJECT MOYNIHAN STATION CIVIC AND LAND USE IMPROVEMENT PROJECT (MOYNIHAN STATION CIVIC AND LAND USE IMPROVEMENT PROJECT)

I. Summary and Introduction

A. Location of Action

The Farley Post Office/Moynihan Station Redevelopment Project principally occupies the superblock of the James A. Farley Post Office Building and its Western Annex (together, the "Farley Complex"), which is bounded by West 31st Street to the south, West 33rd Street to the north, Eight Avenue to the east and Ninth Avenue to the west. In addition, the Project includes development adjacent to the Farley Complex (the "Off-Site Premises," also referred to as the Development Transfer Site), located on the westernmost portion of the block bounded by West 33rd Street to the south, West 34th Street to the north, Eighth Avenue to the west, and Seventh Avenue to the east.

B. Lead Agency

Empire State Development Corporation
633 Third Avenue, New York, New York 10017
Contact Person: Rachel Shatz, Director
Planning and Environmental Review
212-803-3254

C. SEQRA Status

The Farley Post Office/Moynihan Station Redevelopment Project is a Type I action in accordance with 6 NYCRR Part 617.4.

D. Introduction

This Statement of Findings is issued pursuant to the State Environmental Quality Review Act, ECL § 8-0101 et seq. ("SEQRA"), and the regulations adopted by the New York State Department of Environmental Conservation under SEQRA, which appear at Title 6 of the New York Code of Rules and Regulations ("6 N.Y.C.R.R.") Part 617. This statement sets forth the findings of the New York State Urban Development Corporation, doing business as Empire State Development Corporation ("ESDC"), on behalf of its subsidiary, Moynihan Station Development Corporation ("MSDC") formerly known as the Pennsylvania Station Redevelopment Corporation ("PSRC"), with respect to the environmental impacts of certain actions relating to the Farley Post Office/Moynihan Station Redevelopment Project (the "MSDC Project" or "Project") as summarized in the

modified General Project Plan ("GPP"), dated August 2006, and as analyzed in the Farley Post Office/Moynihan Station Redevelopment Final Environmental Impact Statement ("FEIS") dated August 2, 2006. The actions to which these Findings relate include the adoption of the GPP, ESDC's purchase of the James A. Farley Building and the Western Annex (the "Farley Complex"), redevelopment of the Farley Complex into a new intermodal transportation facility supported by new commercial development, and the approvals required in connection with the Off-Site Component, which would consist of up to 1.1 million zoning square feet of additional off-site development (hereinafter the "Proposed Action" or "Proposed Project").

Part II of this Findings Statement provides an overview of the MSDC Project, including its location, purpose and need, description of the ESDC/MSDC actions associated with the Project, and other background information. Part III summarizes the procedural history of the MSDC Project, including ESDC/MSDC's environmental review in accordance with SEQRA. Part IV describes the analytical structure of the FEIS. Part V summarizes the facts and conclusions of the FEIS, which are relied upon to support this Findings Statement. This summary includes identification of any potential significant adverse project impacts. Parts VI and VII discuss the alternatives and mitigation measures, respectively, identified in connection with the MSDC Project. Part VIII provides a summary of SEQRA findings specific to growth inducing aspects of the MSDC Project. Part IX addresses the commitment of resources in connection with the MSDC Project and Part X addresses the Project's short-term uses versus long-term productivity. Finally, Part XI presents the certification of findings required by SEQRA and its implementing regulations.

II. PROJECT OVERVIEW AND HISTORY OF THE PROPOSED ACTION

A. Project Description and Overview

The MSDC Project consists of the design, development, construction, and operation of various improvements at the Farley Complex and development on a parcel in proximity to the Farley Complex (referred to as the "Off-Site Premises" or the "Development Transfer Site"). The Project would occupy the approximately 1.4 million-square-foot Farley Complex superblock.

Although a commercial overbuild above the Farley Complex's Western Annex is a component of the proposed project analyzed in the FEIS, the overbuild is not included in the proposed MSDC Project. Rather, as defined in the GPP, the MSDC Project includes the following elements, each in accordance with specified plans and standards:

(i) Moynihan Station

The new train station would be a flagship transportation facility consisting of approximately 300,000 square feet for transit and cultural uses, including a grand concourse providing direct access to train platforms (the "Train Hall"). The Train Hall would be connected by a grand staircase to an intermodal transportation hall, which

11

would have direct access to Ninth Avenue, 31st and 33rd Streets (the "Intermodal Hall"). The Train Hall and the Intermodal Hall are designed to be open, high-ceilinged, sky-lit public spaces with high quality finishes and iconic architecture. The new station would include approximately: 34,000 square feet for New Jersey Transit ("NJT") operations; 4,700 square feet for an inter-city rail user; 19,000 square feet for airport access and operation space operated by The Port Authority of New York and New Jersey ("PANYNJ"), with below-grade loading dock space, to facilitate passengers traveling to Kennedy, LaGuardia and Newark Airports; and 1,300 square feet for transit police space. The station may include up to 100,000 square feet of transit-oriented retail uses within the station complex.

In addition, the MSDC Project would entail the substantial expansion of the existing West End Concourse beneath the Farley Complex, and approximately thirty new vertical circulation points (stairs, escalators, and elevators) by which passengers would be able to access tracks and platforms, resulting in a dramatic increase in passenger access/egress and circulation space which would reduce train loading and unloading times, and thereby reduce lost commuter time and permit additional train movements. The Project would add state-of-the-art emergency platform ventilation for the below-grade trainshed areas west of Eighth Avenue.

There would also be a widened and improved underground connection between the Farley Complex, the Eighth Avenue Subway, and Level A of Penn Station (the "33rd Street Connector"), running under Eighth Avenue between Penn Station and Moynihan Station, reconfigured to comply with ADA requirements. (The 33rd Street Connector would remain under the control of the Metropolitan Transportation Authority ("MTA"), and the proposed improvements would be closely coordinated with MTA and New York City Transit staff.) The subway entrance at the southwest corner of 33rd Street and Eighth Avenue would be relocated within the Project property line.

(ii) USPS Facilities

As part of the proposed MSDC Project, approximately 250,000 square feet of the Farley Complex would be occupied by USPS. The space USPS would occupy includes the historic postal lobby and upper floor offices in the Farley Building, carrier space in the Western Annex, and postal rail access facilities below the Western Annex.

(iii) Commercial Development

The GPP anticipates that the private commercial development within the Farley Complex would include approximately 750,000 square feet of space with a mix of hotel, retail, and other commercial uses. It may also potentially include a merchandise mart.

(iv) Exterior Restoration

The MSDC Project would include the repair, preservation, and protection of the historic features of the Farley Complex, including the exterior façade. The building would be comprehensively restored, with stonework and mortar cleaned and refurbished.

(v) Truck Loading Facilities

The Project includes new truck loading facilities (docks, associated ramps, and structural work) with sufficient capacity to accommodate Farley Complex users (in addition to PANYNJ and USPS loading facilities).

(vi) Off-Site Premises

The GPP includes the anticipated, but not required, development of the Off-Site Premises with a mixed-use building of up to 1.1 million square feet. A key element of the plan is an interior public-use space that is sky-lit and with a 70 foot width, 85 foot depth, and height of no less than 60 feet. Design elements shall include but not be limited to seating, plantings, lighting, and other appropriate amenities.

B. Summary of Actions Subject to SEQRA

The MSDC Project includes both public and private components, the combination of which will enable ESDC/MSDC to proceed with the development of a fully funded transportation facility. The public component of the proposed MSDC Project would consist of the new Daniel Patrick Moynihan Station (the "Moynihan Station") and continued USPS operations in the Farley Complex. To assist with development of the public component of the project, ESDC/MSDC would utilize federal, state, and city funding. To further achieve the public goals, the MSDC Project also has a private component, including transit-oriented retail uses within Moynihan Station and other private commercial development outside Moynihan Station but within the Farley Complex. The proposed project's private component also would include development of the Off-Site Premises.

The proposed MSDC Project requires several actions by ESDC and MSDC in order for it to be implemented. These actions are as follows:

- Adopt and affirm a General Project Plan, as modified, including overrides of the New York City Zoning Resolution for the use of the Farley Building for rail service and for the possible construction of up to 1.1 million zoning square feet of additional development on the east side of Eighth Avenue between West 33rd and 34th Streets.

- Acquire the Farley Complex from the USPS. USPS will conduct a review under the National Environmental Policy Act (NEPA) for the USPS actions needed to allow the sale of the Farley Complex to ESDC. The FRA and FHWA, as Federal agencies involved in funding the train station component of the Project, are participating in the NEPA process as a cooperating agency and as a consulting agency, respectively.

- Enter into a series of real estate transactions that would involve, among other things, the creation of a condominium regime for the Farley Complex and the leasing and subleasing of portions of the premises.

- Approval, as required, of up to 1.1 million zoning square feet of additional development.

C. Project Background and History

The Farley Building was constructed between 1910 and 1913 for the U.S. General Post Office, and it was expanded in 1934 to create the Western Annex. The Farley Complex is listed on the State and National Registers of Historic Places and is a designated New York City Landmark. The Farley Building, which fronts on Eighth Avenue and covers the eastern half of the block, sits above an extensive track and platform system, which currently serves Penn Station and previously served a former mail train operation associated with the General Post Office. The building connects to the platforms of Penn Station below. Besides space originally built for mail sorting and distribution uses, the Farley Building contains public lobbies, retail windows, administration spaces, and the office of the New York City Postmaster.

Constructed to relieve space inadequacies in the Farley Building, the Western Annex expanded the postal facility over the rail yard to Ninth Avenue. The Annex is a fully integrated addition to the original structure. Much of the interior space has been used for truck loading and unloading, as well as for administration, carrier operations, and mail sorting. Truck entrances to this space are located on the Ninth Avenue end of the building off a service driveway with exits located on West 33rd Street. Back-in loading docks are located along the West 31st Street frontage near Ninth Avenue.

Although the annex provided a vital upgrade to Postal Service operations at the time it was built, periodic system and facility upgrades have been necessary in the intervening years. USPS eventually expanded and modernized its operations off-site at the Morgan General Mail Facility and Annex (the Morgan Facility), which is located at West 28th to West 30th Streets and Ninth to Tenth Avenues. USPS has increasingly dedicated considerable resources to creating a modern and efficient operation by consolidating its mail processing, sorting, and distribution operations into the Morgan Facility and vacating considerable space in the Farley Complex.

D. Project Purpose and Need

The Penn Station complex is America's busiest passenger transportation facility, handling over 550,000 people daily. The present facility, which is a three-level, largely subterranean complex constructed after the demolition of the original station in 1963, is inadequate to meet the needs of today's passengers. Already operating at capacity, Penn

Station is expected to experience significant operational stress in coming years because of increasing demand for service and a rapidly growing passenger load.

The proposed MSDC Project is a comprehensive initiative conceived to create a major transportation hub that improves circulation and capacity for the entire Penn Station complex; to create a financially viable and dynamic mixed-use development opportunity; and to restore and preserve an important historic resource.

The goals, with associated objectives, for the proposed MSDC Project are as follows:

GOAL 1: Create a major transportation hub that improves circulation and relieves capacity constraints in the entire Penn Station complex.

- Create a new rail facility in the Farley Building connected to and coordinated with passenger operations throughout the Penn Station complex.
- Ease congestion of rail traffic.
- Redirect pedestrian flow in and around Penn Station to reduce crowding and conflicting movements among intercity and commuter rail users within the passenger terminal and connecting passages.
- Improve access to the platforms used by NJT, the Long Island Rail Road (LIRR), and Amtrak.
- Provide additional passenger amenities (e.g., commuter concourse, ticketing hall, taxi-drop-offs, shops, and restaurants).
- Provide state-of-the-art security and emergency response and egress measures.

GOAL 2: Create a dynamic mixed-use development opportunity in the Hudson Yards area and support city and state planning and development policy for the far West Side of Midtown Manhattan.

- Permit reuse of available space in the Farley Complex with a mix of uses that are compatible with the transportation center and land use patterns and policies in the surrounding neighborhood of Hudson Yards, Hell's Kitchen, and West Midtown.
- Permit development above the Western Annex or on an adjacent site with a mix of uses that are compatible with Moynihan Station and land use patterns and policies in the surrounding neighborhood.
- Support economic development through the creation of jobs and taxes.

GOAL 3: Restore and preserve an important historic resource.

- Restore and preserve the exterior of the Farley Building, particularly the Eighth Avenue entrance and monumental stairs. Limit other exterior changes to those that would not irretrievably alter the original design concept of the Farley Complex.

- Retain the historic use of the USPS retail lobby and other key interior spaces.

- Create a new intermodal transit hall filled with light and activity reminiscent of the original Pennsylvania Station.

- Ensure that the adaptive reuse of the Farley Complex references the original Pennsylvania Station/Farley Building role as a transportation resource, civic gateway, and mail facility.

- Shift development of unused Farley Complex development rights off site or locate any potential overbuild on the Western Annex (and not on the Farley Building), and ensure that its orientation and design will be appropriate to the historic resource.

GOAL 4: Provide private as well as public funding to advance the project goals.

III. SEQRA AND PROCEDURAL HISTORY

Planning for a new intermodal transportation facility at the Farley Complex began in 1991, when Amtrak initiated efforts to improve its New York City passenger facilities. In 1992 Amtrak proposed to convert portions of the Farley Building into an Amtrak passenger terminal with retail space and non-public uses. The FRA, as the lead federal agency at the time of that proposal, initiated environmental and historic preservation reviews as mandated by NEPA, Section 106 of the National Historic Preservation Act of 1966 (NHPA), and related laws and regulations. In 1995, FRA issued for public comment a Draft Environmental Assessment analyzing the environmental impacts of the project, which was known at the time as the Pennsylvania Station Redevelopment Project.

Further refinement of the project scope and more detailed cost estimates revealed that the project could only succeed through a funding partnership among the federal, state, and city governments and the integration of a private development component. To lead and coordinate that relationship, the Pennsylvania Station Redevelopment Corporation (PSRC), a subsidiary of ESDC, was formed in 1995. PSRC and Amtrak agreed to work together to improve the Penn Station complex, and PSRC assumed lead responsibility for redeveloping the Farley Building as an intermodal transportation facility and commercial center and for securing the necessary funding to complete the project. In 1999, PSRC proposed to enter into a lease agreement with USPS for a portion of the Farley Building and to develop a new Penn Station intermodal transportation

facility. As a result of that proposal, USPS agreed to consolidate its mail handling operations in the Western Annex. An Environmental Assessment (EA) was prepared in 1999 by the Federal Railroad Administration (FRA) with ESDC participating as an involved agency under NEPA. As lead agency under SEQRA, ESDC issued a Negative Declaration under SEQRA, while the FRA issued a Finding of No Significant Impact (FONSI) under NEPA. Subsequent to issuance of the Negative Declaration and FONSI, funding for construction of the new station was secured.

In 2002, MSDC entered into a Memorandum of Understanding with USPS for the sale of the Farley Complex for the purpose of redeveloping the facility into a new Penn Station (renamed the Daniel Patrick Moynihan Station, or "Moynihan Station") and commercial center. The main differences between the 1999 project and the 2002 modified project were: (i) ESDC would own the Farley Complex; (ii) USPS would consolidate most of its existing Farley Complex operations at the Morgan Facility; (iii) USPS would upgrade systems and make some changes at the Morgan Facility to accommodate this consolidation; and (iv) the additional space in the Farley Complex made available by USPS would be redeveloped with office and retail space.

In 2003, USPS and ESDC prepared a Draft Supplemental EA (SEA) for the modified project to identify and analyze the anticipated effects of the new project components. However, as plans for the project progressed to include the potential use of air rights for private development, ESDC and MSDC determined that a comprehensive environmental review was required. Accordingly, a Final SEA was not issued. Instead, the process for preparing a full environmental impact statement (EIS) was initiated in accordance with the SEQRA regulations.

ESDC undertook a coordinated review under the SEQRA regulations and issued a Notice of Intent to serve as lead agency on January 31, 2005. Thereafter, in its role as lead agency, ESDC issued a Positive Declaration on January 31, 2005, determining that the Project might result in significant adverse impacts and stating its intention to require the preparation of an EIS. ESDC issued a draft scoping document on January 31, 2005. The public review period for interested and involved agencies and the public to review and comment on the Draft Scoping Document was held open through February 28, 2005. On February 16, 2005, a public scoping meeting was held at the Farley Post Office, Western Annex, Room 4500. A Final Scoping Document was issued on January 9, 2006.

A Draft EIS (DEIS) was then prepared in accordance with the Final Scoping Document. ESDC issued a Notice of Completion on April 27, 2006 and circulated the DEIS for public review. The DEIS, along with the Notice of Completion, was circulated among involved and interested public agencies and the general public. In accordance with SEQRA requirements, the DEIS was also posted on ESDC's website. A public hearing on the DEIS was held on May 31, 2006 at the Farley Post Office, Western Annex, Room 4500. Oral and written comments were accepted at the hearing and throughout the public comment period, which remained open until June 30, 2006.

Numerous comments were received and reviewed. Preparation of the FEIS commenced thereafter. The FEIS includes a summary of and responses to all substantive

comments on the DEIS received during the public review process. It also includes revisions to the FEIS that were made subsequent to the issuance of the DEIS. The changes more clearly identify the mitigation and commitments to consult with other agencies as the design review process advances. ESDC has reviewed the FEIS and determined that it is a complete and adequate document. The FEIS was certified as complete by ESDC's Directors on August 2, 2006 and immediately thereafter the FEIS and a Notice of Completion were published and circulated.

IV. FRAMEWORK FOR ENVIRONMENTAL IMPACT ANALYSIS

A. Methodology

The FEIS methodology follows the guidelines set forth in the *City Environmental Quality Review Technical Manual*, where applicable. This methodology is generally considered to provide the most appropriate technical analysis for the environmental impact assessment of projects in New York City and is consistent with SEQRA.

B. Framing of the Proposed Action for FEIS Analysis

As part of a preferred developer designation process, ESDC/MSDC received development proposals from three qualified development teams (referred to as Developers "A," "B," and "C"). In July 2005, ESDC conditionally designated Developer C—the Related Companies/Vornado Realty Trust developer team—as the preferred developer for the project, subject to completion of the ESDC/MSDC Designated Developer Selection Process. The final designation of a developer will not occur until after the SEQRA review is complete and the relevant agreements with the selected developer are executed.

The analytical framework for the FEIS is structured to ensure that the various aspects of Developer C's proposal are fully examined. However, to preserve the conservative assessment of a range of potentially significant adverse environmental impacts that could result from the MSDC Project, the FEIS utilizes "reasonable worst-case development scenarios" that reflect the range of development programs presented by the three initial development proposals. This methodology also serves to maintain flexibility to work with the other developers should any change occur in the conditional designation of the preferred developer.

C. Reasonable Worst-Case Development Scenario

The FEIS analyzes the potential impacts of the MSDC Project based upon "Reasonable Worst Case Development Scenarios" (RSCDSs) developed for two development phases: (i) "Phase I", during which the existing Farley Complex would be redeveloped with a train station along with USPS and commercial space; and (ii) "Phase II", which assumes the construction of up to 1.1 million zoning square feet of

development using a portion of the Farley Complex's unused development rights, either as a new commercial overbuild above the Western Annex or as a freestanding building constructed on the Development Transfer Site. Phase I, to be completed by 2010, would include the new Moynihan Station with related retail space, space for continued USPS operations, and privately sponsored commercial development within the Farley Complex (Developers A, B and C offered similar proposals for Phase I). Phase II is examined under two scenarios in the FEIS. The first scenario (Scenario 1) assumes that the new building would be constructed over the Western Annex and would be completed by 2015 (this scenario was proposed by Developers A and B). The second scenario (Scenario 2) assumes the construction of a new building on the Development Transfer Site, that such building would be constructed simultaneously with the Phase I development, and that it would be completed by 2010 (this scenario is Developer C's proposal).

Other options for Phase II, including the transfer of additional air rights and construction of a potential arena built within the Western Annex, are analyzed as project alternatives in the FEIS.

The MSDC Project as defined by the GPP falls wholly within the RWCDS examined in the FEIS for Phase I and Scenario 2 of Phase II. Accordingly, the facts and conclusions derived from the FEIS apply fully to the Proposed Project described in the GPP. The potential impacts and mitigation measures associated with a commercial overbuild scenario as contemplated in the RWCDS for Scenario 1 of Phase II are not applicable to the project as currently proposed.

(1) Phase I Details

The specific program components for Phase I, as proposed by Developers A, B, and C, and as assumed for purposes of the RWCDSs examined in the FEIS, are set forth in Table SOF-1. As indicated in that table, the developer proposals for Phase I are similar in that they include the train station, some USPS space, and commercial development. The three developer proposals contain no office space in Phase I, distinguishing them from the earlier 2003 proposal. Since office space has a lower trip rate than destination retail, which is the predominant use proposed for the Western Annex in all three proposals, commercial office space is not included in the RWCDS for Phase I. Two of the proposals offer a hotel in the Farley Building, and so this use is included in the RWCDS. Banquet use, which can be a high vehicular trip generator is also included, but other uses, such as entertainment retail and a merchandise mart, which have lower trip rates than big-box retail, are not considered to be "reasonable worst cases" compared with commercial retail use. Although a merchandise mart proposed by Developer C could attract high daily attendances during trade shows, the peak hour trip generation rates would be equal to or less than rates for commercial office and still lower than that for destination retail and is therefore within the analysis framework of the FEIS if ultimately implemented by the developer. The RWCDS adds up to 1,408,350 square feet, which is comparable to the 2003 Draft SEA and No Action program for the building.

Land Use Component	Developer Proposals			RWCDS
	A	B	C	
Train station	174,748	219,486	231,194	300,000
Transit retail	100,499	92,289	72,016	86,000
USPS	253,084	254,644	263,279	265,000
Commercial office	0	0	0	0
Hotel*	0	124,431	121,099	125,000
Commercial retail	538,296	302,470	478,020	518,100
Entertainment retail	120,121	75,223	0	0
Merchandise mart	0	0	86,025	0
Banquet facilities	0	33,412	0	35,000
Common areas	142,024	57,062	67,890	50,250
Docks/service	**	46,165	**	24,000
Office core/lobby	5,369	28,199	0	5,000
Total	1,334,141	1,233,381	1,319,523	1,408,350

(2) Phase II Details

The two RWCDSs for Phase II are described in more detail below.

(a) Office Building Overbuild

The Developer A and Developer B proposals would result in the development of an office building of approximately 1 million square feet on the north side of the Western Annex. The commercial overbuild is assumed to be completed by 2015.

(b) Off-Site Premises/Development Transfer Site Building

Under the RWCDS for Scenario 2 of Phase II, Developer C would construct, concurrently with the Phase I development, either a primarily residential building or a mixed-use building of up to 1.1 million square feet at the Development Transfer Site. Development of this site is assumed to be completed by 2010, and if the Development Transfer Site building is constructed, there would be no commercial overbuild on the Farley Complex. A primarily residential building would have approximately 940 units (940,000 square feet) and 120,000 square feet of retail space, whereas a mixed-use building would contain a 310,000 square foot hotel, 630 residential units (630,000 square feet), and 120,000 square feet of retail space. It is assumed that either building would

contain twenty percent of the residential rental units developed with low-income rental units provided under the 80/20 affordable housing program.

D. Analysis Years

The FEIS provides a description of existing conditions (Year 2005), as well as an assessment of conditions in the Future Without the Proposed Action and the Future With the Proposed Action. Much of the baseline analysis of existing conditions reflects the original data gathering and surveys conducted for the Hudson Yards Final Generic Environmental Impact Statement (Hudson Yards FGEIS), and which were updated to reflect current conditions as appropriate.

As indicated above, the technical chapters of the FEIS assess potential environmental impacts for Scenario 1 (with Phase I completed in 2010 and Phase II completed in 2015) and Scenario 2 (with Phases I and II both completed by 2010). Since Scenario 2 represents the proposed MSDC Project as described above and in the GPP, only the impacts associated with Scenario 2 (i.e., 2010 impacts) are relevant to the findings herein.

E. MSDC Project Alternatives

The alternatives analyzed in the FEIS were derived from options suggested during the public scoping process and identified through internal planning studies and initial feedback from potential site developers. The analysis of alternatives includes the No Action alternative and variations of the potential Phase II development. A station-only alternative was not considered in the FEIS, because construction of the Moynihan Station without private investment is not currently a financially viable option. However, the 1999 EA describes the impacts that could occur if only a station were to be constructed within the Farley Building.

(1) No Action Alternative

The No Action alternative was developed in coordination with USPS, which would remain as current and future owner in the event the Proposed Action were not to go forward. If the proposed MSDC Project does not proceed, USPS would not be expected to leave the Farley Complex in its current reduced state of occupancy and utilization. USPS would continue to operate the main post office retail facility and would occupy the space anticipated for the Moynihan Station with administrative and mail sorting functions, and most of the Western Annex would be used for mixed-use commercial development. As noted elsewhere, USPS has initiated the consolidation of mail processing to the Morgan Annex, and USPS would seek to maximize the value and utility of the Farley Complex.

Based on the activities considered in the 2003 Draft SEA and with precedent set by other redevelopment opportunities realized on USPS property, it is anticipated that USPS would seek to increase both postal operations and commercial redevelopment opportunities in the Future Without the Proposed Action. Accordingly, the FEIS assumed that USPS would continue to occupy about 650,100 square feet, or just under half the space in the Farley Complex. The potential commercial component has been assumed to be the same as analyzed in the 2003 Draft SEA, namely, 436,000 square feet of office space and 248,000 square feet of retail space.

(2) The Arena Alternative

Under the first alternative examined in the FEIS, which was initially proposed by Developer C, Madison Square Garden (MSG) would be relocated into the Farley Complex in place of most of the commercial space in the Western Annex. Like the MSDC Project, this alternative (referred to as the Arena Alternative) would include a building of up to 1.1 million square-feet on the Development Transfer Site, to be completed in Phase I (2010). Since its initial proposal, Developer C has refined the Arena Alternative to include not only the relocation of Madison Square Garden to the Farley Complex, but also the redevelopment of the MSG site with a large mixed-use project and an improved and redesigned Penn Station. Under this proposal, the overall improved Penn Station complex would include two components: a new train hall and an intermodal hall on the current MSG site, and a rail terminal within a portion of the Farley Complex.

As examined in the FEIS, and based on the redevelopment of the MSG site as examined in the Hudson Yards FGEIS, the Arena Alternative could result in an additional 5.8 million square feet of mixed-use development on the existing MSG/Penn Station site. The MSG site was assumed under the Hudson Yards scenario to be redeveloped with a total of approximately 5.8 million square feet comprising 4.7 million square feet of office use, a 1 million-square-foot hotel, and 133,000 square feet of retail space. Redevelopment of the MSG site would include substantial improvements to the existing Penn Station. Developer C has also indicated that up to three acres of public spaces, open to the sky and covered by large glass roofs, would be created and would provide for a visual connection to the Farley Building across Eighth Avenue. These spaces would include the new train hall and intermodal hall noted above. New and improved vertical circulation would lead from the intermodal hall in Penn Station to the concourse and platform levels with connection to existing subway lines. A new concourse would connect across the block, along the axis of 32nd street from Seventh to Eighth Avenues. Finally, although such use would require a zoning use change and possibly other land use actions by the City, Developer C also indicates that a large portion of the redevelopment could be residential with up to 4,500 new residential units.

Since the status of and plans for relocating MSG to the Farley Complex are unresolved, the FEIS examines this possibility as an alternative rather than a development option for the proposed project. Should ESDC/MSDC decide to pursue the Arena Alternative in the future, additional detailed studies would be prepared and presented in a Supplemental EIS (SEIS). Such a "segmented" review is warranted under the circumstances for several reasons.

First, although Developer C has requested that ESDC consider the Arena Alternative, it has not submitted a sufficiently detailed proposal with respect to either the design or the business arrangement for such an alternative. Second, it would not be in the public interest to delay the environmental review of the Proposed Action pending the further development of the Arena Alternative. In addition, Developer C's commitment to construct Moynihan Station is in no way dependent on the approval of the Arena Alternative, and the objectives for the Proposed Action would be achieved whether or not MSG is moved to the Farley Complex. The final design and construction for the Moynihan Station would not be deferred while an Arena Alternative is being considered.

Moreover, a segmented review is no less environmentally protective in this case, because the cumulative impacts of Moynihan Station and the MSG relocation are addressed as appropriate in the FEIS, on a generic and qualitative level, and would be specifically and thoroughly addressed in an SEIS, should the Arena Alternative be pursued. The SEIS would analyze the environmental impacts of all facets of the alternative proposal, including the relocation of MSG, any resulting modification to the Farley Complex, the new Penn Station, and other redevelopment of the MSG site.

(3) Additional Development Transfer

A full development alternative considers utilizing all of the unused development rights from the Farley Complex, which would add approximately one million square feet of additional development potential at an undetermined location. There are no specific plans nor anticipated actions currently contemplated for the full development alternative. Substantially more planning, design, and environmental impact assessment would be required if this alternative were to move forward. Such a change would likely require the preparation of an SEIS.

F. Relationship with Other Project Area Actions

(1) No. 7 Subway Extension–Hudson Yards Rezoning and Redevelopment Plan

The Farley Complex is located within the Special Hudson Yards District and the proposed project uses—continued USPS presence, new Moynihan Station, and mixed-use development—are consistent with the new zoning in place for Hudson Yards. In addition, the new mixed-use development is considered to be within the overall development envelope estimated by New York City for the Special Hudson Yards District and analyzed in the Final Generic EIS (FGEIS) for the Hudson Yards rezoning. As a result, the FEIS examines site-specific potential environmental impacts by carefully integrating the comprehensive area-wide environmental studies that have been recently completed as part of the Hudson Yards project. Completed in November 2004, the Hudson Yards FGEIS incorporates several years of data gathering and environmental analyses and represents the most current assemblage of approved CEQR baseline descriptions of existing conditions and directly applicable impact assessment of future conditions. In

addition, the Hudson Yards project established mitigation commitments that are incorporated into the Moynihan Station analyses. For these reasons, the specific study areas established for the MSDC Project FEIS utilize the relevant information from the Hudson Yards FGEIS, with updated information as appropriate.

(2) Access to the Region's Core (ARC)

Plans for greatly improving trans-Hudson rail service, currently being examined by NJT and PANYNJ, include a focus on the area immediately around Penn Station and the Farley Complex. A variety of options are being considered as part of the planning process. The most relevant option to the proposed MSDC Project includes improved platform access to certain tracks used by NJT. The proposed improvements would enable full utilization by riders using the new Moynihan Station and are the same as were examined in the 2003 Draft SEA prepared for the earlier version of the proposed project. As such, they are assumed to be fully in place by the 2010 analysis year of this EIS when Moynihan Station is expected to be complete.

V. CONSIDERATION OF RELEVANT ENVIRONMENTAL IMPACTS, FACTS AND CONCLUSIONS DISCLOSED IN THE FEIS

Having reviewed the DEIS, FEIS, and supporting and related documents, the directors of UDC, d/b/a ESDC, make the following findings and conclusions based on those documents and the administrative record:

The MSDC Project described in the GPP reflects the RWCDS examined in the FEIS for Phase I (i.e., the redevelopment of the Farley Complex by 2010), and Scenario 2 of the RWCD examined in the FEIS for Phase II (i.e., the concurrent development of up to 1.1 million square feet of development at the Development Transfer Site). Although the FEIS also analyzes a potential RWCDS involving a commercial overbuild on the Western Annex of the Farley Complex (i.e., Phase II, Scenario 1), the impacts and mitigation measures identified in connection with this scenario are not applicable to the MSDC Project as currently proposed in the GPP, and are not relevant to the findings herein. Accordingly, the analyses presented in the FEIS for Phase I and Scenario 2 of Phase II (referred to hereafter as "Phase II, Scenario 2") provide the primary basis for this Statement of Findings. A summary of these analyses is provided below.

A. Land Use, Zoning, and Public Policy

The proposed MSDC Project would not adversely affect the land use character of the project site or the study area in general and would not result in significant adverse land use impacts. The proposed changes to the use, size, and scale of the Farley Complex under Phase I would be consistent with land use under existing conditions and in the Future Without the Proposed Action. The proposed MSDC Project would support the transformation of the area around the Farley Complex into a highly developed mixed use district with office, residential, and hotel uses. The primarily residential or mixed-use building that could be constructed on the Development Transfer Site would be consistent

with the strong residential and mixed-use presence to the west of the Development Transfer Site in the 34th Street corridor, Hell's Kitchen neighborhood, and Garment Center.

The proposed MSDC Project would also not have a significant adverse impact on zoning. To facilitate the use of the Farley Building for rail service, it is anticipated that ESDC would exercise its override power with respect to New York City zoning regulations. Although rail passenger stations are not as-of-right under the New York City Zoning Resolution, the proposed MSDC Project would not conflict with overall zoning policy for the Farley Complex site. The proposed changes to the Farley Complex would simply extend an existing rail passenger station one block westward. The MSDC Project would be consistent with the substantive requirements established by the New York City Zoning Resolution for the construction of railroad passenger stations. Phase I of the Project would be consistent with the goal of the Special Hudson Yards District to promote a high-density, predominantly commercial or mixed-use area link, and would therefore be consistent with the City's public policy.

With the Phase II, Scenario 2 development of a primarily residential or mixed-use building on the Development Transfer Site, it is anticipated that ESDC would exercise its override power on portions of the New York City Zoning Resolution for waivers of bulk regulations. This would not change local zoning laws or conflict with the overall zoning policy for the site or area. The proposed development would be consistent with the goals of the Special Midtown District to promote high-density development.

In addition, development of Phase II under Scenario 2 would eliminate a portion of the public plaza area that was originally utilized as a zoning bonus in establishing the overall allowable floor area for One Penn Plaza. In coordination with the City, the property owner will be required to pursue opportunities to integrate new public spaces and amenities to compensate for the loss of the plaza area. There are no significant adverse impacts associated with the loss of the public plaza area.

The proposed MSDC Project would also be consistent with the public policies that apply to the site. The proposed MSDC Project would bring new activity to the Farley Complex block associated with the new Moynihan Station rail facility and commercial uses. Therefore it would be compatible with the goals of the 34th Street Partnership Business Improvement District (BID). Moreover, the project would have no influence on the recommendations or development in the Fashion Center BID or the Chelsea 197-a plan. Therefore, the proposed MSDC Project would not be incompatible with these policies.

Phase I of the proposed project would be consistent with the public policy goal of federal, state, and city agencies to redevelop the Farley Complex as a safe, efficient, and contemporary intermodal transportation facility and commercial center to meet New York's future transportation needs. Phase II, Scenario 2 is anticipated to be financed, in part, through the New York State Housing Finance Agency's 80/20 Taxable Bond Financing Program and would be consistent with public policy and that agency's goal of

"improving the lives of New Yorkers by providing low cost, flexible financing for the creation and preservation of high-quality, affordable multifamily housing."

B. Socioeconomic Conditions

The proposed project would not directly displace any residents, businesses, institutions, or employment at the Farley Complex. Although the Scenario 2 development would displace three businesses on the Development Transfer Site, there would be no anticipated socioeconomic impact as these businesses are typical of a midtown location.

The MSDC Project would not result in significant adverse socioeconomic impacts due to indirect residential displacement. The 940 apartments that could be introduced by the proposed project with the Scenario 2 development on the Development Transfer Site would be offered at rents comparable to residential rents for other modern, newly constructed market-rate apartments in the surrounding area and housing that is expected to be built in the study area. The market-rate rents that are expected would reflect, rather than alter, existing conditions and trends within the surrounding neighborhoods. In addition, the project's use of the 80/20 housing program can be expected to generate up to 188 affordable units (assuming all units to be rental units). Since there is no direct loss of existing residential units as a result of the MSDC Project, these would represent new affordable units in the study area.

The population potentially vulnerable to indirect residential displacement within the study area is limited, and consists primarily of residents of non-rent-regulated apartments and residents of Single Room Occupancy (SRO) dwellings. It is reasonable to assume that with effective enforcement of the laws regulating tenancy of SRO dwellings and against illegal actions on the part of landlords, effective protection against displacement would be afforded to these residents even with the elevated market pressures that already exist in the study area.

The incremental pedestrian flow from the proposed project would not have any effect on commercial property values within the study area east of the Farley Complex, where there are already heavy volumes of pedestrian traffic created by a multitude of uses. Commercial establishments within thoroughfares west of the Farley Complex, as well as immediately north along West 33rd Street and south along West 31st Street, could experience rent increases, as their property values could rise due to the increased pedestrian traffic. The commercial establishments that would be most vulnerable to indirect displacement would be those that may not be able to capitalize effectively from the increased pedestrian flow. However, due to increased development as a result of the Hudson Yards rezoning, these thoroughfares will experience upward rent pressures in the Future with or Without the Proposed Action. Therefore, the incremental pedestrian traffic generated by the unique elements of the proposed MSDC Project would not significantly affect property values in the study area.

The proposed MSDC Project would not significantly affect business conditions in any industry or any category of business within or outside the study area, nor would it indirectly reduce employment or adversely affect the viability of any industry or category of business. Overall, the MSDC Project would reinforce existing business sectors, and provide new office space to retain and attract businesses.

C. Community Facilities

In the Future With the Proposed Action, it is anticipated that there would be no significant adverse impacts on the New York City Police Department's operations. The MSDC project is not expected to displace existing fire station houses or related emergency medical service (EMS) facilities and, on its own, would be unlikely to result in impacts to these facilities at current service levels. In the context of the larger Hudson Yards rezoning, it is noted that the New York City Fire Department believes it would need additional resources, including a new firehouse, to continue to provide adequate fire protection throughout the Special Hudson Yards District, which includes the Farley Complex. Therefore, with the mitigation required for the Hudson Yards rezoning, no additional mitigation measures would be required to address the increased fire service demand resulting from the project.

In Phase I of the project, no new residential population would be introduced to the study area and there would be no new student population or impacts to area schools. In 2010 with Scenario 2, it is estimated that about 102 elementary school students, along with 20 intermediate school students, and 32 high school students would be generated. This new demand of 154 students would be a modest contribution to the more than 3,700 new students anticipated between 2010 and 2025 with the introduction of residential development generated by the Hudson Yards and West Chelsea rezonings and other known projects in the study area. Overall, as disclosed in the Hudson Yards FGEIS, this new enrollment would create a significant shortage of seats. Mitigation identified in the Hudson Yards FGEIS includes remedies to increase capacity through administrative actions, expansion, or new construction. No impacts or additional mitigation measures beyond those resulting from, or provided by, the Hudson Yards rezoning would occur with, or be required by, the MSDC Project.

D. Open Space

The new residents and workers that could be introduced to the study area as a result of the MSDC Project would not have a significant adverse impact on the adequacy of open space resources within the study area. By 2010, the open space ratios with the proposed MSDC Project would decrease by less than 5 percent in the ½-mile study area for Scenario 2. In addition, development of the Development Transfer Site by 2010 under Scenario 2 would result in the loss of approximately 0.40 acres of private publicly accessible open space. Such changes are below the CEQR threshold (i.e., a decrease of 5

percent or more) that would warrant further analysis beyond the preliminary screening. It is noted that the proposed project itself helps to alleviate the deficiency by providing substantial and high-quality areas of indoor public space. These interior public spaces are the light-filled train and intermodal halls and the 32nd Street pedestrian corridor between the intermodal hall and Ninth Avenue.

E. Shadows

The shadows cast by the Development Transfer Site building are not expected to have significant adverse impacts on any of the open spaces or historic resources with sunlight-dependent features in the surrounding area. The 720-foot-tall building would cast incremental shadows on the Farley Complex train concourse and intermodal hall skylights, and the open space at One Penn Plaza; however these shadows would not be considered significant due to their short duration and limited coverage. The largest incremental shadows cast by the Development Transfer Site building would be on the proposed intermodal hall skylight. Since the skylight would not exist without the project, the shadows on this resource are not considered a significant adverse impact, in accordance with CEQR methodology.

F. Historic Resources

The adaptive reuse of the Farley Complex and the restoration program would have overall beneficial effects on the structure, which would become a vibrant mixed-use facility with a new train station reminiscent of the original Pennsylvania Station. Although the architectural design of the new station spaces, commercial facilities, and the pedestrian corridor would be modern, the final design of Phase I would be developed in consultation among the preferred developer, ESDC/MSDC, and the New York State Office of Parks Recreation and Historic Preservation (OPRHP) to ensure that such design is compatible with the historic character of the Farley Complex. The framework for this ongoing consultation will be set forth in a Programmatic Agreement among FRA, ESDC, MSDC, OPRHP acting in its capacity as the New York State Historic Preservation Office (SHPO), Developer C (contingent upon its final designation as the preferred developer), and perhaps the Advisory Council on Historic Preservation (the Council). ESDC has provided OPRHP with the conceptual design for the MSDC Project as proposed by Developer C, and has consulted with that office with respect to such design. In addition, ESDC has presented the conceptual design for the Developer C proposal to the New York City Landmarks Preservation Commission. Based upon information received as a result of such consultation and discussions, ESDC and MSDC do not expect that any significant impacts would be caused to historic resources as a result of the MSDC Project. In the event that potential adverse impacts on historic resources are identified pursuant to the process to be established in the Programmatic Agreement, mitigation will be developed by or under the direction of ESDC/MSDC, in consultation with OPRHP. In addition, construction protection measures will be developed and implemented in consultation with

OPRHP to avoid adverse effects on the Farley Complex exterior and interior spaces to be preserved as part of the project.

No adverse visual or contextual effects on surrounding architectural resources are expected from Phase I of the proposed project. To avoid adverse construction effects on three resources across West 33rd Street from the project site, a construction protection plan would be developed.

Under Phase II, Scenario 2, it is not expected that a new building on the Development Transfer Site would have adverse physical effects on architectural resources. That building is also not expected to have adverse visual or contextual effects on architectural resources. It would be in keeping with the mixed-use character of the study area and would be similar in height, massing, and design to One Penn Plaza and the development projected for construction on Ninth Avenue on the Hudson Yards Projected Development Site 33. The proposed building would not eliminate or screen significant publicly accessible views of a resource, isolate an architectural resource from or alter its visual relationship with the streetscape, or introduce an incompatible visual element to a resource's setting. Further, construction of a building on the Development Transfer Site rather than an overbuild at the Farley Complex has been proposed to preserve the architectural integrity of that architectural resource. Although the new building would eliminate some existing views of the Farley Complex from the public plaza on the Development Transfer Site, the Farley Complex would continue to be prominent in views from Eighth Avenue.

G. Urban Design and Visual Resources

The form of the Farley Complex would be altered in the Future With the Proposed Action by 2010. Under the Developer A and B proposals, the new intermodal hall would separate the two integrated buildings on the block with a new, modern interlayer. The glass and metal skylight above the intermodal hall would become a notable element of the building, making the building more visible and interesting at night, when it would be illuminated. The glass and metal skylight of the new intermodal hall would not be visible from the majority of the study area. However, some views of the Farley Complex would change with the addition of the skylight, because it would be visible from certain perspectives. This change would not constitute a significant adverse impact.

The restoration of the Farley Complex would be expected to enhance the appearance of the building. The creation of the intermodal hall and the midblock entrances to the Farley Complex at West 31st and 33rd Streets would alter the Complex's relationship to these streets. However, the midblock sections of the Farley Complex would be retained and restored at the new entrances under the Proposed Action. The streetscapes of Ninth and Eighth Avenues and West 31st and 33rd Streets surrounding the Farley Complex would also be expected to change considerably with the proposed MSDC Project. Phase I would not involve any changes to block form; street pattern or

hierarchy; building arrangement; bulk, use, or type; topography; or natural features within the area surrounding the Farley Complex.

Under Phase II, Scenario 2, the proposed residential or mixed-use building on the Development Transfer Site would be considerably taller and bulkier than the existing one-story commercial buildings that are currently located on the site. The building would be taller than any other building in the surrounding area, with the exception of One Penn Plaza and the new development on Hudson Yards Projected Development Site 33. The uses proposed for the Development Transfer Site would be consistent with existing uses in the area. The streetscapes surrounding the Development Transfer Site would also be expected to change, as the development would eliminate the elevated pedestrian circulation space that currently exists on the Development Transfer Site, would form stronger streetwalls at this location, and would bring greater pedestrian and vehicular activity to the area. In addition, the view corridor of Eighth Avenue would change dramatically with the development at the Development Transfer Site. These changes, while significant, would not be adverse.

H. Neighborhood Character

Under Phase I of the proposed MSDC Project, the proposed changes to the use, size, and scale of the Farley Complex would be consistent with land use under existing conditions and in the Future Without the Proposed Action. The MSDC Project would improve the appearance and activity level of the Eighth and Ninth Avenue streetscapes. It would also be expected to attract new office workers, residents, and visitors to the project site and surrounding area who would utilize the neighborhood streets. These changes are anticipated to improve the neighborhood character of the area immediately surrounding the Farley Complex between West 31st and West 34th Streets and Eighth and Ninth Avenues. The proposed MSDC Project provides for the beneficial reuse of the historic Farley Complex. Although the rehabilitation would result in certain modifications to the structure, the building exterior would be restored and the final design would be developed in consultation with OPRHP. Other analyses in the FEIS indicate that while Phase I would bring physical changes to the existing building and new uses to the site, and would generate increased activity at and around the site (i.e., additional traffic and pedestrian movements), these changes would not adversely affect neighborhood character. Although the proposed MSDC Project would result in significant adverse traffic and pedestrian impacts, all of those impacts would be mitigated, and, therefore, there would be no significant adverse impacts on neighborhood character.

I. Hazardous Materials

With the implementation of appropriate measures, including pre-construction surveys and Health and Safety Plans during demolition and construction, no significant adverse impacts related to hazardous materials would be expected to occur as a result of

the proposed MSDC Project. Following construction, although hazardous materials would likely still remain in both the Farley Complex and the subsurface, with the continued implementation of appropriate procedures (to properly manage asbestos, lead paint, etc.), there would be no further potential for adverse impacts.

Although a garage with fuel tanks previously existed at and immediately east of the Development Transfer Site, any residual soil contamination from that or other previous uses would have been removed during the construction of the eight below-grade levels of parking at the site, which extend well into bedrock. As such, even if new construction were to require additional excavation, there is a very low potential for encountering subsurface hazardous materials.

J. Infrastructure

The MSDC Project's generated demand for water is not expected to significantly affect the local water pressures, and would represent an insignificant increase in the average amount of water consumed in Manhattan. As a result, this added demand is not expected to overburden the City's water supply or the local conveyance system. The proposed MSDC Project would also comply with the City's water conservation measures as mandated by Local Law 19.

The study area would continue to be served by the North River Water Pollution Control Plant (WPCP) in 2010. Under peak conditions, the combined sewage generated by MSDC Project would represent a relatively small increase in demand compared with the overall flow to the North River WPCP and there is no identified significant adverse impact on sewer infrastructure. Similarly, the proposed MSDC Project is not expected to overburden the local conveyance system, particularly with the anticipated improvements in sewer mains associated with the larger Hudson Yards project.

It is estimated that the proposed MSDC Project would generate an estimated peak demand of 19 and 92 tons per week (tpw) of municipal and commercial solid waste, respectively. These volumes would represent a small and not significant increase over the City's daily solid waste generation of 12,000 tons per day of municipal waste collected by the New York City Department of Sanitation (DSNY) and 10,000 tons per day of commercial waste collected by private carters. This estimated increase would require five DSNY truck trips per week and three truck trips per week by private carters.

The proposed MSDC Project would not result in significant adverse impacts related to energy. Coordination with Con Edison would ensure that adequate electrical, gas, and potentially steam services would be in place to serve the project site. In compliance with the New York State Energy Conservation Code, the basic designs would incorporate all required energy conservation measures, including meeting requirements relating to energy efficiency and combined thermal transmittance. The proposed MSDC Project would be substantially more energy-efficient than conventional pre-code

buildings. Therefore, it would not result in adverse energy impacts, and does not require a detailed energy assessment.

K. Traffic and Parking

The traffic analysis conducted for the proposed MSDC Project for the 2010 Build conditions indicated that there would be significant adverse impacts at 4, 4, 4, and 11 intersections during the weekday AM, midday, PM, and Saturday midday peak hours, respectively. The intersections where significant adverse impacts have been identified are summarized in Table SOF-2, below. All identified impacts can be mitigated based on New York City Department of Transportation (NYCDOT) and *CEQR Technical Manual* guidance and there are no anticipated unmitigatable adverse traffic impacts. There are no significant adverse parking impacts identified in the FEIS.

Table SOF-2
2010 Traffic Impact Locations

Intersection	Weekday AM	Weekday Midday	Weekday PM	Saturday Midday
Sixth Ave & W. 35th St	■	■	■	*NI*
Seventh Ave & W. 33rd St	*NI*	*NI*	*NI*	■
Seventh Ave & W. 34th St	*NI*	*NI*	*NI*	■
Eighth Ave & W. 30th St	■	*NI*	*NI*	■
Eighth Ave & W. 31st St	*NI*	■	■	■
Eighth Ave & W. 33rd St	*NI*	■	*NI*	■
Eighth Ave & W. 34th St	*NI*	*NI*	*NI*	■
Ninth Ave & W. 30th St	*NI*	*NI*	*NI*	■
Ninth Ave & W. 31st St	*NI*	*NI*	*NI*	■
Ninth Ave & W. 34th St	■	■	■	■
Dyer Ave & W. 31st St	■	*NI*	■	■
Tenth Ave & W. 31st St	*NI*	*NI*	*NI*	■
Number of Intersections with Impacts	4	4	4	11

Notes:
NI= No Impact
■= Traffic Impact requiring mitigation

L. Transit and Pedestrians

The transit and pedestrian analysis for the MSDC Project indicates that there would be no significant adverse impacts at subway stair locations. The proposed MSDC Project would be designed to achieve the Metropolitan Transportation Authority (MTA) goals for pedestrian circulation (LOS C/D) in areas controlled by MTA or its constituent agencies, including the LIRR and MTA NYCT, to the maximum extent practicable. Final design of project components located in LIRR or NYCT controlled or shared areas are subject to the approval of the MTA and its constituent agencies, to the extent required

under MTA's Joint Facilities Agreement with Amtrak, and other relevant agreements. Moreover, the project's final design would be developed in consultation with MTA and its constituent agencies, as well as NJT and Amtrak, in order to ensure that such design provides for efficient transportation operations and pedestrian circulation.

The FEIS does indicate that there would be significant impacts at 14 pedestrian corner and crosswalk locations. Impacts to corners and crosswalks are considered significant if the proposed project would result in a deterioration in level-of-service from No Build LOS D or better to Build LOS E or F, or when the available circulation space is decreased by 1 SFP or more at a location with a No Build LOS E or F. Based on these criteria, the proposed project would result in significant adverse impacts at a total of 14 corner and crosswalk locations as follows:

- Northeast corner of West 33rd Street and Ninth Avenue in the midday peak period;
- Northwest corner of West 33rd Street and Eighth Avenue in the AM, midday, PM, and Saturday peak periods;
- East crosswalk of West 34th Street and Eighth Avenue in the midday, PM, and Saturday peak periods;
- West crosswalk of West 34th Street and Eighth Avenue in the PM peak period;
- West crosswalk of West 33rd Street and Ninth Avenue in the midday and Saturday peak periods;
- East crosswalk of West 33rd Street and Eighth Avenue in the AM, midday, PM, and Saturday peak periods;
- South crosswalk at West 33rd Street and Eighth Avenue in the midday peak period;
- West crosswalk of West 33rd Street and Eighth Avenue in the AM, PM, and Saturday peak periods;
- North crosswalk of West 33rd Street and Seventh Avenue in the PM peak period;
- South crosswalk of West 33rd Street and Seventh Avenue in the AM, midday, PM, and Saturday peak periods;
- West crosswalk of West 33rd Street and Seventh Avenue in the Saturday peak period;
- East crosswalk of West 31st Street and Ninth Avenue in the midday and Saturday peak periods; and
- East crosswalk of West 31st Street and Eighth Avenue in the Saturday peak period; and West crosswalk of West 31st Street and Eighth Avenue in the Saturday peak period.

All impacts can be mitigated and there are no anticipated unmitigable significant adverse impacts as a result of the MSDC Project.

M. Air Quality

The proposed project would not have significant adverse impacts from mobile sources, regional emissions, or from industrial facilities. Carbon monoxide concentrations would not exceed the City's *de minimis* criteria. $PM_{2.5}$ concentrations would not exceed the interim guidance criteria regarding $PM_{2.5}$ impacts, and there would be an overall decrease in total emissions of other potentially hazardous compounds. Thus, the proposed MSDC Project would not have significant adverse impacts from mobile source or regional emissions, and would be consistent with the New York State Implementation Plan for the control for ozone and carbon monoxide. In addition, a screening analysis demonstrated that there would be no significant adverse air quality impacts from industrial facilities on the MSDC Project.

N. Noise

Project-generated traffic would not be expected to produce significant increases in noise levels at any location. In addition, with the proposed building design measures, noise levels within the proposed buildings—the Farley Complex and the Development Transfer Site building—would comply with all applicable criteria. Therefore, the proposed MSDC Project would not result in any significant adverse noise impacts.

O. Construction

Although there would be localized, temporary disruptions, the proposed MSDC Project is not expected to result in significant adverse construction related impacts. Throughout construction, USPS retail uses and Penn Station operations would continue in the Farley Building. Some USPS administrative functions would also remain, but these functions would be relocated within the Farley Complex. NJT, the Long Island Railroad and Amtrak would continue their operations uninterrupted within Penn Station. The Eighth Avenue subway lines would remain in operation throughout the construction period. With the implementation of applicable controls and measures, no significant adverse impacts are expected as a result of the proposed MSDC Project. In addition, prior to construction on any LIRR or NYCT controlled or shared areas within Penn Station, ESDC and the preferred developer will develop a construction agreement with MTA and its constituent agencies, which will include measures to minimize, to the extent practicable, temporary disruptions to transit and railroad operations and pedestrian circulation during the course of construction.

P. Public Health

There are no anticipated adverse impacts to public health in the areas of Infrastructure, Noise, Air Quality, and Construction. There are potential impacts with

hazardous materials, but with appropriate measures in place including pre-construction surveys and Health and Safety Plans, no significant impact to public health is expected as a result of the proposed MSDC Project.

VI. MSDC PROJECT ALTERNATIVES

The FEIS included an assessment of alternatives to the MSDC Project, as previously discussed above. The analysis first considers the No Action Alternative, in which the construction of the Moynihan Station and the disposition of the property to a designated developer are not undertaken. The No Action Alternative incorporates the reuse of currently vacant and underutilized space in the Farley Complex (consistent with USPS property management practices). As a result, the No Action Alternative represents an alternative to avoid or reduce project-related significant adverse impacts.

The EIS also considers two alternatives that arose from the developer designation process. The first alternative is the possibility that the Phase I program could include, in addition to Moynihan Station, an alternative use for the Western Annex that would be a new sports arena. This alternative would also include the redevelopment of the current Madison Square Garden (MSG) site and improvements to Penn Station. Under this alternative, it is assumed that the proposed project would continue to include the 1.1 million-gross-square-foot building on the Development Transfer Site. The second alternative considers utilizing all of the unused development rights from the Farley Complex, which would add approximately 1 million square feet of additional development potential at an undetermined location.

(i) No action alternative

The No Action Alternative, like the proposed MSDC Project, is not expected to result in any significant adverse impacts that cannot be mitigated. The historic impact identified in the FEIS with respect to the Scenario 1 overbuild in Phase II would not occur with the No Action Alternative. However, the overbuild is not part of the Proposed Action as described in the GPP. Mitigated impacts for traffic, transit, and pedestrians identified from the proposed MSDC Project would be reduced but not fully eliminated with the amount of development proposed in the No Action Alternative.

(ii) Arena alternative

The Arena Alternative would be expected to add substantial new development to the area based on the redevelopment of the MSG site, which would occur as a result of the alternative. However, as previously discussed, because the status of and plans for this alternative are unresolved, it is treated in this EIS as an alternative. A detailed examination of impacts cannot be undertaken until a more complete development plan is proposed. For this alternative to be pursued, a Supplemental EIS (SEIS) would be required.

The FEIS comparison of potential impacts resulting from the Arena Alternative to the impacts resulting from the Proposed Action indicates that the Arena Alternative would likely have a variety of impacts that are greater than the Proposed Action. However, additional benefits could result from this alternative as well. Such potential impacts and benefits would be thoroughly reviewed in an SEIS should the Arena Alternative be pursued. At the conclusion of such a supplemental review, the ESDC would determine whether the Findings set forth herein should be modified.

(iii) Full development alternative

The Full Development Alternative would involve construction of an additional 1 million square feet of development above that proposed in the future with the Proposed Action. This would occur in the event ESDC were to transfer unused development rights associated with the Farley Complex to one or more off-site locations. However, the sites that would receive such additional development rights cannot now be identified, and without such information the specific impacts of this alternative cannot be determined. However, the additional development that would result from this alternative could lead to a variety of new or different impacts. Therefore, in order for the Full Development Alternative to be pursued, an SEIS would likely be required.

VII. SUMMARY OF 2010 BUILD YEAR MITIGATION MEASURES TO BE IMPLEMENTED

A. Historic Resources

Overall, the adaptive reuse project and the restoration program established for the Farley Complex would have beneficial effects on the historic resource. However, to ensure compatibility with the historic character of the structure, and to avoid or minimize adverse impacts to the Farley Complex, the final design of the MSDC Project would be developed in consultation with OPRHP, as stipulated in the Programmatic Agreement among FRA, ESDC, MSDC, OPRHP, Developer C (contingent upon its final designation as the preferred developer), and possibly the Advisory Council, in accordance with the Section 106 regulations.

There has been an ongoing consultation among ESDC/MSDC, Developer C, and OPRHP to reach agreement on a Phase I design that would have no significant adverse impacts on the Farley Complex. In the event that any potential adverse impacts to the Farley Complex are identified, mitigation would be developed by ESDC/MSDC and/or the preferred developer under the direction of ESDC, in consultation with OPRHP. Since construction of the Phase I development could have adverse physical impacts on three neighboring historic resources, a construction protection plan is to be developed and implemented in consultation with OPRHP.

B. Traffic and Parking

Traffic impacts were identified for 2010 Build conditions at 4, 4, 4, and 11 intersections during the weekday AM, midday, PM, and Saturday midday peak hours, respectively. The development of feasible mitigation measures for the Future with the Proposed Action in 2010 primarily involves retiming of signal controls to increase green time for impacted movements, and "daylighting" at intersection approaches to provide additional travel lanes or turn pockets (i.e., parking restrictions during peak periods to free-up curbside lanes at intersection approaches). With the recommended mitigation measures in place, all impacted intersection approaches/lane groups would operate at equal or better service conditions as compared to the Future Without the Proposed Action levels, or at acceptable service conditions. In addition, the implementation of these measures would not result in significant impacts to other intersection approaches/lane groups. The recommended mitigation measures would be implemented with appropriate City agencies over time and as field conditions warrant and in coordination with the larger and more comprehensive Hudson Yards mitigation effort.

C. Transit and Pedestrians

Mitigation of significant corner and crosswalk impacts at 14 locations in the study area would involve the widening of painted areas to allow pedestrians additional crossing space and/or the removal of certain sidewalk obstructions. The recommended mitigation measures would be implemented with appropriate City agencies over time as field conditions warrant and in coordination with the larger and more comprehensive Hudson Yards mitigation effort.

VIII. GROWTH-INDUCING ASPECTS OF THE PROJECT

The proposed MSDC Project would transform the Farley Complex from a building solely containing USPS uses to a major transportation hub with commercial uses. Under Phase II, the Development Transfer Site would be transformed from a site occupied by one-story retail buildings and a public plaza into a dense primarily residential or mixed-use development. The proposed MSDC Project uses would be compatible with the surrounding area and the goals of the 34th Street Partnership, and would be consistent with the requirements of the Special Hudson Yards District and, specifically, the Farley Corridor Subdistrict. Further, development of the new Moynihan Station would be consistent with key public policies that identify the need for an efficient intermodal transportation facility at Penn Station that meets New York's complex future transportation needs.

The proposed MSDC Project is not likely to induce growth on its own. Rather, it would support the long-term growth of economic activity that is anticipated to occur in Manhattan with or without the Proposed Action, as a result of the Hudson Yards development (as well as other planning initiatives). Specifically, the new development

anticipated to occur in both Phase I and II of the proposed MSDC Project is considered to be within the overall development envelope projected for the Special Hudson Yards District.

IX. IRREVERSIBLE AND IRRETRIEVABLE COMMITMENTS OF RESOURCES

There are several resources, both natural and built, that would be expended in the construction and operation of the proposed MSDC Project. These resources include the building materials used in construction of the project, energy in the form of gas and electricity consumed during construction and operation of the building, and the human effort (time and labor) required to develop, construct, and operate various components of the project. These resources are considered irretrievably committed, because their reuse for some purpose other than the MSDC Project would be highly unlikely. However, Phase I of the MSDC Project involves the reuse of an existing historic building and the retention and restoration of the building exterior and portions of the interior. This aspect of the MSDC Project would reduce the amount of resources consumed during construction.

X. SHORT TERM USES VS. LONG-TERM PRODUCTIVITY

The proposed MSDC Project is considered to have a significant benefit in considering short term uses of the environment versus the maintenance and enhancement of long-term productivity. Although the MSDC Project would require the irreversible and irretrievable commitment of resources during the renovation of the Farley Complex and the additional development of 1 million zoning square feet of currently unused development rights, it is anticipated that these commitments would be substantially off-set by the long-term gains of increasing the efficiency and capacity of the current Penn Station and through the adaptive re-use of a historic structure.

Moreover, the new Moynihan Station would result in a significant improvement to the passenger experience and facilitate a better utilization of Penn Station. The station would also be an important element in extending the transportation hub westward in anticipation of the large amount of new development projected west of Ninth Avenue. In all, the proposed MSDC Project would improve existing passenger service at Penn Station, accommodate new rail passengers, and would improve access to New York City for its residents, commuters and tourists. Further, the Project's additional commercial and mixed-use elements are complementary to the overall goals of the Hudson Yards area of Midtown.

In addition, the rehabilitation of an important historic landmark greatly extends the long-term productivity and viability of this cultural asset.

XI. CERTIFICATION OF FINDINGS REQUIRED BY SEQRA

Having considered the DEIS and the FEIS, including the comments on the DEIS and responses thereto, and the preceding written facts and conclusions, ESDC certifies that:

(1) the requirements of SEQRA, and its implementing regulations, 6 NYCRR § 617.1, et. seq., have been met and fully satisfied;

(2) consistent with the social, economic and other essential considerations from among the reasonable alternatives thereto, the proposed action is one which minimizes or avoids significant adverse environmental impacts to the maximum extent practicable, including the impacts disclosed in the FEIS and set forth in this Findings Statement; and

(3) consistent with social, economic, and other essential considerations, the significant adverse impacts of the Proposed Action revealed in the environmental impact statement process and set forth in the this Findings Statement, have been minimized or avoided to the maximum extent practicable by incorporating the identified mitigative measures as conditions to this decision.

Agency: NYS Urban Development Corporation d/b/a
Empire State Development Corporation
633 Third Avenue
New York, New York 10017

Signature of Responsible Officer: Eileen Mildenberger

Name of Responsible Officer: EILEEN MILDENBERGER

Title of Responsible Officer: CHIEF OPERATING OFFICER

Date: 8/14/06

2007 Amendment to the General Project Plan

New York State Urban Development Corporation
d/b/a Empire State Development Corporation

Moynihan Station
Civic and Land Use Improvement Project

GENERAL PROJECT PLAN

Amendment
March 2007

Except as modified below, the General Project Plan affirmed in August 2006 remains unchanged. The modification is the replacement of the language of Section VI.E.(i) of the General Project Plan with the following:

> Section VI.E.(i) Acquisition. Farley Complex purchase price will be $230,000,000 (of which approximately $55,000,000 is deferred until completion of the Tenant Work) plus certain Consumer Price Index adjustments. PANYNJ has funded (or will fund) $140,000,000 of this price, and the remaining $90,000,000 plus certain Consumer Price Index adjustments and interim operation and maintenance costs incurred prior to closing will be funded from: (a) Tenant payments set forth in D(i) above; (b) Tenant payments prior to closing; and/or (c) mortgage loan, prepayable at any time (including at closing) and otherwise secured if necessary by a mortgage lien on the Farley Complex.

2010 Amendment to the General Project Plan

NEW YORK STATE URBAN DEVELOPMENT CORPORATION
d/b/a EMPIRE STATE DEVELOPMENT CORPORATION
and
MOYNIHAN STATION DEVELOPMENT CORPORATION

MOYNIHAN STATION CIVIC AND LAND USE IMPROVEMENT PROJECT

at
James A. Farley Post Office Building,
bounded by Eighth and Ninth Avenues
and West 33rd and 31st Streets,
421 Eighth Avenue
New York, New York 10199
with
Port Authority of New York & New Jersey

FINAL AMENDED GENERAL PROJECT PLAN PHASE 1

June 2010

I. INTRODUCTION

The New York State Urban Development Corporation d/b/a Empire State Development Corporation ("**ESDC**"), and its subsidiary Moynihan Station Development Corporation ("**MSDC**"), adopt this Final Amended General Project Plan for the Moynihan Station Civic and Land Use Improvement Project (the "**Project**") in accordance with the New York State Urban Development Corporation Act (the "**UDC Act**") to effectuate certain amendments to the General Project Plan for the Project, dated August 14, 2006 (the "**2006 GPP**"), as previously amended on March 15, 2007 (the "**2007 Amendment**"; together with the 2006 GPP, the "**Existing GPP**"). The Existing GPP, together with the amendments set forth herein (the "**2010 Amendments**"), shall constitute the Amended General Project Plan for the Project (collectively, the "**2010 Amended GPP**"). This 2010 Amended GPP reflects additional review of the Project undertaken by ESDC, MSDC, and the Port Authority of New York & New Jersey ("**Port Authority**").

As discussed in detail below, the Project has been divided into phases for design, financing, construction, and logistical considerations. Each phase stands alone, with its own independent utility, in providing transportation, economic, and other benefits. This 2010 Amended GPP relates to the Project's Phase 1.

Background

For more than forty-five years, ever-increasing numbers of inter-city and commuter rail passengers have entered New York through the dark, crowded, confusing, low-ceilinged, three-level subterranean maze between 7th and 8th Avenues which is Penn Station. In 1963, when the original Pennsylvania Station was demolished and existing Madison Square Garden and Two Penn Plaza were constructed overhead, the remaining underground concourses accommodated approximately 200,000 commuter trips per day. In 2008, these same concourses were overwhelmed with more than 640,000 passenger trips per day, making current Penn Station the busiest, most congested, passenger transportation facility in North America; busier than any airport in the United States; busier than Kennedy, LaGuardia, and Newark Airports combined. Penn Station already operates at more than 100% of its design capacity, and will continue to experience a rapidly growing passenger load due to, among other factors, the development expected as a result of New York City's Hudson Yards rezoning. Penn Station simply will not continue to function without capacity relief.

For more than fifteen years, plans have existed to provide capacity relief, reduce passenger congestion, decrease train dwell times, and increase security at the Penn Station complex by constructing both a spacious, sun-lit train hall ("**Moynihan Station**"), and myriad entirely new vertical access points, within the eastern portion of the historic James A. Farley Post Office Building ("**Farley**") between Eighth and Ninth Avenues in Manhattan, directly west of current Penn Station. In 2007 (pursuant to the 2007 Amendment), ESDC acquired Farley, an architectural gem designed by McKim Mead & White, architects of the original Penn Station, in order to construct the Project.

For transportation purposes, the new vertical access points and additional passenger circulation space to be created mostly below-grade by the Project's Phase 1 (defined in detail below) are critically important. Moynihan Project scope and constituents have varied, but the heart of the Project always has been to create, for the first time, passenger access from Farley to the existing railroad platforms directly below. In the first half of the last century, the platforms directly below Farley were used by the United States Postal Service ("**USPS**") to move "mail by rail." Beginning in the second half of the last century, and continuing to today, inter-city and commuter rail passengers increasingly have used these same platforms beneath Farley (the western ends of Penn Station platforms). However, because there is no direct vertical access up through Farley, such passengers must walk hundreds of feet east, on the platforms, to enter and exit Penn Station. This causes the crowded conditions both on the platforms and within Penn Station vertical access points. Moynihan Station's new connecting vertical access points, directly through Farley, will eliminate the need to walk east on the platforms to and from Penn Station, and will significantly ameliorate platform and access congestion throughout the Penn Station complex as a whole.

The Penn/Moynihan complex also will continue to be the primary transportation anchor for Manhattan's Midtown West Central Business District. Midtown Manhattan constitutes the country's largest central business district. Virtually all recent, and currently projected future, growth in Midtown is in the areas west of Seventh Avenue, including the recently rezoned Hudson Yards area. Improvements to the Penn/Moynihan complex, such as those proposed in

Moynihan's Phase 1, are critical to supporting additional rail and transit riders, which are critical to future job growth.

Recent Developments

MSDC is prepared to conclude design for the Project's Phase 1. MSDC has worked diligently to re-focus the Project on increasing train and passenger capacity at Penn, improving overall life-safety conditions within the complex, creating an iconic new inter-city train hall that also will serve commuters, and redeveloping the remainder of Farley for commercial purposes that will support costs for the new Moynihan Station.

The following recent developments provide fresh momentum for the Project, leading to the commencement of Phase 1 construction in 2010 with critical catenary relocation:

- On February 16, 2010, the United States Department of Transportation announced that Moynihan Station has been awarded an $83M discretionary grant from the TIGER (Transportation Improvements Generating Economic Recovery) Program. The Federal government has made substantial economic stimulus funding available for transportation projects, creating new opportunities to assist in meeting project financing needs while reducing the share of costs that must be borne by state and local sources.

- On February 17, 2010, Amtrak, ESDC, and MSDC executed a Memorandum of Understanding indicating Amtrak's intent to move its passenger operations to Farley's Moynihan Station, subject to satisfaction of certain conditions.

- For the first time, the Port Authority of New York & New Jersey, a respected bi-state transportation agency with extensive experience in funding and constructing transportation infrastructure, is playing a leading role in the Project, as requested by, and in close coordination with, the New York Governor's Office.

- High speed rail is a national priority, and fixing the Penn Station bottleneck is necessary to achieve required travel time reductions on the Northeast Corridor, the country's busiest rail corridor.

- The Project has been divided into phases, each of independent utility. Phase 1's scope is set forth in Section III below. Phase 1's budget is funded as set forth in Section V(C) below.

- MSDC is ready to advance amended architectural/engineering contracts pursuant to which Phase 1 design, already significantly advanced, can be concluded and bid.

Project Phasing and Benefits

Creation of new passenger circulation space, vertical access points, platform ventilation, and related, mostly below-grade, work will constitute Phase 1 of the amended Project. Design elements of, and funding for, Phase 1 are set forth more fully below. It is critical to commence Phase 1 of the Project as promptly as possible for the following reasons:

1. The additional vertical access points and passenger circulation space provided by Phase 1 will significantly reduce the already overcrowded conditions at Penn Station.

2. Phase 1 work occurs mostly within the train shed, and therefore much of the work of necessity will occur at night and over weekends, which elongates the construction schedule. A track outage schedule to support Phase 1 construction, while preserving passenger rail operations at Penn, needs to be developed and implemented.

3. An important component of Phase 1 is the construction of critically needed additional platform ventilation, which will significantly enhance safety and security for all Penn Station passengers.

4. The Phase 1 construction will enable the timely completion of the entire Project.

The benefits of Phase 1 are significant and will be realized whether or not Phase 2 is ever constructed.

Creation of the train hall, and related work (including, of course, connection to Phase 1 elements), will constitute Phase 2 of the amended Project (as further detailed in Section III below). When design and financing of Phase 2 are more fully advanced, it is expected that a further amended General Project Plan would be proposed. The basic ESDC-MSDC relationship for Phase 2 is expected to be the same as set forth in the 2006 GPP. Specifically, ESDC, which owns Farley, would transfer ownership of Project transportation elements to MSDC, and all Farley value, whether derived by ESDC or MSDC, would be dedicated to Project costs, including Farley operation and maintenance, acquisition (mortgage payment), construction, and/or contingency costs. As set forth in the 2006 GPP and in Section XII below, any material modifications of these terms are subject to approval by the MSDC Directors.

Meeting Future Transportation Needs

The Moynihan Station Project also is an integral part of two high-speed rail corridor plans – the draft Northeast Corridor Master Plan and the New York State Rail Plan. Because existing Penn Station is already operating beyond its capacity (thereby precluding significant expansion of existing services, let alone new high-speed services), the full benefits of both Plans cannot be realized without first implementing the Project, which will serve as a catalyst for the additional investment necessary for these Plans and their benefits to be realized in full. Failing to implement the Project will condemn inter-city rail passengers to a cramped and substandard rail terminal in New York City for the foreseeable future, and will act as a bar to increased inter-city rail ridership and to the implementation of true high-speed rail service on both the Northeast and Empire Corridors. Building the new Moynihan Station will encourage travelers to patronize

rail transportation, the greenest transportation alternative, rather than driving or flying, thereby reducing congestion on area highways and at major airports throughout the New York City metropolitan region and all along the Northeast Corridor. Moynihan, beginning with Phase 1, will accommodate increased rail ridership. This, in turn, also will permit economic growth in Midtown, the region's largest generator of employment.

Changes from the Existing 2006 GPP

The revised Project is substantially similar, as an architectural and engineering matter, to the 2006 iteration of the Project set forth in the 2006 GPP. Changes include:

Phase 1:

(a) West End Concourse will extend to approximately the south retaining wall of the train shed;

(b) 33rd Street Connector access will be enhanced; and

(c) Vertical access points and passenger circulation space will increase.

Phase 2:

(d) Amtrak's front- and back-of-house will occupy approximately 100,000 square feet (compared to New Jersey Transit's 2006 plan to occupy approximately 34,000 square feet) at Moynihan;

(e) The height of the train hall will be lower and would no longer be visible from the surrounding streets.

(f) Intermodal Hall configuration will be reduced in height and length and will better protect Farley's historic structure;

(g) Retail space surrounding the train hall will increase; and

(h) Diagonal Platform (a/k/a Platform 12) will be activated for passenger use.

These changes do not alter the fundamental transportation benefits and utility to be derived from the Project. To the contrary, they are designed to enhance the benefits to be derived from the Project set forth in the previously approved 2006 GPP, and to promote the prompt commencement of construction.

II. PHASE 1 LOCATION SUMMARY

Phase 1 of the Project would be constructed mostly below grade under the Farley superblock, 421 Eighth Avenue, bound by West 31st and West 33rd Streets and Eighth and Ninth Avenues in the Borough of Manhattan, County, City and State of New York (a/k/a Manhattan Tax Block 755, Lot 40). The Farley building, inclusive of its Western Annex, contains approximately 1,350,000 square feet of useable space and is entitled to approximately 2,500,000 additional square feet of unused development rights under current City zoning (Farley was up-zoned by New York City in 2004).

As discussed below, and as described in detail in the 2006 GPP, off-site development is anticipated between 33rd and 34th Streets on the east side of Eighth Avenue in the Borough of Manhattan, County, City and State of New York, within the western portion of Manhattan Tax Block 783 (the "**Penn West**" site; referred to as the "Off-Site Premises" in the 2006 GPP).

Penn West represents a rectangle approximately 179 feet in width (from Eighth Avenue to the eastern Penn West boundary) and 197.5 feet in length (from 33rd to 34th Streets), or a "footprint" of approximately 35,352 square feet. Construction of a new mixed-use building at Penn West, which could be part of Phase 1 or Phase 2, may contain residential, hotel, and retail components, as well as substantial transportation improvements at and below grade.

III. PROJECT DESCRIPTION

The Moynihan Project consists of the design, development, construction, and operation of Moynihan Station and accompanying commercial components, as follows:

A. Moynihan Station at Farley will be a flagship transportation facility. The National Railroad Passenger Corporation ("**Amtrak**") has indicated its intent to be the primary transportation occupant of the new Moynihan Station, subject to the negotiation of appropriate agreements with MSDC and other public agencies. In Phase 2, Amtrak would transfer from Penn to Moynihan: (i) boarding and detraining for Amtrak trains serving New York City; (ii) "front-of-house" passenger services (ticketing, waiting, baggage, etc.); and (iii) some "back-of-house" employee functions (although certain "back-of-house" employee functions are expected to remain at Penn and/or the Amtrak Service Building on 31st Street). Amtrak would utilize approximately 100,000 square feet at Farley.

B. In order to commence construction in a more timely manner, and to match scope to available budget, the Project has been divided into Phases. Construction of Phase 1, consisting largely of below-grade transportation improvements, would begin in 2010 with relocation of catenary, and conclude in approximately 2015. Phase 2, construction of the train hall and other mostly above-grade elements, would begin later but could also be concluded by approximately 2015, assuming the timely commencement of Phase 1.

Specifically, **Phase 1** of Moynihan Station at Farley would consist of the following, mostly below-grade, elements. Illustrative floor plans outlining Phase 1 improvements are attached hereto as **Attachment A**.

1. A substantially expanded West End Concourse ("**WEC**"), doubled in width and more than doubled in length (to approximately the south retaining wall of the train shed), with multiple access points up to Farley and down to platforms, which will: (i) provide access to eight tracks not currently served by the existing concourse; (ii) significantly increase passenger circulation space; and (iii) for the first time, provide space for the sale of tickets (by vending machine) on the WEC.

2. Nineteen new vertical access points (stairs, escalators, and elevators) connecting the platforms to the WEC and to subway connections and to the street through Farley. Today, no platforms are accessible from Farley; via Phase 1, nine platforms (17 tracks) will be accessible from Farley. These new vertical access points will: (i) dramatically increase passenger access/egress and circulation space, which will relieve congestion at platform and concourse levels throughout the Penn Station complex as a whole; (ii) reduce train dwell time, thereby reducing lost passenger time and permitting additional train movements; and (iii) improve safety

and security by permitting, as necessary, a much more prompt evacuation of platforms, corridors, and the station as whole than is possible today.

3. Two new above-grade entrances through Farley west of 8th Avenue, at 31st and 33rd Streets respectively, with access directly to the WEC, which will decrease congestion at Penn Station and improve access to the development district to the west. The entrances will face 8th Avenue, flanking the USPS monumental stairs.

4. A substantially widened and improved underground connection between the WEC, the 8th Avenue Subway, and Level A of Penn Station (the "**33rd Street Connector**"), running under 8th Avenue and 33rd Street between Penn and Moynihan Stations, reconfigured to be compliant with the Americans with Disabilities Act (the "ADA"). The 33rd Street Connector will remain under the control of the Metropolitan Transportation Authority ("**MTA**"), and the proposed improvements will be closely coordinated with MTA and NYC Transit Authority staff.

5. State-of-the-art, emergency platform ventilation for the below-grade trainshed areas west of 8th Avenue (the "**Platform Ventilation Work**"). Phase 1 will include critical design elements and features that will improve adherence, to the maximum extent practicable, to guidelines established by the *National Fire Protection Association (NFPA) Standard 130: Standard for Fixed Guideway Transit and Passenger Rail Systems* and will improve egress time from platforms to station exits.

Phase 2 of Moynihan Station at Farley is expected to consist of the following, mostly above-grade, elements. Illustrative floor plans and cross-sections outlining the Phase 2 improvements are attached hereto as **Attachment B**.

1. A new, iconic, sky-lit train hall (including a grand concourse larger than Grand Central Terminal's main concourse), constructed largely within original Farley's courtyard, covered by a glass roofscape, with direct vertical access to train platforms below, to the WEC, to the new Phase 1 entrances at 8th Avenue, and to new mid-block entrances on 31st and 33rd Streets, inclusive of approximately 100,000 square feet of Amtrak front- and back-of-house space and approximately 200,000 square feet of new public circulation space (the "**Train Hall Premises**"). The Train Hall Premises would include new passenger amenities, including train board and information displays, ticketing facilities, waiting areas, customer service, and ADA accessibility. Farley's courtyard walls would be restored, with stonework and mortar cleaned and refurbished. This new gateway would generously and comfortably accommodate both existing passengers and future ridership increases.

2. An Intermodal Hall between the 31st and 33rd Street mid-block entrances, one level up from the Train Hall Premises, with another glass and metal skylight, which would extend the reach of the Penn Station complex further west than ever before and add additional high quality internal circulation space and interconnections to a taxi drop-off and pick-up area.

3. Further vertical access and passenger circulation space, resulting in, when compared to existing Penn: (i) an overall approximately 30 percent increase in the combined total of

passenger stairs, escalators, and elevators; (ii) an overall approximately 50 percent increase in passenger circulation space; and (iii) access from Farley to 10 of the 12 platforms at track level.

4. Repair, preservation, and protection of Farley's historic features, including the exterior façade and the 8th Avenue monumental stairs, Corinthian columns, and entrances, with additional façade restoration, exterior lighting, and sidewalk improvement for Farley's entire perimeter.

5. "Core and shell" improvements of approximately 70,000 additional square feet for transit-oriented retail development ("**Station Retail**") surrounding the Train Hall Premises. Station Retail will not compromise or impede passenger access to or movement through the Train Hall Premises or connecting corridors.

6. Designated information center for Port Authority's AirTrain (rail service from LIRR's Jamaica Station to Kennedy Airport, and from NJT's Newark Airport Station to Newark Liberty International Airport).

7. An interior, triple-height, well-lit, through-block connection (the "**32nd Street Pedestrian Corridor**") for passengers, pedestrians, and visitors, between the Train Hall Premises and 9th Avenue, whose centerline is located not more than ten feet from the centerline of 32nd Street, with a new 9th Avenue street entrance.

8. "Core and shell" improvements for up to approximately 225,000 square feet for continuing USPS operation at Farley. The historic postal lobby at 8th Avenue will be retained by USPS and may be separately improved by USPS. Collectively, these premises constitute the "**USPS Premises**." If USPS further reduces its space (other than the historic lobby, which USPS will retain), it is expected that such surrendered space would become additional private commercial development (see III.C. below).

9. Complete renovation and new activation of the "Diagonal" (or "Mail") Platform (a/k/a "Platform 12"; hereafter, the "**Empire Platform**") and two adjacent tracks beneath Farley, which have never been used for passenger service and which will be able to accommodate additional Amtrak Empire Line and potential future Metro-North service.

C. Private commercial development of approximately 750,000 square feet at Farley is expected to occur as part of Phase 2 of the Project. This privately developed space is expected to consist primarily of retail uses, but may also include hotel and/or institutional uses. As set forth in III.B.9 above, if USPS further reduces its space (other than the historic lobby, which USPS will retain), such surrendered space would be expected to become additional private commercial development.

D. Construction of a new, mixed use building at Penn West may occur as part of Phase 1 or Phase 2, as discussed in Section V(C) below. Existing structures, including the existing open plaza, would be demolished, and an approximately 1,000,000 square foot mixed use building, expected to contain residential, hotel, and retail components, would be constructed. At or below grade, Penn West development also would incorporate access to: (i) Penn Station;

(ii) New Jersey Transit's "Access to the Region's Core" (ARC) station at 34th Street; and (iii) the 8th Avenue subway, including moving the current subway sidewalk entrance into the building line.

IV. PHASE 1 PUBLIC CONSTITUENTS AND BENEFITS

All three railroads which currently use Penn Station -- Amtrak, Long Island Rail Road, and New Jersey Transit -- will benefit from Phase 1 and Phase 2 of Moynihan Station at Farley. Phase 1 specifically will provide substantially improved passenger circulation, additional points of ingress/egress and vertical and horizontal circulation, installation of platform ventilation to below-grade platform levels west of 8th Avenue, improved safety, and a general reduction in congestion at the entire Penn/Moynihan complex.

A. **Inter-City Rail Passengers, and National Railroad Passenger Corporation ("Amtrak").** Amtrak passengers at current Penn Station suffer from cramped and congested access and waiting areas, and are overwhelmed by the sheer volume of commuters passing through Penn on a daily basis. Worse, such congestion causes delays in loading and unloading inter-city trains, increasing a train's station "dwell time," and thereby causing ripple effect delays along the entire Northeast Corridor from Boston to Washington and along the Empire corridor to Albany. Phase 1 improvements will lessen congestion at Penn by providing vertical access and passenger circulation space west of 8th Avenue at Farley.

B. **Long Island Commuters, and Long Island Rail Road ("LIRR").** LIRR, the largest commuter railroad in the country, will benefit from Phase 1 for the reasons set forth in the introductory paragraph to this Section IV. Specifically, LIRR customers on the western ends of trains will be able to commute through Farley without ever actually passing through Penn Station proper between 7th and 8th Avenues, particularly if they work to the west or commute further via the 8th Avenue subway lines. LIRR carries approximately 88.5 million passengers per year, of which more than 66 million use Penn Station.

C. **Commuters from west of the Hudson, and New Jersey Transit ("NJT"; inclusive of NJT operations which provide service for Metro-North Railroad in New York State's Orange and Rockland Counties).** NJT is the third largest, and fastest growing, commuter railroad in the country. NJT carries approximately 82.5 million passengers per year, of which 47.5 million use Penn Station. The expansion of the WEC south to Platforms 3 through 6 will permit significant numbers of NJT riders direct access to the 8th Avenue subway, to the street west of 8th Avenue, and to Manhattan's far West Side. The WEC expansion also will permit further connection to NJT's Platforms 1 and 2 to be constructed in the future, which would enable NJT riders to access all existing tracks serviced by NJT from Moynihan Station. The Moynihan Project also will be coordinated with NJT's separate "Access to the Region's Core" project ("**ARC**"), and its new station at 34th Street.

D. **Subway Riders, and New York City Transit Authority.** The 33rd Street Connector, running under 8th Avenue and 33rd Street between Moynihan and Penn Stations, and providing direct access to the 8th Avenue subway A, C, and E lines, will be widened to

accommodate the growing numbers of inter-city, commuter, and transit passengers and will be reconfigured to comply with ADA requirements. Widening of the 33rd Street Connector will require the reconfiguration of turnstiles serving the southern end of the Eighth Avenue subway station at 34th Street. MSDC will coordinate this work with MTA and NYC Transit.

V. PHASE 1 ESSENTIAL TRANSACTION TERMS

A. Construction beneath Farley

The WEC, 33rd Street Connector, and the Platform Ventilation Work would be constructed beneath Farley, and the new Eighth Avenue entrances would be constructed above-grade at 31st and 33rd Streets. Design of Phase 1 elements has been substantially advanced and is expected to be concluded within approximately nine months. The Phase 1 construction schedule is approximately five years, with an approximate 2015 end date. The schedule is elongated by the fact that most of the Phase 1 work is below-grade, within the Penn complex train shed, and therefore requires night and weekend work in order to avoid impacting train operations.

B. Legal Relationships

ESDC is expected to retain ownership of Farley throughout substantial completion of Phase 1. It is expected that:

(1) Amtrak will retain control of the train shed, and an easement will be entered into with Amtrak for the WEC expansion;

(2) An agreement for the operation of the expanded WEC will be entered into with, as required, Amtrak, MTA, LIRR, and/or NJT;

(3) MTA will continue to control the 33rd Street Connector; and

(4) Amtrak will take ownership and operation of the Platform Ventilation Work upon its substantial completion.

C. Sources and Uses of Funds

Phase 1 is estimated to cost approximately $267 million, as set forth below, inclusive of final pre-construction services and of construction. The total estimated cost includes a contingency factor of 10% (approximately $25 million) to address potential overruns, considered sufficient given Phase 1's advanced design.

Phase 1 costs are estimated as follows:

WEC, vertical access points, new 8th Avenue entrances, and 33rd Street Connector	$ 139,330,998
Platform Ventilation	127,800,584
TOTAL USES	**$ 267,131,582**

Funding for these estimated costs is anticipated as follows:

	Status	Funds Remaining
Prior Federal		
PL 104-59 (ISTEA/NHSDA)	Executed	$ 5,167,062
PL 105-66	Executed	12,000,000
PL 105-178 (TEA-21)	Executed	16,478,285
FY 01 PL 106-346	Not Executed	19,956,856
FY 02 PL 107-87	Not Executed	20,000,000
FY 03 PL 108-7	Not Executed	19,870,000
SAFETEA-LU	Not Executed	15,000,000
FHWA	Executed	1,246,067
Total Federal Sources		**$109,718,270**
Federal ARRA Application		
TIGER Discretionary Grant	Awarded	$ 83,000,000
Prior State/Local		
Port Authority of New York & New Jersey	Not Executed	$ 10,000,000
Metropolitan Transportation Authority	Not Executed	35,000,000
Other State and Local Funds (CMAQ application pending)	Not Executed	30,000,000
Total State/Local Sources		**$ 75,000,000**
TOTAL SOURCES		**$267,718,270**

It is anticipated that Phase 1 will be publicly funded, as set forth above. However, as or if necessary for budgetary reasons, the Phase 1 scope could be limited (for example, by deferring the Platform Ventilation Work to Phase 2), or in the alternative, additional funds may be generated, as was anticipated in and approved as part of the 2006 GPP, by entering into a transaction allowing the utilization of 1,000,000 square feet of Farley development rights at Penn West at some point during Phase 1. In connection with this alternative, ESDC would lease Penn West to a private third-party for development substantially in conformity with a Building and Site Plan attached hereto as Attachment C. The Penn West interior public space and through-block connection shown on Attachment C would be designed and operated to conform to certain conditions set forth in a consent letter from the Chair of the City Planning Commission dated June 21, 2006. Design elements include, but would not be limited to, seating, plantings,

lighting, and other appropriate amenities. Hours of operation would be similar to other indoor public spaces (approximately 7AM to 10PM) and prominent signage would be provided to indicate the public nature of this space. The Penn West interior public space, subway stair relocation, and through block connection would be required to be substantially complete prior to issuance of a Temporary Certificate of Occupancy for Penn West.

As an alternate to Penn West, ESDC and MSDC may propose the utilization of Farley development rights at another location or locations in the vicinity of Farley other than Penn West. In that event, appropriate steps would be taken to modify this GPP in conformance with the UDC Act and New York State Environmental Quality Review Act ("**SEQRA**").

VI. ESDC, MSDC, AND PORT AUTHORITY PARTICIPATION

In order to implement the Project's Phase 1, ESDC will conclude: (1) appropriate environmental review under SEQRA; (2) all necessary transaction documents; and (3) required override of local law under the UDC Act. Specifically, ESDC will:

(A) Serve as lead agency pursuant to SEQRA and be responsible for performing any additional environmental review required by applicable law;

(B) As necessary for Phase 1, subject portions of Farley to a condominium regime pursuant to Article 9-B of NYS Real Property Law and in accordance with condominium declarations and by-laws;

(C) With MSDC, enter into requisite condominium leases, easements, and other related Phase 1 transaction documents, upon the terms generally described under Section V, "Phase 1 Essential Transaction Terms" above, pursuant to Sections 6 and 9 of the UDC Act;

(D) When or as necessary, acquire an interest in the Penn West site; and

(E) Override local law as it would otherwise apply to the Project's Phase 1, pursuant to Section 16 of the UDC Act (as specifically set forth under Section VII, "Override of Local Law; Standards" below).

The Port Authority has assisted ESDC and MSDC in the development of Phase 1 of the Project, including (among other things) the review and revision of estimated Phase 1 construction costs, the preparation of applications for potential Federal financial assistance, and the review and revision of proposed design and construction documents. It is anticipated that the Port Authority will continue to participate in Phase 1 of the Project and in future Phases of the Project. Subject to the direction of the New York Governor's Office and approval by the Port Authority's Board of Commissioners, as required, such participation may, without limitation, include the following activities in connection with Phase 1: negotiating the terms and conditions of, and overseeing the administration and performance of, design and construction contracts for Phase 1; negotiating the terms and conditions of, and overseeing the administration and performance of, leases, easements, force account agreements and/or other Phase 1 transaction documents with Amtrak, commuter railroads, private developers, and other interested

parties; and the provision of financial assistance in support of Phase 1 of the Project, to the extent necessary or desirable to supplement other public and private sources of funding.

ESDC, MSDC, and the Port Authority also are coordinating the Project with, among others:

U.S. Department of Transportation
Federal Railroad Administration
National Railroad Passenger Corporation (Amtrak)
Federal Transit Administration
Federal Highway Administration
United States Postal Service
New York State Department of Transportation
New York State Office of Parks, Recreation and Historic Preservation
Metropolitan Transportation Authority (including Long Island Rail Road and NYC Transit Authority)
New Jersey Transit
The City of New York
New York City Economic Development Corporation
New York City Department of City Planning
New York City Department of Transportation
New York City Department of Buildings

VII. OVERRIDE OF LOCAL LAW; STANDARDS

Although rail passenger stations are not as-of-right under New York City zoning regulations, the Project would not conflict with overall zoning policy for Farley. The Project's proposed changes to Farley would simply extend existing rail passenger service westward, and would not require any new structures or expansion of building floor area at Farley. Nonetheless, ESDC will exercise its powers under the UDC Act to override local regulation inconsistent with Moynihan Station, including New York City Zoning Resolution ("ZR") 74-62 (railroad passenger stations). Further, in connection with Penn West as necessary, ESDC would override portions of the ZR relating to FAR and bulk regulations otherwise applicable at the Penn West site, as specifically set forth below. Penn West's required size dictates that such portion of the Project will be developed in accordance with Project Standards.

ESDC and MSDC find that it is not practicable for the Project to comply with the ZR. Specifically, ESDC and MSDC will override the ZR, including:

(i) ZR 74-62: Railroad passenger stations;
(ii) ZR 74-763 and 81-231: Reduction in size of previously bonused urban plaza;
(iii) ZR 81-211: Permitted floor area;
(iv) ZR 81-26 and 81-27: Height and setback regulations;
(v) ZR 81-45: Pedestrian circulation space;

and, to the extent necessary:

(vi) ZR 81-46: Relocation of subway stairway entrance onto zoning lot; and
(vii) ZR 74-52: Special Permit required for public parking.

Nonetheless, the override will not create a new zoning lot on Block 783 (the One Penn Plaza block), which shall continue to be one zoning lot. Penn West will be consistent generally with underlying zoning, which encourages taller towers on the avenues, and will be compatible with neighboring dense commercial and residential developments in the area.

VIII. UDC ACT SECTION 10(d), 10(c) AND 10(g) FINDINGS; PUBLIC PURPOSE

Based on the information set forth in this 2010 Amended GPP and other due investigation conducted by ESDC and MSDC, ESDC and MSDC hereby reaffirm the UDC Act Findings set forth in the 2006 GPP, as follows:

A. Civic Project Findings: UDC Act Section 10(d)

(1) There exists in the area in which the project is to be located, a need for the educational, cultural, recreational, community, municipal, public service or other civic facility to be included in the Project.

There exists within the Project location on the West Side of Manhattan in New York City a need for the Project, inclusive of Moynihan Station. The Farley Building, which is largely vacant, is an important historic and cultural resource and is in need of protection, repair, preservation, and beneficial reuse. Penn Station is operating above capacity and is not adequately designed to accommodate either its existing passenger load or the growth in passenger load expected in the coming years. Additional station capacity, and the integration of that additional capacity with Penn Station and the mass transit facilities currently serving the area, is needed to provide New York City and the region with the modern, interconnected and cohesive rail transportation hub that is essential to support future economic growth.

(2) The Project consists of a building or buildings or other facilities which are suitable for educational, cultural, recreational, community, municipal, public service or other civic purpose.

The Project consists of facilities suitable for the civic purposes of preserving an historic and cultural resource and providing transportation facilities. In particular, the Project will remediate asbestos conditions within the Farley Building, and restore and preserve the historic features of this important cultural resource. Within and beneath the Farley Building, the Project will also result in a number of public transportation improvements, including but not limited to: (i) new emergency ventilation facilities; (ii) a substantially expanded WEC; (iii) an expansive train hall, including a grand concourse; (iv) the Intermodal Hall; (v) additional "back of house" space for Amtrak; (vi) a multiplicity of new vertical access points between the Farley Building and the western ends of the Penn Station platforms directly beneath Farley; and (vii) renovation and expansion of the Empire Platform. These improvements will be funded through a combination of public and private sources, with the private funds generated through: (a) re-use and redevelopment of portions of the Farley Building; and (b) off-site utilization of unused development rights (floor area) attributable to the site of the Farley Building, in order to avoid the adverse effects that "overbuild" construction would have on an historic building. Thus, some of the development will be constructed within the Farley Building to provide retail and commercial uses to support and complement the rehabilitation of the Farley Building and the

construction of Moynihan Station. This re-development of the Farley Building will generate financial support for construction of the transportation improvements described above, and at the same time utilize and preserve an important cultural resource. In order to protect the historic character of the Farley Building and to generate essential financial support for construction of the transportation improvements, additional development rights associated with the Farley site will be utilized off-site, rather than to construct a tower over the Farley Building itself. In addition, the Project will substantially widen and improve the underground 33rd Street corridor connecting Moynihan Station, Penn Station and the 8th Avenue Subway (the 33rd Street Connector), and will provide interconnections between the mixed-use building at the Penn West site and Penn Station and the 8th Avenue subway. This work will be coordinated with the ARC Project, which is providing connections between Penn West and the ARC station. Upon construction of these improvements, the Project will consist of a multi-dimensional transportation facility integrating newly constructed transportation components with related adjoining and supporting commercial and residential development and existing transportation facilities.

(3) The Project will be leased to or owned by the state or an agency or instrumentality thereof, a municipality or an agency or instrumentality thereof, a public corporation, or any other entity which is carrying out a community, municipal, public service or other civic purpose, and adequate provision has been, or will be, made for the payment of the cost of the acquisition, construction, operation, maintenance and upkeep of the Project.

Farley is owned by ESDC, and ESDC will have an interest in the Penn West site, and adequate provision has been, or will be, made for the payment of the cost of the acquisition, construction, operation, maintenance and upkeep of the Project. Any sale or lease of the facilities, or portions thereof, will require that the owner or lessee carry out the Project's civic purposes and operate, maintain, and upkeep the Project.

(4) The plans and specifications assure or will assure adequate light, air, sanitation and fire protection.

The plans and specifications for the Project assure adequate light, air, sanitation and fire protection for the Project. Phase 1's Platform Ventilation, and the creation of additional passenger circulation space and vertical access points, will substantially enhance safety and security for the Penn Station complex as a whole.

B. Land Use Improvement Project Findings: UDC Act Section 10(c)

(1) The area in which the Project is to be located is a substandard or insanitary area, or is in danger of becoming a substandard or insanitary area and tends to impair or arrest sound growth and development of the municipality.

Considered as a whole, the Project site (comprised of the Farley Building, Penn West, and the 33rd Street Connector, an adjoining below-grade pedestrian passageway connecting Penn Station to the WEC and 8th Avenue Subway) is substandard, and the site is significantly underutilized. The Farley Building is a 100-year old facility that is in need of significant systems upgrade, façade renovation, and capital improvement. The 33rd Street Connector is too narrow for the volume of passenger/pedestrian traffic that it must bear and does not meet ADA-

accessibility standards. At present, approximately 75% of Farley's total 1.4 million square feet is vacant, but would be restored to productive use by the Project. At Farley, there are approximately 2.5M additional square feet of unused transferable development rights ("TDRs"; over and above the 1.4M SF built area) available under the New York City Zoning Resolution. The Project anticipates using approximately 1,000,000 SF of the Farley TDRs at Penn West. The utilization of these development rights at the Project site locations will foster efficient regional growth due to the site's immediate proximity to the City's largest regional rail and mass transit hub and is in the public interest. The utilization of Farley's significant unused development rights adjacent to the rail and transit hub would not occur without the Project.

(2) The Project consists of a plan or undertaking for the clearance, replanning, reconstruction and rehabilitation of such area and for recreational and other facilities incidental or appurtenant thereto.

The Project calls for Farley's rehabilitation, the redevelopment of the Penn West site with appropriate rail and transit interconnections, and the widening and improvement of the adjoining 33rd Street Connector.

(3) The plan or undertaking affords maximum opportunity for participation by private enterprise, consistent with the sound needs of the municipality as a whole.

The development of Penn West, and the further private development at Farley and via Farley's additional transferable development rights as part of Phase 2, will be an integral part of and coordinated with the Project.

C. UDC Act Section 10(g)

Necessary relocation of any Project location site occupants will be performed in accordance with applicable law. ESDC and MSDC understand that there are no residential occupants at the Project location and, accordingly, no residential relocation is required under UDC Act Section 10(g).

IX. ENVIRONMENTAL REVIEW

A. ESDC, acting as lead agency pursuant to the requirements of SEQRA and the implementing regulations of the NYS Department of Environmental Conservation, completed a Final Environmental Impact Statement for the Project in August 2006 (the "**FEIS**"). At a meeting on August 14, 2006, the Directors adopted SEQRA Findings (the "**SEQRA Findings**"), which concluded the SEQRA process at that time. Due to the 2010 Amendments, ESDC and MSDC worked with their environmental consultants to prepare a draft Technical Memorandum, dated March 2010 (the "**Technical Memorandum**") to assess whether new information, changed circumstances, and proposed changes to the Project, including both Phase 1 and Phase 2, specifically including the proposed 2010 Amendments (including potential design changes, changes to schedule, and other changes in circumstances), result in any new or substantially different significant adverse impacts than what had been described in the Project's FEIS or SEQRA Findings. The draft Technical Memorandum concluded that the 2010 Amendments do not result in any new or substantially different significant adverse impacts, and that, if the 2010 Amended GPP were to be affirmed in substantially the form proposed, there would be no need

for a supplemental environmental impact statement. The draft Technical Memorandum was made available for public review, has now been finalized, and continues to conclude that no new significant adverse impacts would result from the Project as described in the 2010 Amended GPP that were not previously considered in the FEIS and SEQRA Findings. Accordingly, no Supplemental Environmental Impact Statement is required in connection with affirmation of the 2010 Amended GPP. The June 2010 final Technical Memorandum is attached hereto as Attachment D.

B. The Federal Railroad Administration ("**FRA**"), the Federal Highway Administration ("**FHWA**"), the Federal Transit Administration ("**FTA**"), and USPS are required to comply with the National Environmental Policy Act ("**NEPA**") and related laws and regulations in connection with the Federal funding being extended to Moynihan Station, and the continued occupancy of certain space within Farley by USPS. During the initial stages of the Project, FRA had taken the lead in conducting the environmental review under NEPA and had issued a Finding of No Significant Impact ("**FONSI**") for the Project as it existed in September 1999. In 2006, in connection with ESDC's acquisition of Farley, USPS assumed the role of NEPA lead agency (with FRA and FHWA participating as cooperating agency and consulting agency, respectively), and USPS issued a FONSI at that time. With respect to the current proposal, the lead agency for purposes of NEPA is again FRA. FRA is currently considering a draft Environmental Assessment ("**EA**") for the Project that ESDC and MSDC submitted to FRA in August 2009. This draft EA analyses the full Project in detail, including Phase 1 and Phase 2.

C. The environmental analyses presented in the FEIS, Technical Memorandum and EA were based upon various assumptions and commitments with respect to the Project. The Project will conform to those assumptions and commitments. In particular:

1. The Project will be designed in consultation with the State Historic Preservation Office ("SHPO") pursuant to an amended Programmatic Agreement to be entered into with SHPO and other appropriate parties.

2. In connection with the construction of the Project, MSDC and ESDC will:

- prepare a plan, in consultation with MTA and its constituent agencies, Amtrak, and NJT that would include measures to minimize, to the extent practicable, temporary disruptions to transit and railroad operations;

- coordinate construction activities with other large scale transportation projections under construction in the vicinity of the Project, including the ARC Project;

- require the development of and adherence to measures designed to avoid impacts on those exterior and interior portions of the Farley Building to be preserved as part of the Project;

- require the development of and adherence to measures designed to avoid damage to historic resources that are located within 90 feet of proposed construction activities (namely, the former J.C. Penney Company building at

331-343 West 33rd Street and former William F. Sloan Memorial YMCA at 360 West 34th Street);

- require that construction activities be performed in accordance with the substantive requirements of the New York City Air Pollution Control Code applicable to the control of fugitive dust emissions;

- require that construction activities with the potential to generate dust be conducted using measures that will include wetting of exposed areas and the utilization of dust covers on trucks, as needed to minimize dust emissions;

- require the implementation of measures to minimize vehicle and equipment-related emissions, including limiting unnecessary engine idling, both on-site and on-street, to three minutes; using electrical grid power to power electric engines in lieu of diesel engines where practicable; minimizing the use of generators to the extent practicable; using ultra low sulfur diesel fuel exclusively for all nonroad diesel powered engines; using exclusively nonroad engines certified by EPA as Tier 2 or higher; and using diesel engines equipped with diesel particle filters (DPF) or equivalently effective controls for all nonroad diesel engine applications with a power output rating of 50 horsepower (hp) or greater;

- to the extent necessary, require that additional environmental investigations be conducted to determine the potential for contamination at locations where excavation or soil disturbance will take place;

- where contamination has been or is identified, require that appropriate measures be taken to remove or otherwise address such conditions in accordance with the regulations, practices and protocols identified in the Technical Memorandum, including, as appropriate, preparation of and adherence to proper Health and Safety Plans, Soil Management Plans, Soil Gas Management Plans and Groundwater Management Plans;

- require that asbestos-containing materials ("ACM"), lead based paint, PCB-containing equipment, and electrical switching devices containing mercury are properly removed, handled, disposed of and otherwise managed in accordance with the regulations, practices and protocols described in the Technical Memorandum, including, as appropriate, preparation of and adherence to proper ACM Material Management Plans, Lead Based Paint Management Plans and PCB-Containing Equipment Management Plans;

- require development of and adherence to a plan, prepared in coordination with the Mayor's Office of Construction, to minimize disruptions to traffic and pedestrian flows during the construction period;

- require adherence to standard practices for the protection of pedestrians during construction, including but not limited to providing covered temporary pedestrian walkways, as appropriate; and

- require compliance with the substantive provisions of the New York City Noise Control Code relating to construction-related noise and U.S. EPA noise emission standards for construction equipment, and the employment of best management practices, such as low-impact machines and ground improvement to limit vibration.

3. ESDC and MSDC will consult with the New York City Department of Transportation to seek implementation of: (i) the traffic control measures identified in the Technical Memorandum (e.g., signal re-timing, changes to curbside parking regulations and road re-striping); and (ii) cross walk widenings at the locations indentified in the Technical Memorandum to improve pedestrian flows at those locations.

X. BUILDING CODE

The construction of the Project will conform to the substantive provisions of the New York City Building Code except in certain areas of Farley where design renders conformance not feasible. In such areas of Farley, it is expected that ESDC, MSDC, and Port Authority (as applicable) will consult with NYC Department of Buildings regarding development of appropriate engineered solutions to achieve the Building Code objectives using alternative means, methods, and designs.

XI. AFFIRMATIVE ACTION

ESDC's Non-Discrimination and Affirmative Action policies will apply. There is a 20% Minority/Women-owned Business Enterprise contractor and/or subcontractor participation goal during development of the Project, and an overall goal of 25% minority and female workforce participation during construction of the Project.

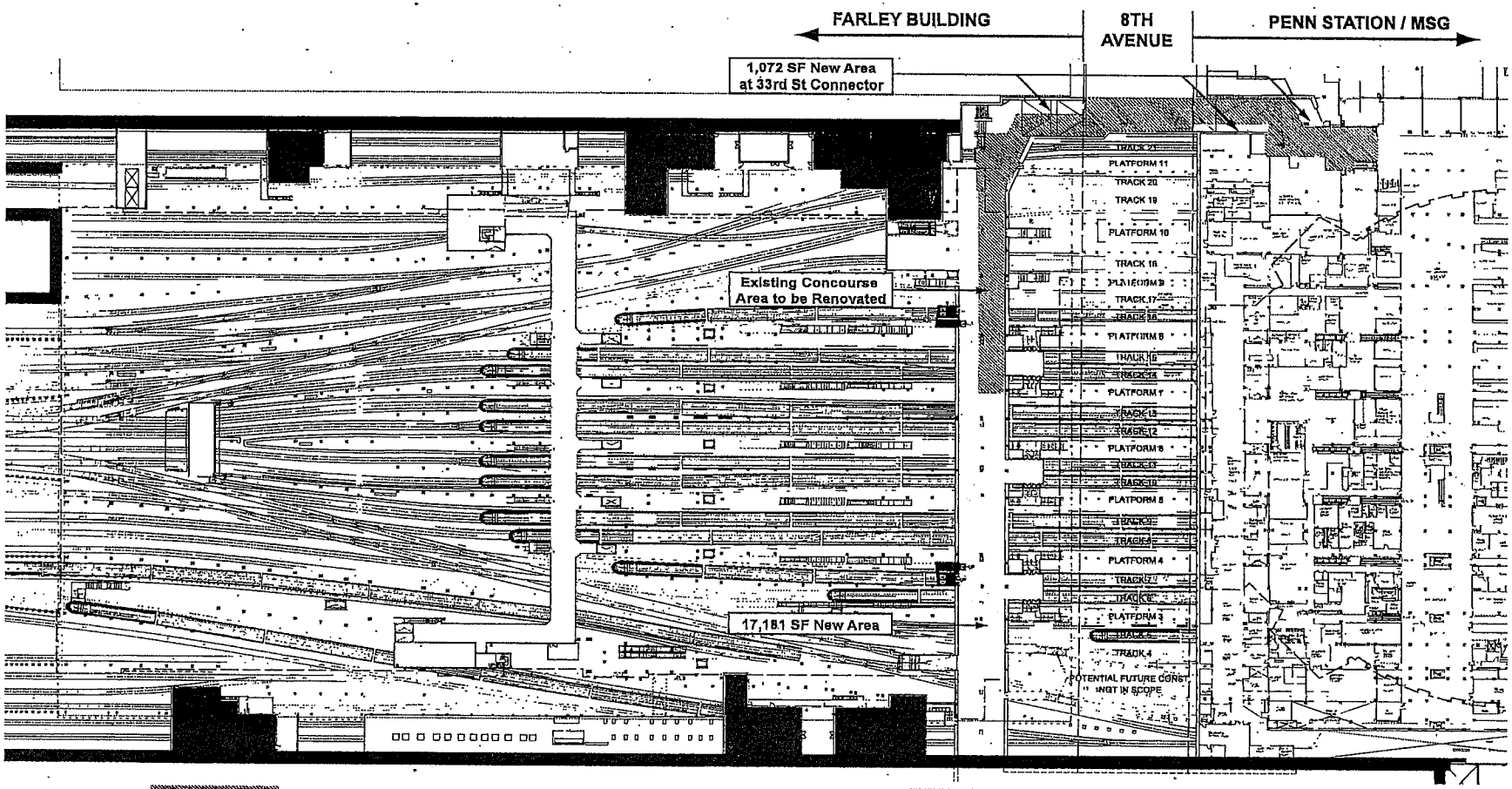
XII. MSDC DIRECTORS

Any material modifications of the terms and conditions of this 2010 Amended GPP are subject to approval by MSDC Directors as set forth in the MSDC Certificate of Incorporation and the MSDC By-Laws.

ATTACHMENTS

Attachment A	Phase 1 Floor Plans
Attachment B	Phase 2 Floor Plans
Attachment C	Penn West Building and Site Plan
Attachment D	Final SEQRA Technical Memorandum

ATTACHMENT A



Existing Concourse Area to be Renovated

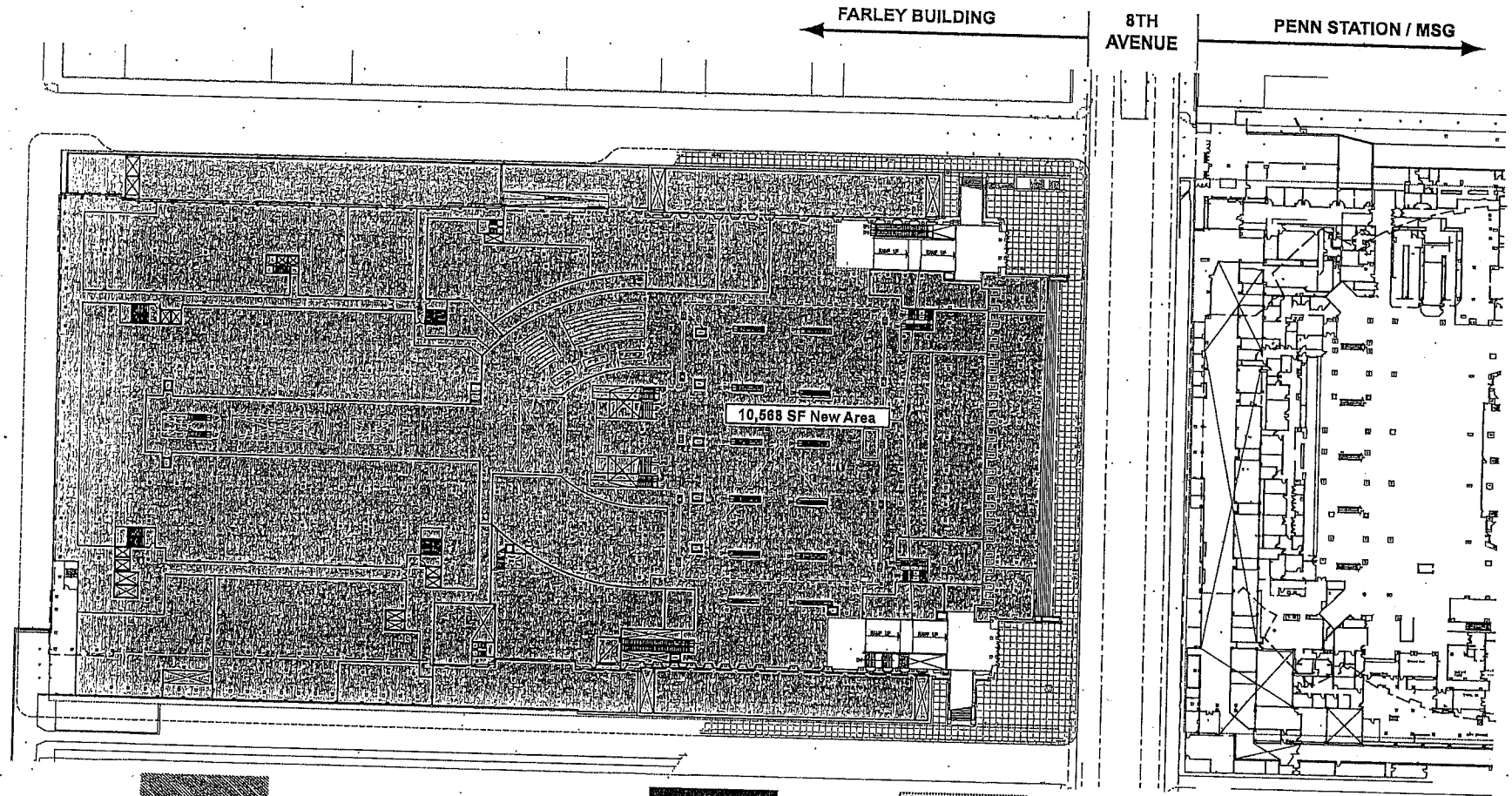
Phase 1 - New Area to be Constructed

Platform Exhaust Fan Room Locations

Phase 2 - Future Construction Area

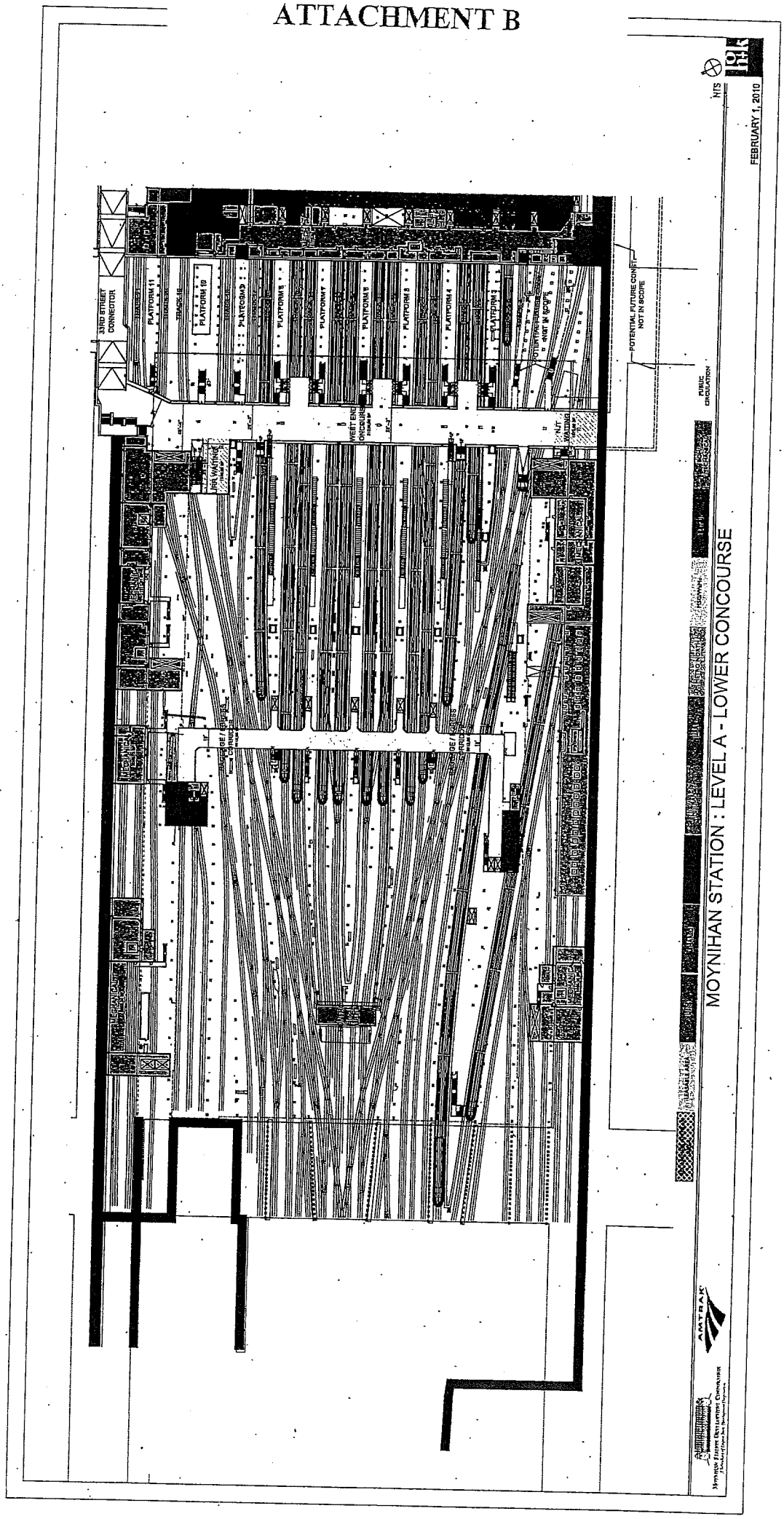
Line of Existing Construction Above

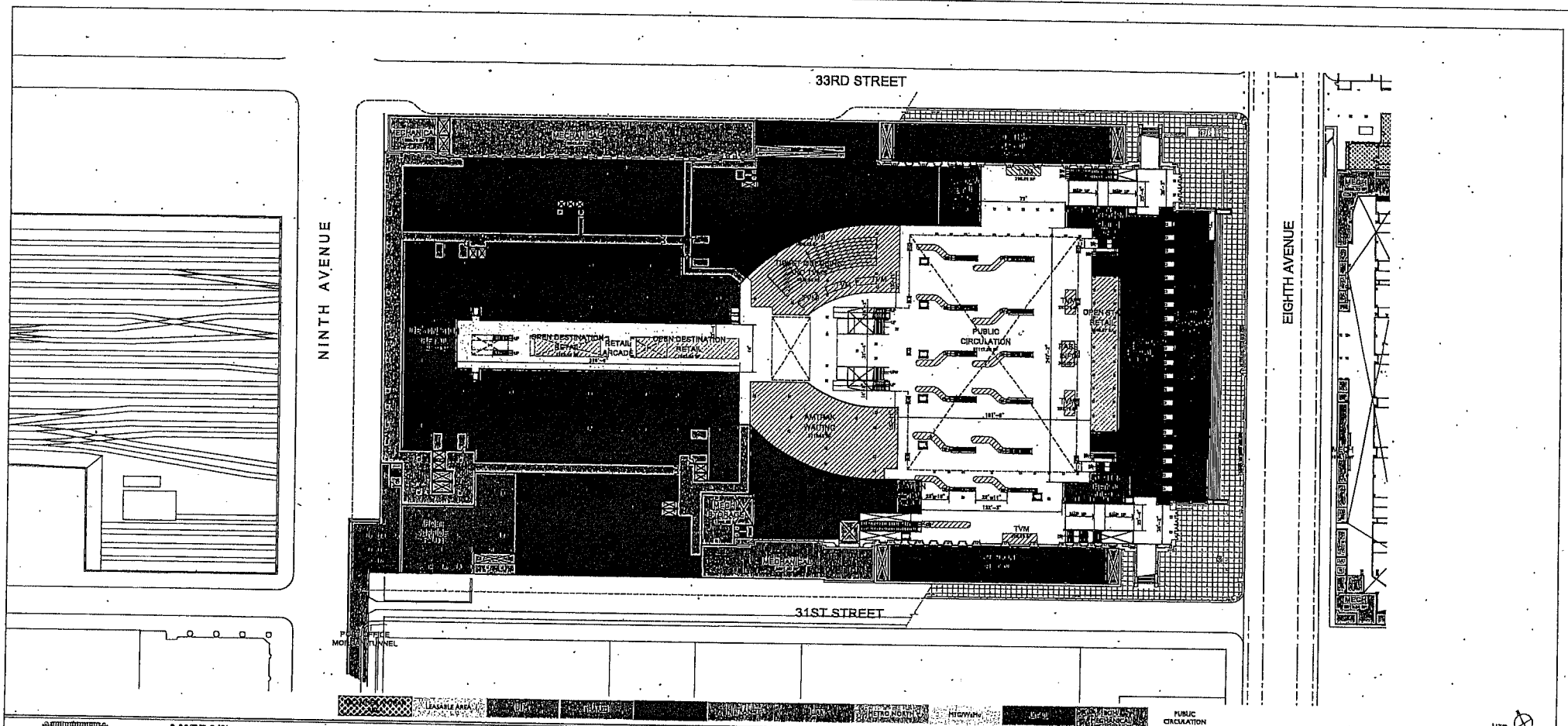
MOYNIHAN STATION - PHASE 1 : LEVEL A - LOWER CONCOURSE



MOYNIHAN STATION - PHASE 1 : LEVEL B - MAIN CONCOURSE

ATTACHMENT B

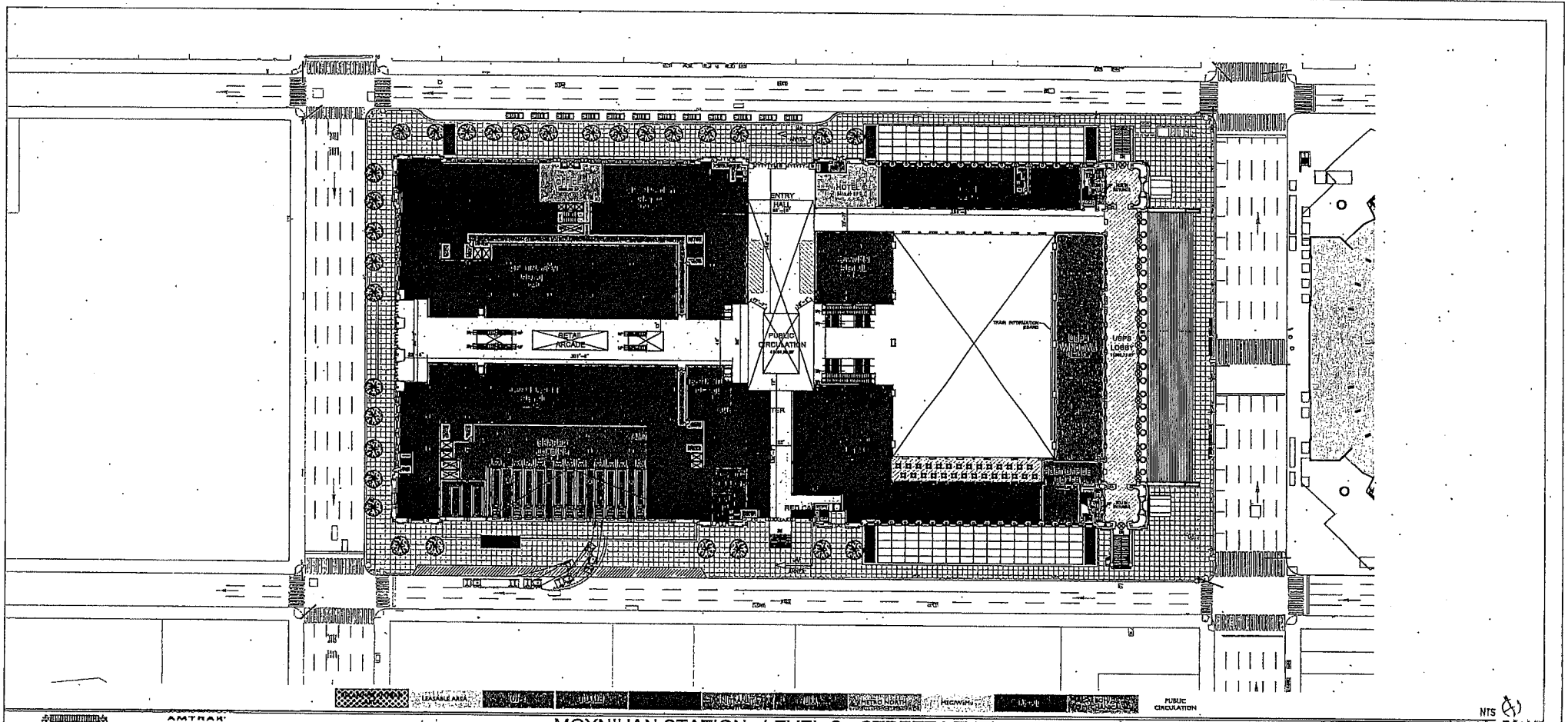




MOYNIHAN STATION : LEVEL B - MAIN CONCOURSE

NTS

FEBRUARY 1, 2010



MOYNIHAN STATION : LEVEL C - STREET LEVEL

NTS

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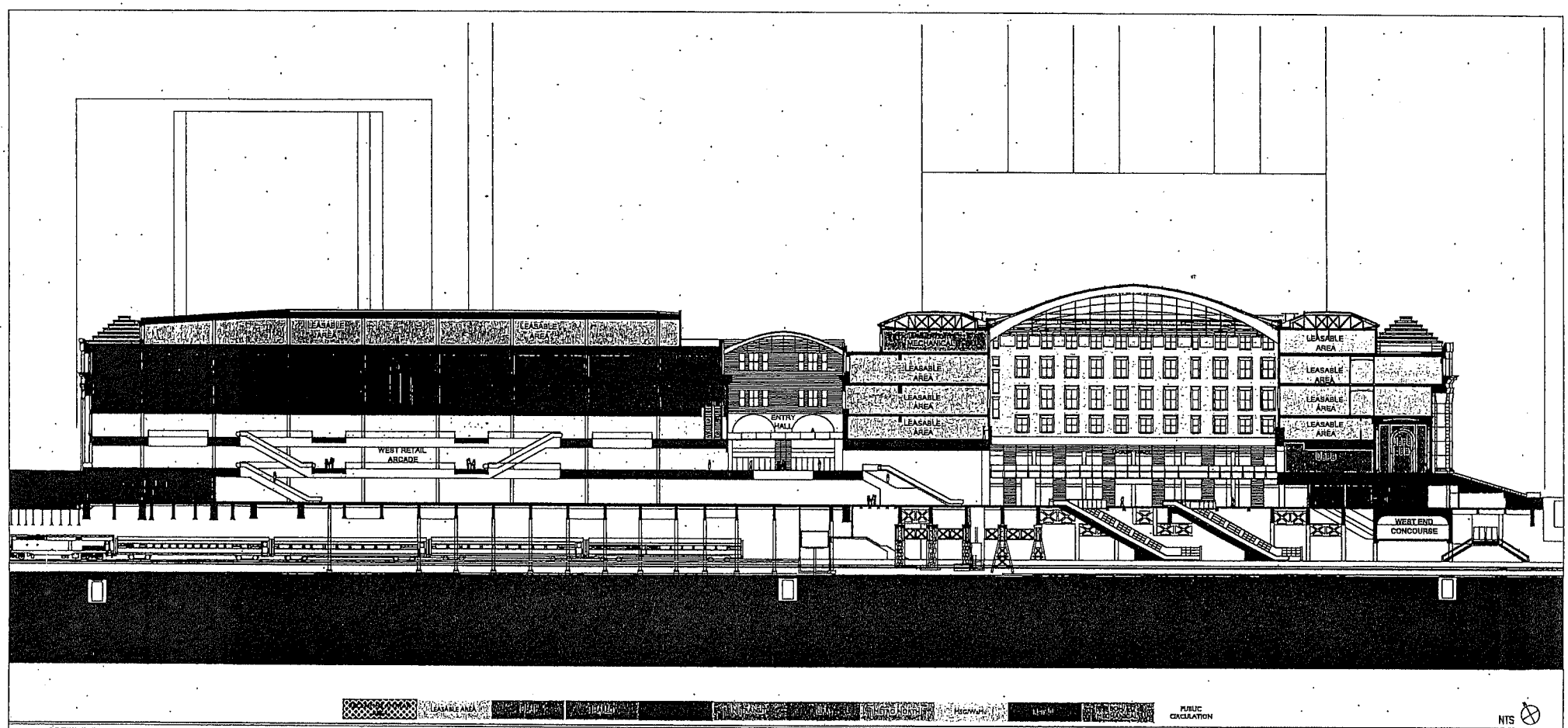


LEASABLE AREA | HALL | MECHANICAL | HIGHWAY | PUBLIC CIRCULATION

NTS

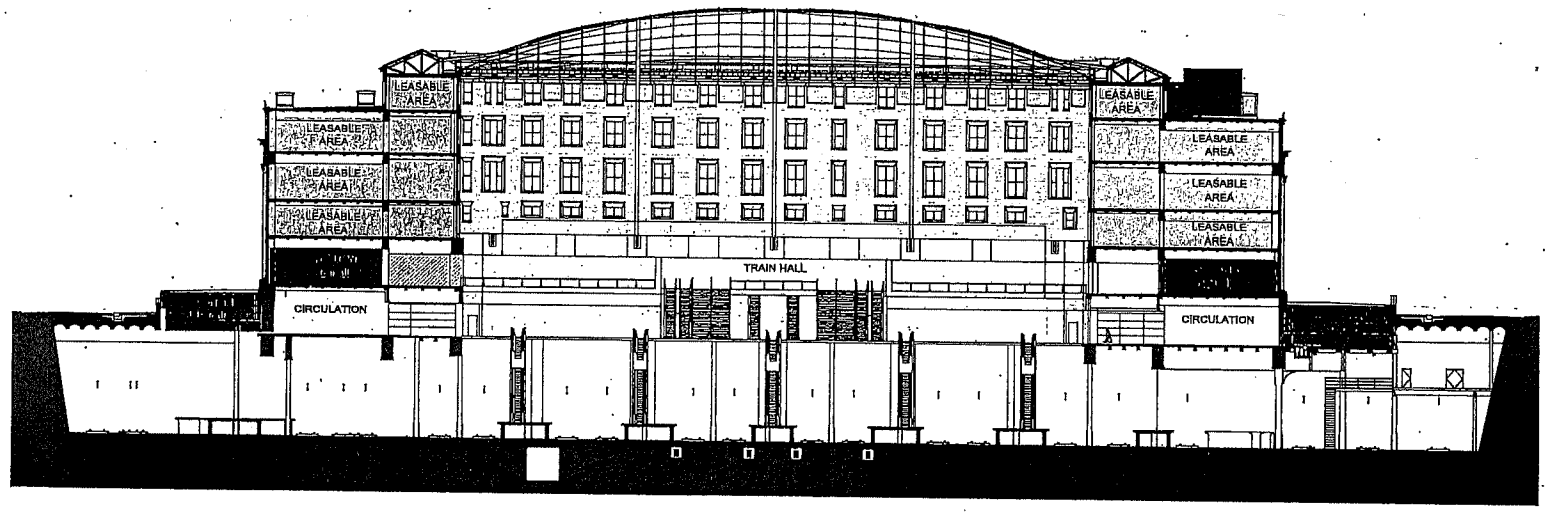
Moynihan Station Development Corporation
A Subsidiary of Empire State Development Corporation

AMTRAK

MOYNIHAN STATION : ENLARGED EAST-WEST FARLEY SECTION

FEBRUARY 1, 2010

HOK



LEASABLE AREA | METRO NORTH | HIGHWAY | PUBLIC CIRCULATION

AMTRAK

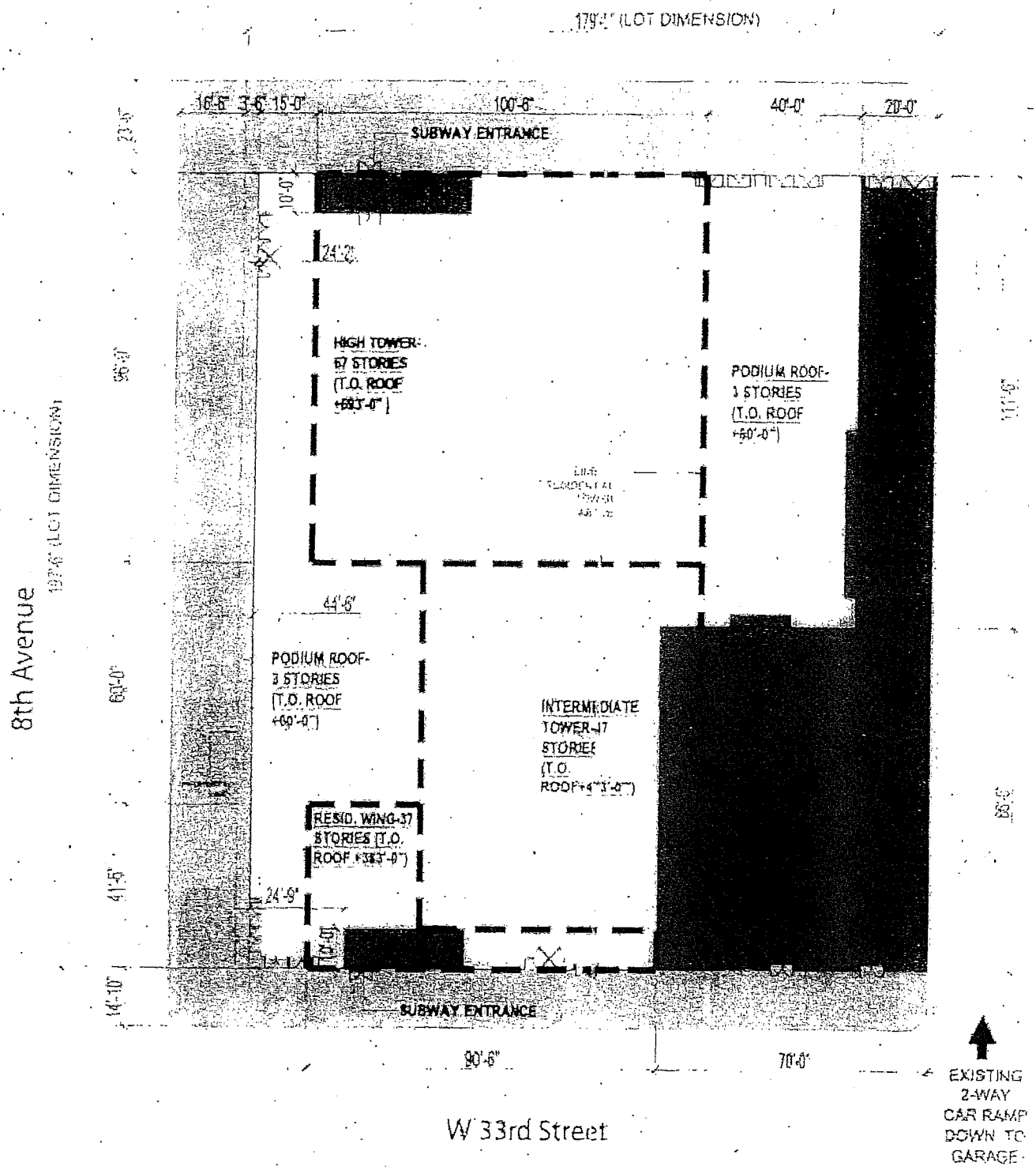
MOYNIHAN STATION : OVERALL NORTH-SOUTH STATION SECTION

NTS

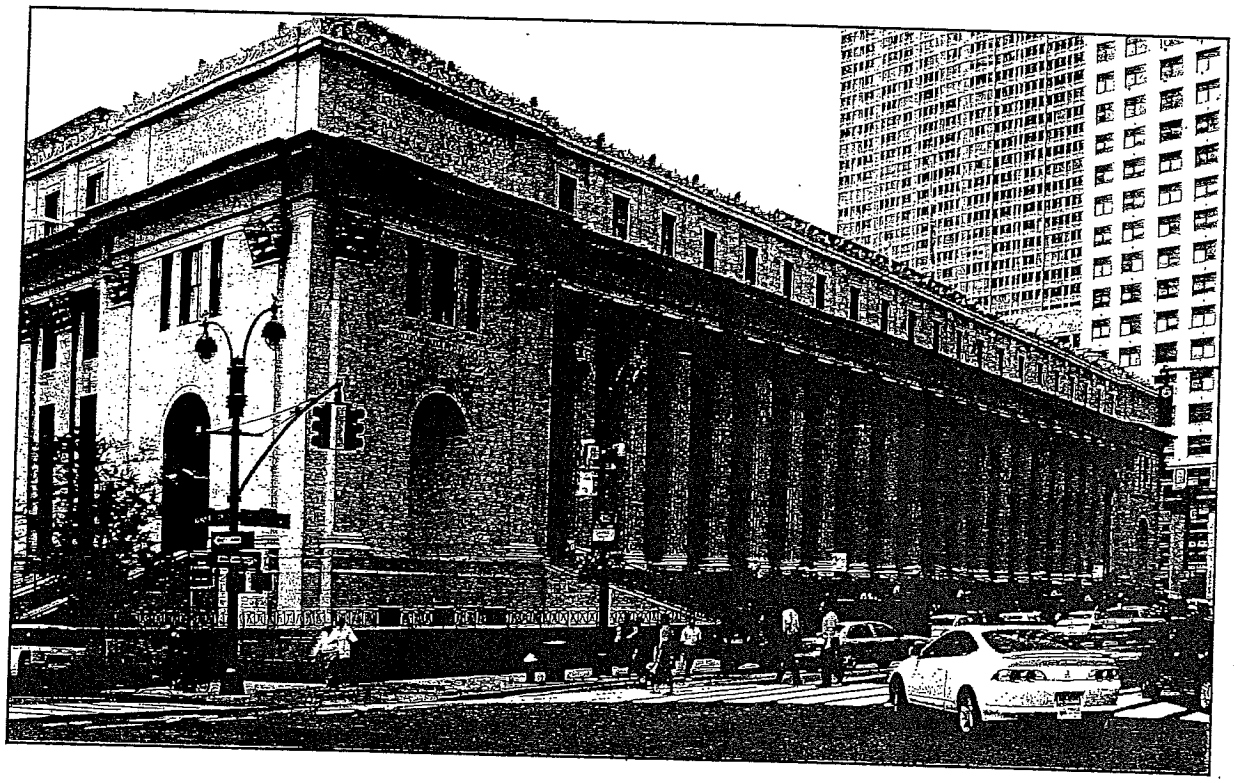
FEBRUARY 1, 2010

ATTACHMENT C

Off-Site Premises Building and Site Plan



MOYNIHAN STATION
DEVELOPMENT PROJECT



Technical Memorandum

PREPARED FOR:

Empire State Development Corporation
Moynihan Station Development Corporation
and
The Port Authority of New York and New Jersey

Prepared by:

AKRF, Inc.
Stantec Consulting Services, Inc.
Parsons Brinckerhoff
Bryan Cave LLP

JUNE 2010

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FINAL TECHNICAL MEMORANDUM FOR THE MOYNIHAN STATION DEVELOPMENT PROJECT

June 2010

Foreword

This document is the Final Technical Memorandum for the proposed Moynihan Station Development Project, sponsored by the New York State Urban Development Corporation, doing business as the Empire State Development Corporation (ESDC). An Amended General Project Plan and Draft Technical Memorandum were issued by ESDC on March 26, 2010, at which time both documents were made available for public review. Oral and written comments were received during a public hearing held by ESDC on Wednesday April 28, 2010, at the Farley Complex in New York City. Written comments were accepted from issuance of the Draft Technical Memorandum through the public comment period, which ended May 28, 2010.

This Final Technical Memorandum reflects all relevant substantive comments made on the Draft Technical Memorandum during the public hearing and subsequent written comment period. In summary, descriptions of the street level components of the platform ventilation system (in response to public comments) have been added to Section 1, "Project Description" and Section 8, "Historic Resources" and Figure 1-5, "Moynihan Station – Amtrak Station Option, Street Level" has been updated to show the proposed locations of the ventilation system sidewalk grates. In addition, a discussion of the New York City Department of Transportation's (NYCDOT) 34th Street Bus Rapid Transit project, which was recently announced to the public, has been added to Section 2, "Analytical Framework" of this Technical Memorandum, and a discussion of a recently adopted National Ambient Air Quality Standard for sulfur dioxide has been added to Section 16, "Air Quality." These and other less notable updates and edits to the document are identified with text that has been double underlined. This Foreword is not double underlined since it is wholly new to the document.

A. INTRODUCTION

On August 14, 2006, the New York State Urban Development Corporation, doing business as the Empire State Development Corporation (ESDC), adopted findings for the Farley Post Office/Moynihan Station Redevelopment Project (the Farley/Moynihan Project) pursuant to the State Environmental Quality Review Act (SEQRA) and based on a Final Environmental Impact Statement (FEIS) issued by ESDC in 2006 (the 2006 FEIS). ESDC also affirmed a General Project Plan (GPP) for the Farley/Moynihan Project. Since affirmation of the GPP, ESDC and the Moynihan Station Development Corporation (MSDC), a subsidiary of ESDC, have formulated and are considering modifications to the project (now referred to as the Moynihan Station Development Project, the "Project") and ESDC/MSDC are considering modifications to the GPP. The proposed project modifications relate to the design and financing of the Daniel Patrick Moynihan Station (Moynihan Station). This Technical Memorandum describes the proposed modifications and examines whether they would result in any significant adverse environmental impacts not adequately addressed in the 2006 FEIS.

2006 FINAL ENVIRONMENTAL IMPACT STATEMENT

The Farley/Moynihan project assessed in the 2006 FEIS consisted of two phases. Originally estimated to be complete by 2010, Phase I was to include a new, approximately 300,000-square-foot Moynihan Station with 86,000 square feet of transit-related retail, up to 265,000 square feet of space for the United States Postal Service (USPS), together with certain common areas and common building systems serving the Farley Complex for continued USPS operations, and approximately 683,000 square feet of privately sponsored commercial development within the Farley Complex. New Jersey Transit (NJT) was assumed to be the primary rail occupant in Moynihan Station. The commercial development within the Farley Complex included retail, banquet facility, and hotel space. Phase II was to include either a new residential or mixed-use building constructed by 2010 on a site across Eighth Avenue (the Development Transfer Site) or a new office building constructed by 2015 over the Western Annex portion of the Farley Complex using approximately 1 million square feet of the Farley Complex's unused development rights.

SUMMARY OF PROJECT MODIFICATIONS

A summary of key Project modifications are presented in Table 1-1 and further described below.

Table 1-1
Summary of Key Moynihan Station Project Modifications from 2006 FEIS

2006 FEIS Moynihan Station	Proposed Moynihan Station
New Jersey Transit as primary occupant, open station orientation serving all railroads. No relocation of primary rail facilities from existing Penn Station.	Two options for rail occupancy. Amtrak as primary occupant in first option with relocation from current Penn Station. The Technical Memorandum also includes an Open Station Option with a station configuration that serves all railroad users.
Station and all improvements funded and implemented in one phase and expected to be completed by 2010 along with the Development Transfer Site building.	Station and all improvements expected to be completed by 2015. In addition, project funding and approvals have been broken into two phase in order to secure funding and implementation of Phase 1 improvements to the West End Concourse and 33rd Street Connector.
New vertical circulation elements.	Modified and expanded vertical circulation elements based on continued station planning.
West End Concourse widened and extended to Platform 3 (Track 5).	West End Concourse widened and extended further south to the retaining wall of the train shed.
No reuse of Diagonal Mail Platform (Platform 12).	Reactivation of Platform 12 for Amtrak Empire Line service and potential future use by Metro-North.
West 33rd Street Connector widened but not to full ADA compliance.	West 33rd Street Connector widened to full ADA compliance based on continued station planning.
New glass and metal roofs for both the proposed Train Hall and Intermodal Hall that would be visible from surrounding streets.	New glass and metal roofs for both the proposed Train Hall and Intermodal Hall with lower profiles that would not be visible from surrounding streets. The Intermodal Hall would also have a smaller footprint.
Source: MSDC	

- Two new options for rail occupancy in Moynihan Station. Overall, the size (300,000 square feet) and the program (major transportation hub with some transit-related retail) of Moynihan Station are the same as were assessed in the 2006 FEIS. However, NJT is no longer assumed to be the primary rail occupant and, in the first option, Amtrak would be the primary occupant and Moynihan Station would have a layout specific to Amtrak's needs (which is somewhat different from the station layout assessed in the 2006 FEIS). New station features that are unique to this option include an expanded emergency access corridor on the lower concourse level that would also function as a baggage corridor, a different layout of waiting areas, Amtrak services, station retail spaces on the main concourse level, and only one pedestrian passageway between the Eighth Avenue USPS retail lobby and the Intermodal Hall at street level. Amtrak's anchor space would total approximately 100,000 square feet, as contrasted with NJT's 34,000 square feet in the 2006 plan. In the second option, there would not be a primary rail occupant; instead, Moynihan Station would accommodate, and be accessible to, both the commuter railroads—NJT and the Long Island Rail Road (LIRR)— and Amtrak with a shared train board, announcements, waiting areas, and ticket vending machines in a layout more similar to the plan assessed in the 2006 FEIS.
- Two different project phases and a new Build Year of 2015. Phase 1, which has independent utility, would consist primarily of below-grade infrastructure improvements, plus street level

entrances to the West End Concourse through the Farley Building at Eighth Avenue. Phase 1 would not include new vertical circulation elements to Moynihan Station, which would be built in Phase 2; it would include new vertical circulation elements to the West End Concourse. Phase 2 would include development of the concourse and street-level components of Moynihan Station, activation of Platform 12 (further detail below), the non-station commercial development of the Farley Complex, and the development of a mixed-use building on the site across Eighth Avenue (the Development Transfer Site)[1]. The Build Year for the Project would be 2015. In addition, there is no longer an option for constructing an office building over the Western Annex.

- Modifications to vertical circulation elements. The number of vertical circulation elements within Moynihan Station has been increased and the layout of these elements has been somewhat modified.
- Modifications to the West End Concourse. The 2006 FEIS assessed a widening and extension of the West End Concourse on the lower concourse level to Platform 3. With the proposed modifications, the West End Concourse would be expanded further south to the train shed's southern retaining wall.
- Activation and renovation of the diagonal mail platform (Platform 12) and the two adjacent tracks beneath the Farley Complex, including new track connections to the Empire Tunnel. These rail elements have never been used for passenger service and would accommodate additional Amtrak Empire Service trains, and potentially Metro-North Hudson Line service.
- Improvements to the previous plans for the West 33rd Street connecting passageway between the West End Concourse, the Eighth Avenue A, C, and E subway line, and Penn Station's connecting concourse under West 33rd Street. The design improvements would enhance access to the subway line and improve access to the Eighth Avenue subway entrance, with improved access for riders with disabilities. The connector would be widened to full Americans with Disability Act (ADA) standards for both the east and west ramps of the connector. Turnstile arrays for the subway entrances would be shifted to the north to provide maximum circulation for transit riders and pedestrians passing through the connector.
- Design modifications to the new roofs over the Train Hall and the Intermodal Hall. The new glass and metal Train Hall and Intermodal Hall roofs have been redesigned to have a lower profile. With these lower profiles, the roofs would not rise above the Farley Complex's roof parapet and would consequently not be visible from the surrounding streets.

B. PROJECT PURPOSE, GOALS, AND OBJECTIVES

Similar to the project assessed in the 2006 FEIS, the modified Project would address the following specific needs and purposes through a public-private partnership: to create a major transportation hub that improves circulation and capacity of the entire Penn Station Complex, to

[1] The Phase 1 transportation improvements do not assume development of the Development Transfer Site as part of Phase 1, but it is possible that the project sponsor or designated developer may seek to advance development of the Development Transfer Site prior to commencement of the Phase 2 transportation improvements. Since this Technical Memorandum assesses all Project components for a 2015 Build year, the environment impact conclusions presented in this Technical Memorandum do not change if the Development Transfer Site is developed as part of Phase 1 instead of Phase 2.

restore, preserve, and reuse an important historic resource, and to create a financially viable and dynamic mixed-use development opportunity.

The goals, with associated objectives, for the Project are as follows:

- *GOAL 1:* Create a major transportation hub that improves circulation and relieves capacity constraints in the entire Penn Station Complex.
  - Create a new rail passenger facility in the Farley Building connected to and coordinated with passenger operations throughout the Penn Station Complex.
  - Ease congestion of rail traffic.
  - Redirect pedestrian flow in and around Penn Station to reduce crowding and conflicting movements among intercity and commuter rail users within the passenger terminal and connecting passageways.
  - Improve access to the platforms used by Amtrak, NJT, and LIRR.
  - Provide additional passenger amenities (e.g., commuter concourse, ticketing areas, waiting areas, taxi-drop-offs, shops, and restaurants).
  - Provide state-of-the-art security, emergency response, and egress measures.
- *GOAL 2:* Restore and preserve an important historic resource.
  - Restore and preserve the exterior of the Farley Complex. Limit exterior changes to those that would not substantially alter the original design concept of the Farley Complex. Retain the historic use of the USPS retail lobby.
  - Create a new train hall filled with light and activity reminiscent of the original Pennsylvania Station.
  - Ensure that the adaptive reuse of the Farley Complex references the original Pennsylvania Station/Farley Building role as transportation resource, civic gateway, and mail facility.
  - Utilize development rights associated with the Farley Complex off site, and ensure that any development and design would be appropriate to the historic resource.
- *GOAL 3:* Create a dynamic mixed-use development opportunity in the Hudson Yards area and support city and state planning and development policy for West Midtown Manhattan.
  - Permit reuse of available space in the Farley Complex with a mix of uses that are compatible with the transportation center and land use patterns and policies in the surrounding neighborhoods of Hudson Yards, Chelsea, Hell's Kitchen, and West Midtown.
  - Permit development on a nearby site on the east side of Eighth Avenue with a mix of uses that are compatible with Moynihan Station and land use patterns and policies in the surrounding neighborhood.
  - Support economic development through the creation of jobs and new tax revenues.

STATION CIRCULATION BENEFITS

The Project would have a number of passenger circulation-related benefits for rail passengers and for the railroad operators at Penn Station. For both rail occupancy options, these benefits include:

- Passenger access to the Penn Station boarding platforms would be increased by approximately 30 percent as a result of the construction of new escalators, stairways and

elevators from the Farley Complex to the western portions of the existing station platforms, as well as Platform 12;

- Shorter walk distances and reduced travel times, particularly for passengers with origins and destinations in West Midtown Manhattan;
- Shorter platform queues and faster platform clearance following the arrival of heavily-loaded trains during the weekday peak periods;
- Improved passenger safety through new and more evenly distributed egress capacity from the platforms and through new platform ventilation;
- Improved passenger orientation and wayfinding; and
- Improved circulation to and from the Eighth Avenue Subway, including the provision of a direct ADA-compliant connection linking the subway, existing Penn Station concourses and the Farley Complex.

Amtrak Station

There would be additional benefits for Amtrak and its passengers under the Amtrak Station Option, which would deliver substantial benefits to the most heavily used and important station in the Amtrak system:

- World-class station improvements for Amtrak, with a strong street-level presence, natural light, and a high-quality station environment;
- More efficient boarding of Amtrak trains through greater physical separation of Amtrak passengers from the heavy volumes of rail commuters during the weekday peak periods;
- Expanded public spaces and passenger-handling facilities, enabling future ridership growth;
- Large quantity of public space on multiple levels surrounding the Train Hall, providing supplemental passenger waiting capacity to improve Amtrak's ability to handle holiday peaks and recover from extraordinary delay conditions and incidents;
- Modernized and upgraded support facilities for Amtrak operations;
- Operational efficiencies and cost savings associated with consolidated, state-of-the-art facilities; and
- Within the existing Penn Station, increased space and public circulation areas for commuter rail passengers, opportunities for LIRR and NJT to relocate some of their back-of-house operations and for new retail.

C. PROJECT DESCRIPTION

As noted above, modifications are being proposed to the project analyzed in the 2006 FEIS. This section describes in detail Phases I and II of the Project with the proposed modifications and the two options under Phase 2 for the design of Moynihan Station.

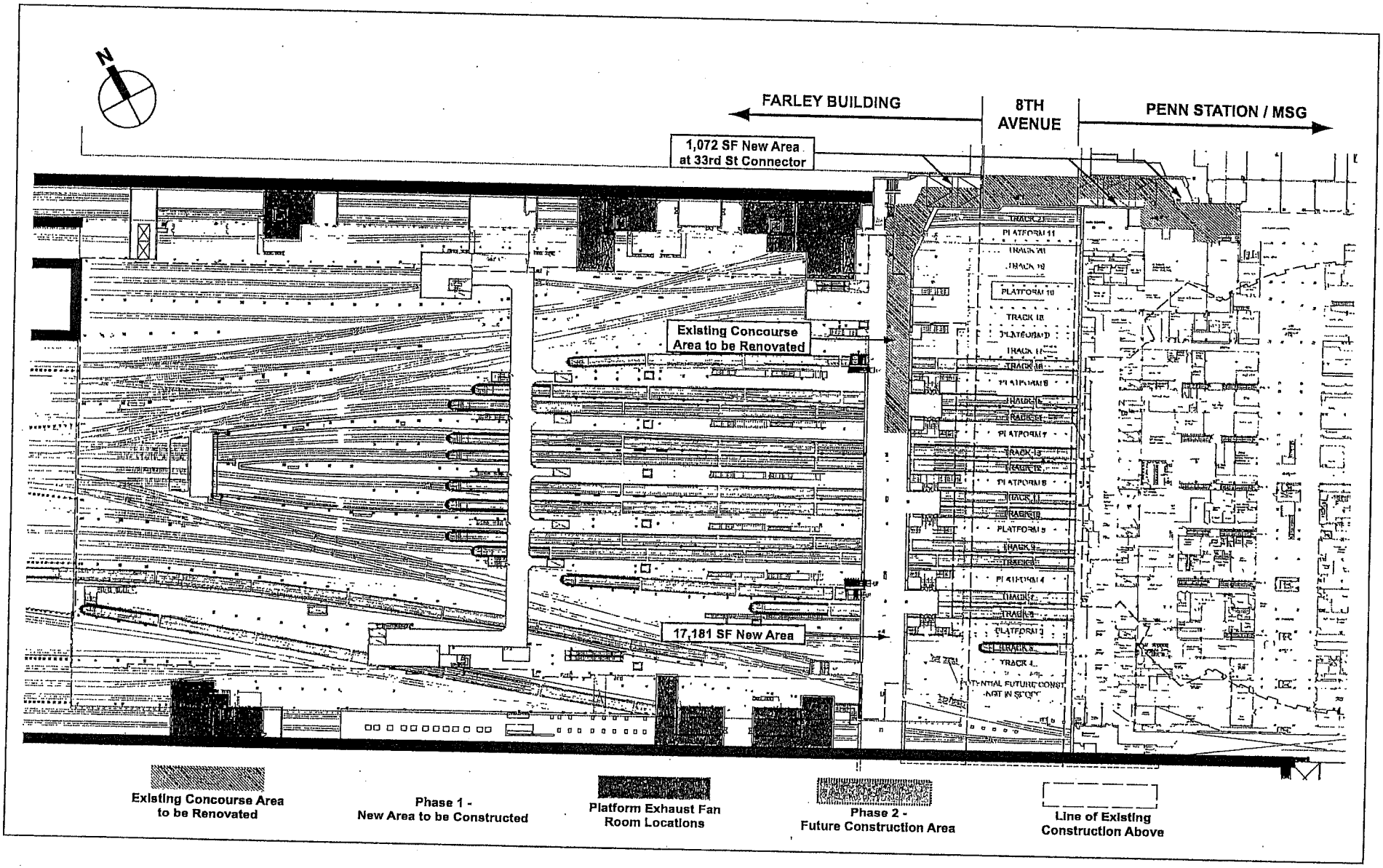
FARLEY COMPLEX—PHASE 1

Phase 1 of the Project is the critical first step in developing Moynihan Station and also has immediate transportation benefits to existing users of Penn Station. Phase 1 consists of significant improvements to below-grade infrastructure that have independent utility and would increase capacity for existing intercity and commuter rail services, enhance subway connections, reduce congestion, allow for easier access by persons with disabilities, improve westerly access

to the station, and improve passenger safety and security. The specific elements of Phase 1 are shown on **Figures 1-1** and **1-2** and described below:

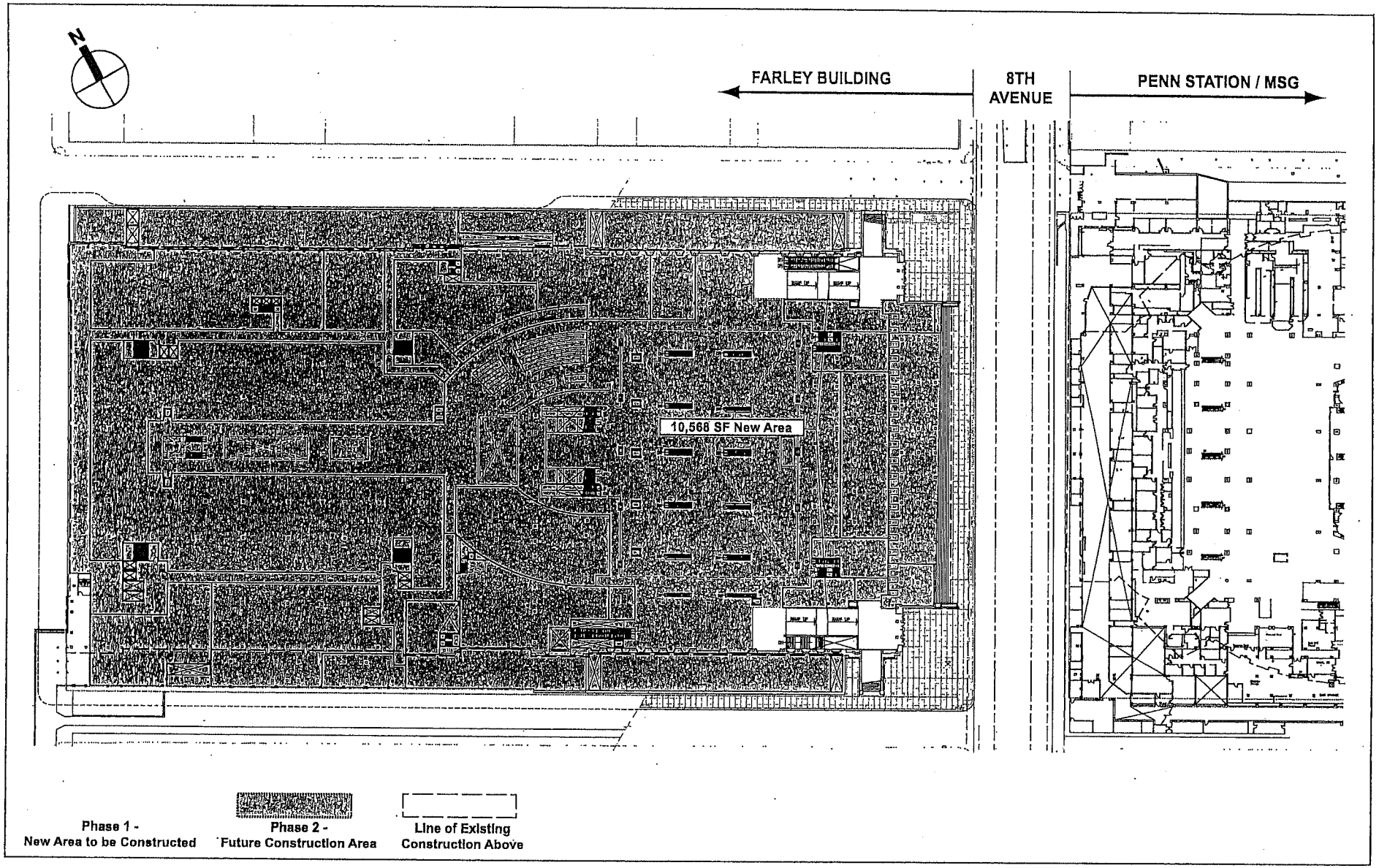
- Expand the existing West End Concourse by doubling its width and increasing its length to significantly enhance passenger circulation space. The West End Concourse would be extended to the train shed's southern retaining wall, providing access to seventeen tracks (as compared to the nine tracks served today—Platforms 3 through 11 would be served with the Project, as compared to 7 through 11 today). The expanded West End Concourse would benefit NJT and Amtrak passengers and would continue to serve all the LIRR tracks. The expanded West End Concourse would also be large enough to accommodate ticket vending machines for passengers who currently purchase their tickets elsewhere in the station. Also, the West End Concourse expansion would allow for future access to Platforms 1 and 2 (for NJT) and to an activated Platform 12 (which is part of Phase 2 and described below). The improvements to the West End Concourse are more extensive than what were assessed in the 2006 FEIS.
- Provide13 new West End Concourse vertical access points to and from the platforms, and 6 new vertical access points from the West End Concourse to street level. These new vertical access points would significantly reduce the time required for platform clearance. Vertical access is critical at Penn Station, because the tracks are located three levels below grade, and the speed with which passengers can get on and off the platforms has a direct bearing on train throughput. Vertical access is particularly important at the west end of Penn Station, because the existing tracks and platforms extend under the Farley Building, but today there is little or no vertical access from this end of the platforms. The West End Concourse expansion is critical to maximizing the use of the existing track-level infrastructure at Penn Station.
- Provide two new above-grade, Eighth Avenue entrances to the West End Concourse through the Farley Building, improving access and decreasing congestion at Penn Station. Passengers would be able to enter the station through the Farley Building at the corners of West 31st and West 33rd Streets. The entrances would flank the staircase leading up to the retail lobby of the Post Office. These entrances are the same as the Eighth Avenue entrances assessed in the 2006 FEIS.
- Expand and renovate the existing 33rd Street Connector between Penn Station's connecting concourse and the West End Concourse by doubling its width, thereby increasing capacity and making it ADA-compliant for the first time. This would accommodate passenger flow between Penn Station, the West End Concourse, and Moynihan Station, as well as provide direct access to the Eighth Avenue A, C, and E subway lines, and to NJT's new Access to the Region's Core (ARC) station under 34th Street that will open when NJT completes the tunnel under the Hudson River now under construction.[1] These improvements are more extensive than the improvements assessed in the 2006 FEIS.
- Improve Penn Station safety and security by creating new platform ventilation beneath the Farley Building. Six new ventilation fan rooms would provide additional, much-needed emergency platform ventilation capacity and include critical design elements and features that would adhere, to the maximum extent practicable, to guidelines established by the

[1] Widening of the connector requires relocation or reconfiguration of Metropolitan Transportation Authority-New York City Transit (MTA-NYCT) turnstiles for the Eighth Avenue subway station. MSDC is coordinating relocation planning with MTA-NYCT.



MOYNIHAN STATION
DEVELOPMENT PROJECT
TECHNICAL MEMORANDUM

Moynihan Station - Phase I
Lower Concourse Level
Figure 1-1



MOYNIHAN STATION
DEVELOPMENT PROJECT
TECHNICAL MEMORANDUM

Moynihan Station - Phase I
Main Concourse Level
Figure 1-2

National Fire Protection Association (NFPA) Standard 130: Standard for Fixed Guideway Transit and Passenger Rail Systems. At street level, the ventilation system would consist of grates located within the West 31st and West 33rd Street moats adjacent to the eastern portion of the Farley Complex and grates located in the sidewalks on West 31st and West 33rd Streets adjacent to the western portion of the Farley Complex (see **Figure 1-5**). It is currently anticipated that there would not be a need for above-grade ventilation structures. This ventilation system is the same as what was assessed in the FEIS.

FARLEY COMPLEX—PHASE 2

Phase 2 of the Project includes development of the Moynihan Station Train Hall and street-level portions of the station, activation of Platform 12 for passenger use, the non-station commercial development of the Farley Complex, and the development of a mixed-use building on the Development Transfer Site. Overall, the total Farley Complex program for the Project is the same as assessed in the 2006 FEIS: 1,408,350 square feet, consisting of a 300,000-square-foot station, 86,000 square feet of transit-related retail, up to 265,000 square feet of USPS space, 125,000 square feet of hotel space, 518,100 square feet of commercial retail, a 35,000-square-foot banqueting facility, approximately 50,000 square feet of common building areas, 24,000 square feet for loading docks and service areas, and a 5,000-square-foot hotel lobby.

For the Moynihan Station portion of Phase 2, there are two options: an Amtrak station and an open station without a primary rail occupant. Phase 2 of the Project is described in detail below.[1]

AMTRAK STATION OPTION

Moynihan Station

The station design in the Amtrak Station Option is somewhat different from the station design examined in the 2006 FEIS, primarily because the primary occupant of Moynihan Station under this option would be Amtrak instead of NJT.[2] However, in terms of overall size and program elements, the Amtrak Station Option is similar to the 2006 plan. The Amtrak Station Option assumes that approximately 300,000 square feet of the Farley Complex would be used for an Amtrak station, although the station could also be utilized by LIRR and NJT customers. After completion of the 2006 FEIS, planning and design of the station continued, incorporating additional improvements into the project that included the West End Concourse expansion, the 33rd Street Connector (which links the Farley Building with the Eighth Avenue subway lines and Penn Station), and the reactivation of the former mail platform (Platform 12) for passenger use. The improved design of these facilities has been incorporated into the Amtrak Station Option (as well as into the second option, the Open Station Option). The Amtrak Station Option includes a full extension of the West End Concourse to the train shed's southern retaining wall

[1] The descriptions of these options are intended to provide a thorough understanding of the various options under consideration. Some of that detail is not required in order to assess potential Project impacts. It should be noted that the design of the Project will be further refined prior to commencement of construction of Phase 2, and certain details are likely to change as a result of such design refinements.

[2] As a result, Amtrak may vacate certain space at the Penn Station Complex. The specific use of the vacated space would be determined by Amtrak and other railroad tenants and is not known at this time. Since the use of this space would likely involve railroad operations, transit-related retail, or a combination of such uses, the programming of this space is not expected to affect the assessment of environmental impacts set forth in this Technical Memorandum.

beneath the Farley Complex, but does not provide connections to NJT Platforms 1 and 2, which had been assumed in the 2006 FEIS as part of NJT's capital program but is a separate action. See **Figures 1-3** through **1-7** for plans and sections of Moynihan Station under the Amtrak Station Option.

The new Moynihan Station, under the Amtrak Station Option, would include the following elements:

- New facilities for rail passengers. These include dedicated Amtrak ticketing, baggage, and waiting areas (including Club Acela), a Train Hall main concourse, and Intermodal Hall at street level (see **Figures 1-4** and **1-5**). The main concourse Train Hall would be a large public space created in the Farley Building to serve both as the main passenger waiting area and railroad station passenger concourse (see **Figure 1-6**). As shown on **Figure 1-4**, there would be more than fifteen vertical circulation elements providing access from the main concourse directly to the platform level. The layout of many of these spaces is different than what was assessed in the 2006 FEIS.
- New Intermodal Hall. As currently contemplated, the hall would be characterized by a glass and metal skylight and would create midblock entrances to the Farley Building from both West 33rd and West 31st Streets, with the primary entrance on West 33rd Street (see **Figures 1-5** and **1-7**). The footprint and roof of the Intermodal Hall are smaller and lower, respectively, than what was assessed in the 2006 FEIS.
- Similar to the 2006 FEIS, an approximately 30 percent increase in the combined total of passenger stairs, escalators, and elevators; an approximately 50 percent increase in passenger circulation space; and direct access to the platforms for all railroads, except Platforms 1 and 2. Variations on the passenger circulation elements of the station are still being studied and further refined. These variations are described and analyzed in Section 13, "Station Circulation Analysis" of this Technical Memorandum. The essential passenger circulation elements are similar to what were assessed in the 2006 FEIS.
- Dedicated drop-off lanes and curb cuts for taxi access located on the mid-block of West 33rd Street and/or West 31st Street. These features are the same as those that were assessed in the 2006 FEIS.
- Building systems and infrastructure improvements. The Amtrak Station Option includes upgrades to the building's mechanical systems to meet the needs of the new station and reconfigured facility. These improvements are similar to those assessed in the 2006 FEIS.
- Planned restoration program. The Amtrak Station Option includes a comprehensive exterior building restoration, with stonework and mortar cleaned and refurbished, and windows restored and replaced as necessary. This program is the same as what was assessed in the 2006 FEIS.
- A wide pedestrian corridor within the Farley Complex—along the alignment of West 32nd Street—that would provide pedestrian circulation on two levels between the Intermodal Hall and Ninth Avenue (see **Figures 1-4** and **1-5**). These corridor improvements are more extensive than the corridor improvements that were assessed in the 2006 FEIS.
- Approximately 86,000 square feet of transit-related retail and commercial space. This space is in addition to the approximately 300,000-square-foot train station and is the same as what was assessed in the 2006 FEIS.
- Mail truck access. The existing USPS loading docks on the exterior of the building would be removed and modern loading facilities for USPS and Amtrak would be constructed inside

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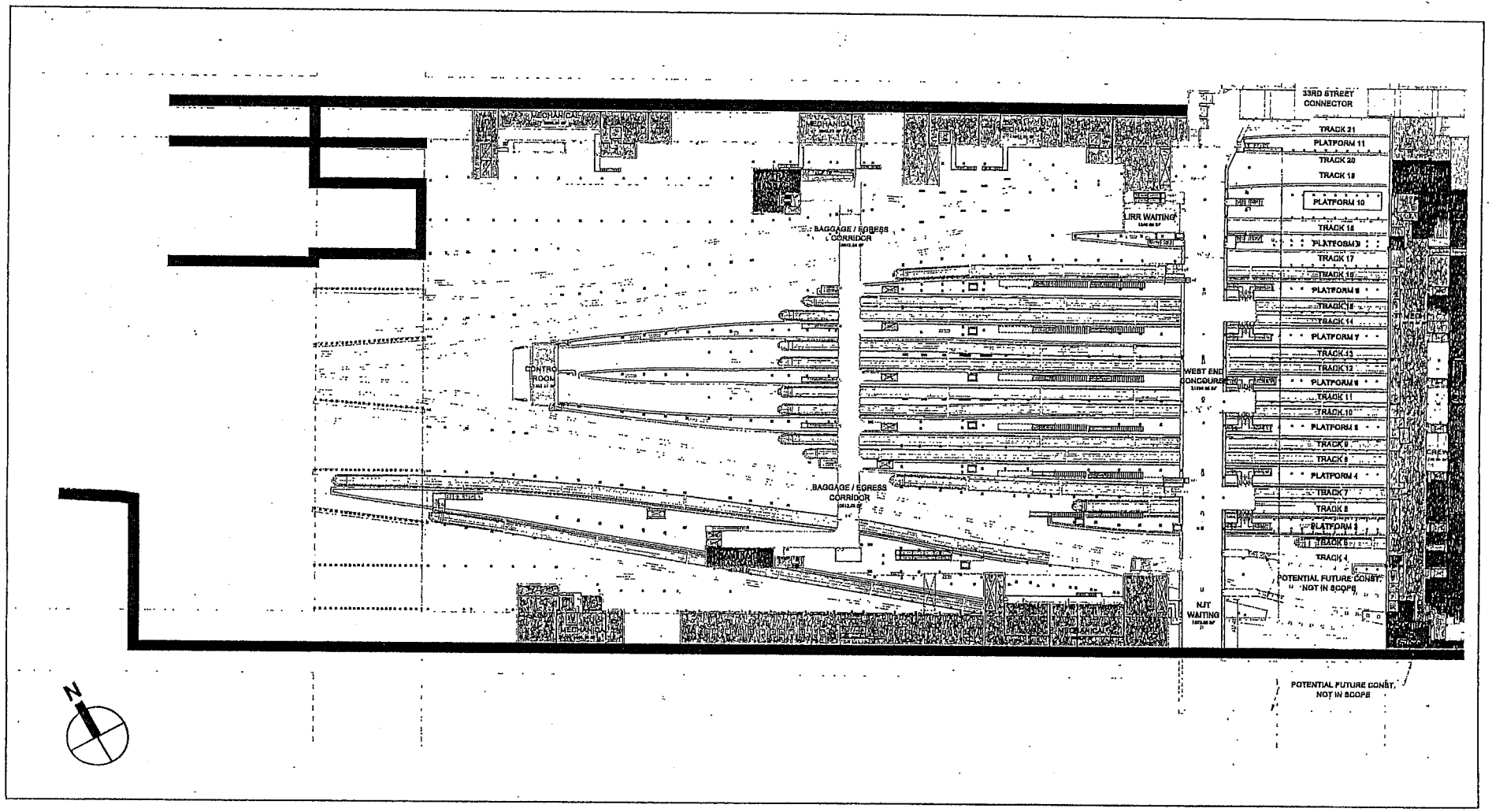

Moynihan Station - Amtrak Station Option
Lower Concourse Level

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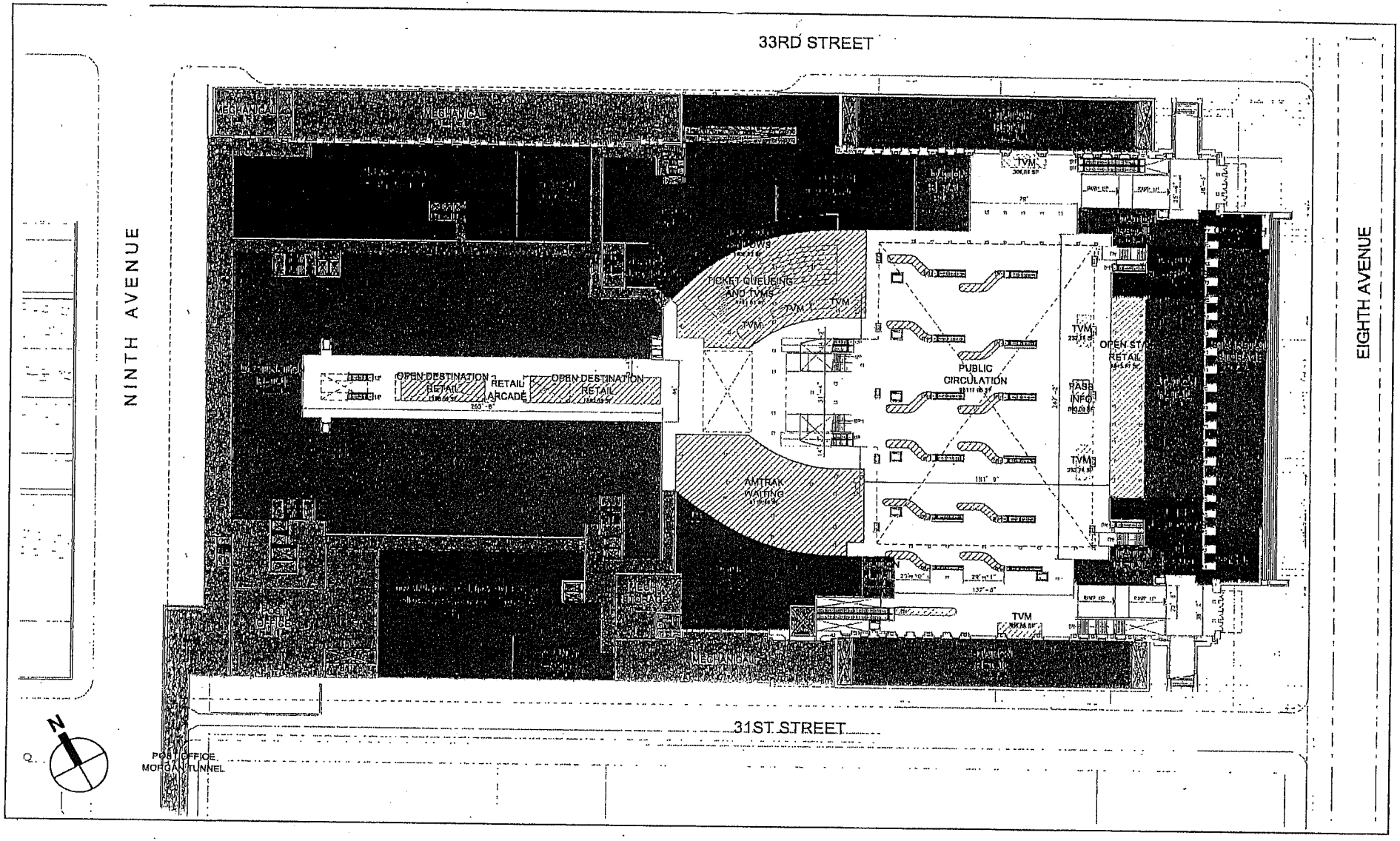
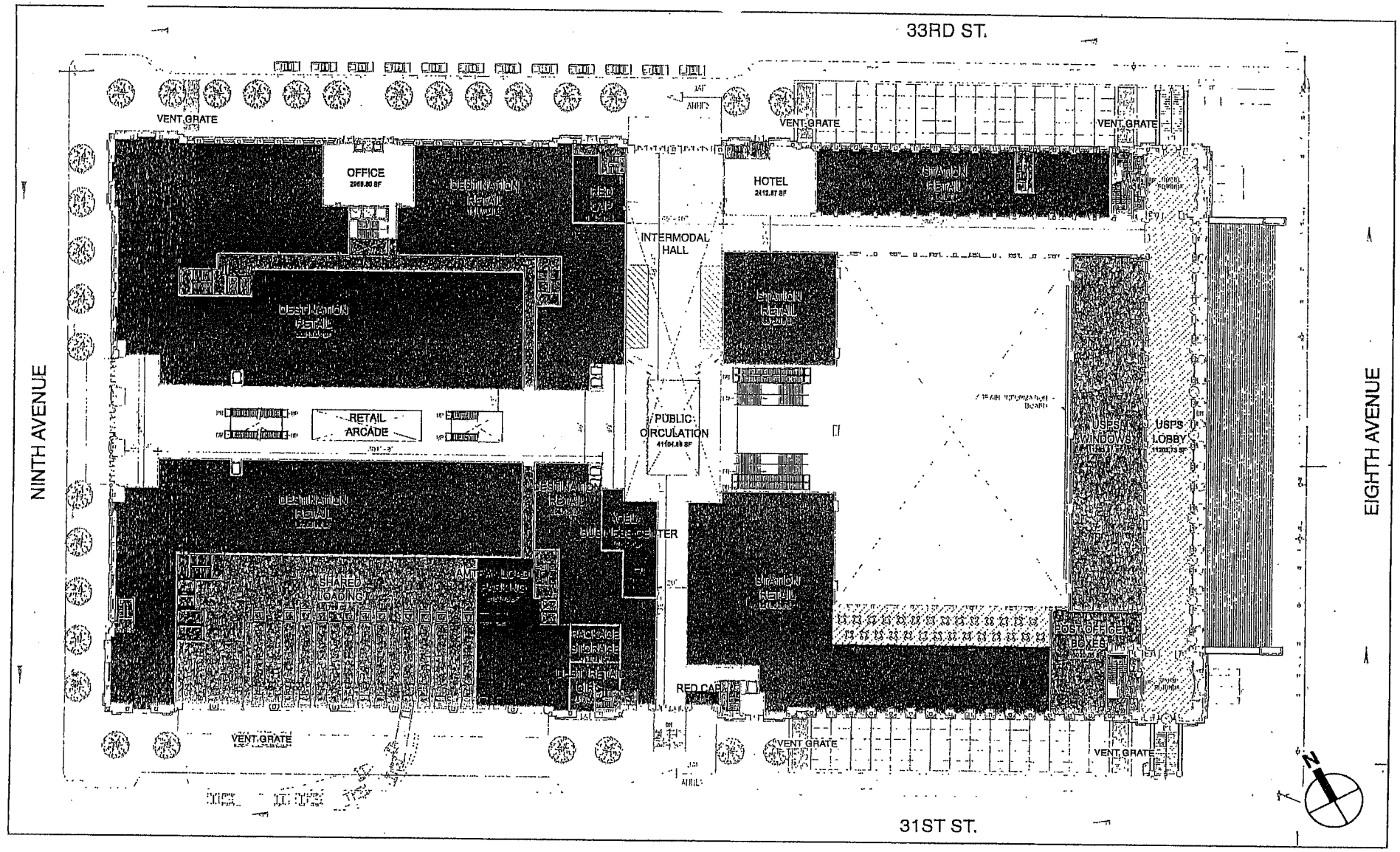


MOYNIHAN STATION
DEVELOPMENT PROJECT
TECHNICAL MEMORANDUM

Moynihan Station - Amtrak Station Option
Main Concourse Level
Figure 1-4



MOYNIHAN STATION
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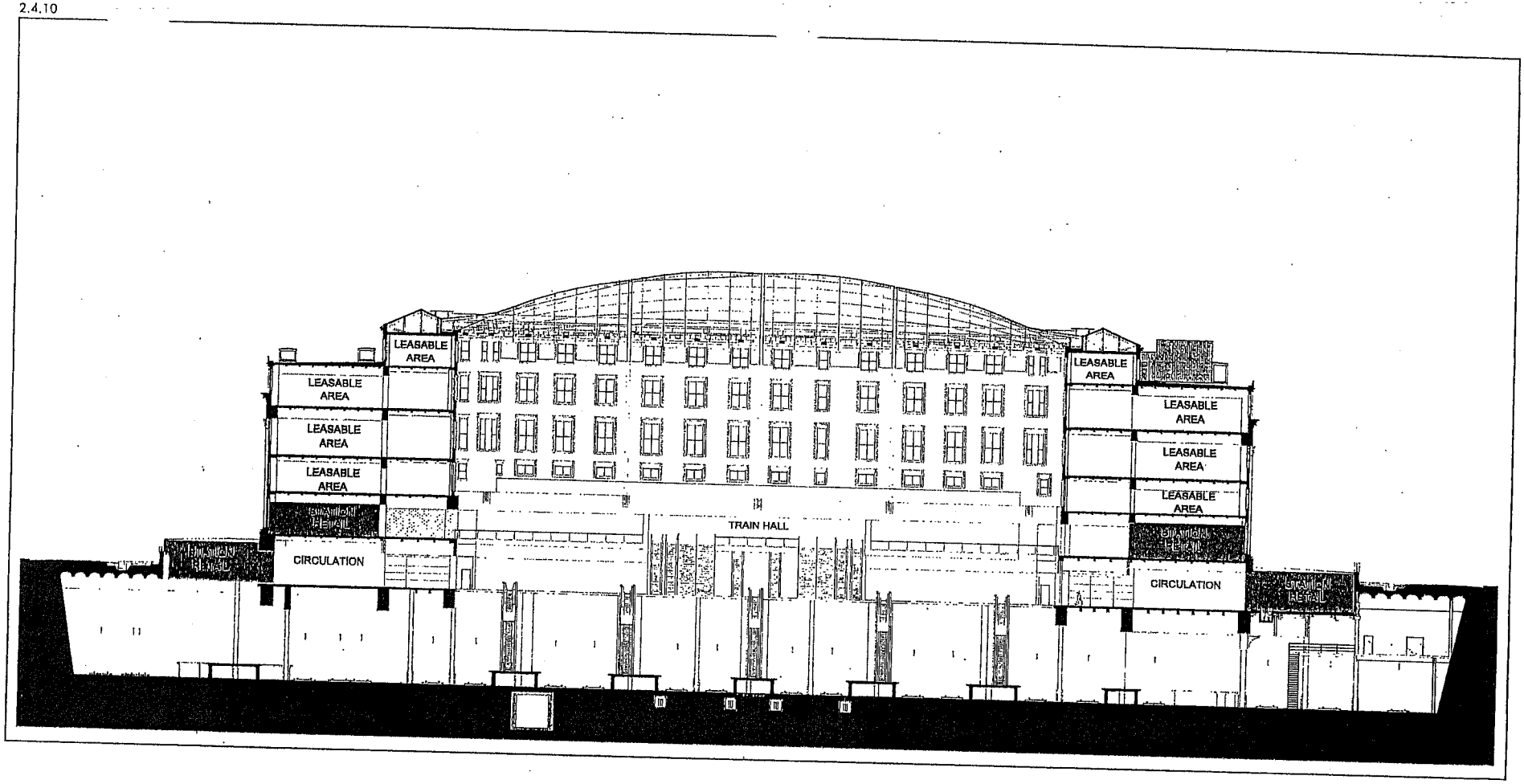
Moynihan Station - Amtrak Station Option
Street Level
Figure 1-5



MOYNIHAN STATION
DEVELOPMENT PROJECT
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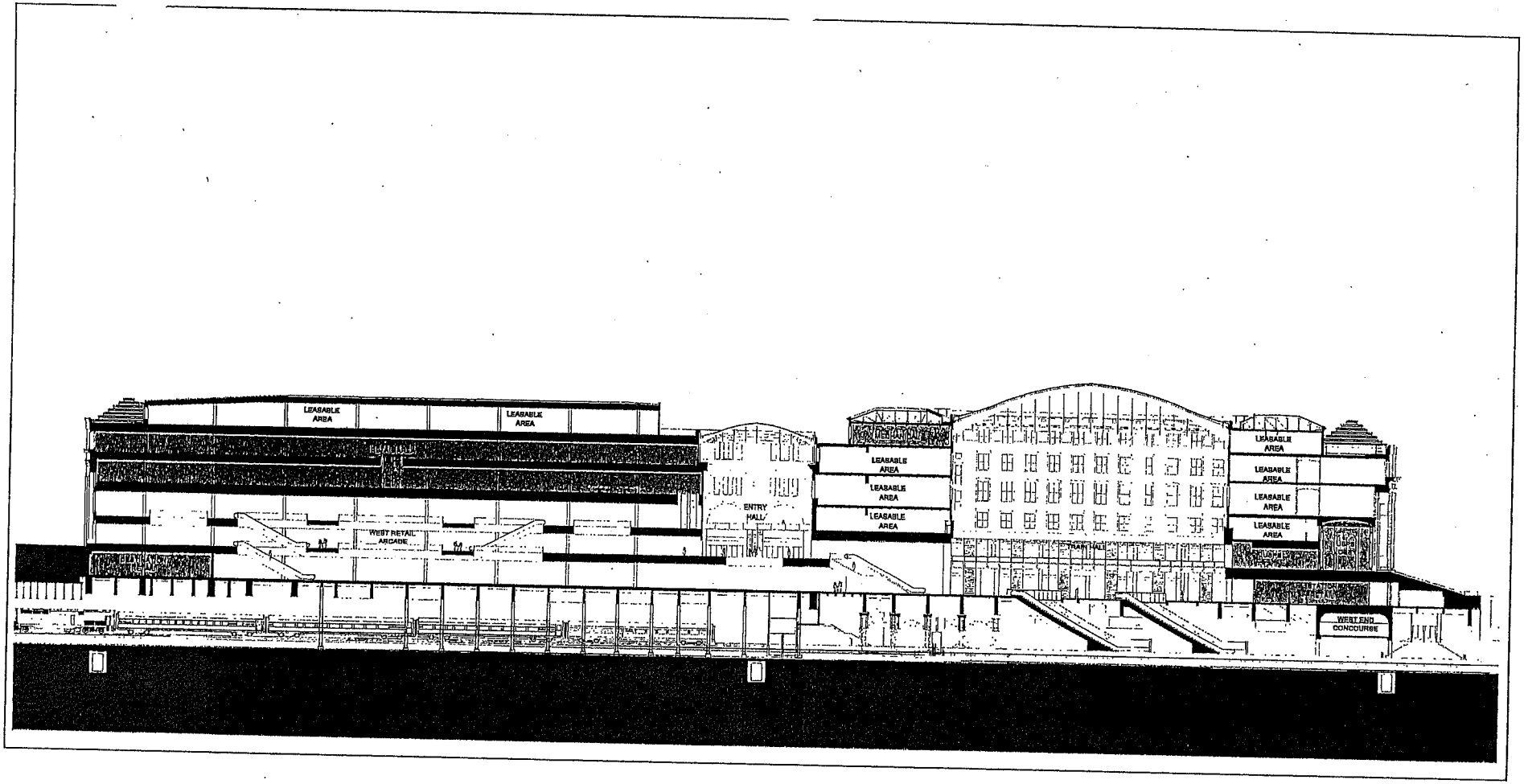
Moynihan Station: Amtrak Station Option
North - South Station Section
Figure 1-6



MOYNIHAN STATION
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Moynihan Station - Amtrak Station Option
East - West Farley Complex Section
Figure 1-7

the Western Annex at the same street level location (see **Figure 1-5**). The loading area would be accessible from West 31st Street. This loading configuration is different than what was assessed in the 2006 FEIS.

- Activation and renovation of Platform 12 and the two adjacent tracks beneath the Farley Building, which have never been used for passenger service and would accommodate additional Amtrak Empire Service trains, and potentially Metro-North Hudson Line service.[1] This includes new track connections from the Empire tunnel to the Platform 12 tracks and is a new feature of the Project that was not assessed in the 2006 FEIS.
- Potential new baggage handling corridor to be constructed at the far west end of the station, to facilitate Amtrak baggage handling and movements. This is a new feature of the Project that was not assessed in the 2006 FEIS.

USPS Facilities

Up to 265,000 square feet of the Farley Complex has been leased to USPS for continued use, including the historic postal lobby and upper floor offices in the Farley Building, carrier space in the Western Annex, and a small area for postal facilities below the Western Annex. This program is the same as that assessed in the 2006 FEIS.

Non-Station Commercial Development

Within the Farley Complex, the non-station development portion of the Amtrak Station Option would include retail, banquet facility, and hotel space, the same as what was assessed in the 2006 FEIS. A mix of commercial uses would be developed in the Western Annex and could include large-scale retail anchors ranging from full-floor to two-floor users, as well as smaller category retail businesses, accessible from the ground and second floors of the 32nd Street corridor. In the Farley Building, it is expected that hotel and banquet facilities would occupy the upper floors. In total, the retail use would be 518,100 square feet, hotel use would be 125,000 square feet, or 125 rooms, and banquet facilities would be 35,000 square feet, as was assessed in the 2006 FEIS.

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[1] NJT has raised certain operational concerns with respect to the activation of the Diagonal Platform, since activation of that platform has the potential to interfere with NJT's use of certain stub tracks, which it currently uses for daytime storage of three to four NJT trains, and/or with access to station Tracks 1, 2, 3 and 4, which are used in daily NJT commuter operations. ESDC commits to the preparation of assessments, either as part of the ongoing Penn Station Operations Capacity Study being undertaken by MTA with oversight by a Technical Advisory Committee comprised of the MTA, Amtrak, NJT, LIRR and Metro-North Railroad, or as a separate study with the participation of all members of such Committee, to: (i) determine whether the activation of the Diagonal Platform would interfere with NJT's usage of such stub tracks for storage and/or with its access to station Tracks 1, 2, 3,or 4, and (ii) if it is determined that interference would occur, identify appropriate strategies to address such issues in a manner that is acceptable to NJT and any other affected operating railroad. No contract will be funded or executed by MSDC or ESDC for the activation of the Diagonal Platform until (a) the study referenced above has been completed, and (b) appropriate strategies identified in such study have been accepted by NJT and any other affected operating railroads. In addition, ESDC and MSDC will not activate or fund any contract that would result in the activation of the Diagonal Platform until such strategies have been fully implemented. Therefore, no significant disruption of service is expected.

OPEN STATION OPTION

Like the Amtrak Station Option, the Open Station Option is similar in terms of overall size and program elements to the station examined in the 2006 FEIS. It is also similar in overall design to the Amtrak Station Option, and also includes the following elements described above: new facilities for rail passengers; new Intermodal Hall; an approximately 30 percent increase in the combined total of passenger stairs, escalators, and elevators, an approximately 50 percent increase in passenger circulation space, and direct access to the platforms for all railroads; dedicated drop-off lanes and curb cuts for taxi access; buildings systems and infrastructure improvements; a planned restoration program; a wide pedestrian corridor within the Farley Complex along West 32nd Street; approximately 86,000 square feet of transit-related retail and commercial space; mail truck access; and activation and renovation of Platform 12 and the two adjacent tracks.

The Open Station Option is described below in terms of differences with the Amtrak Station Option. **Figures 1-8** through **1-10** show the lower concourse, main concourse, and street level floor plans for the Open Station Option.

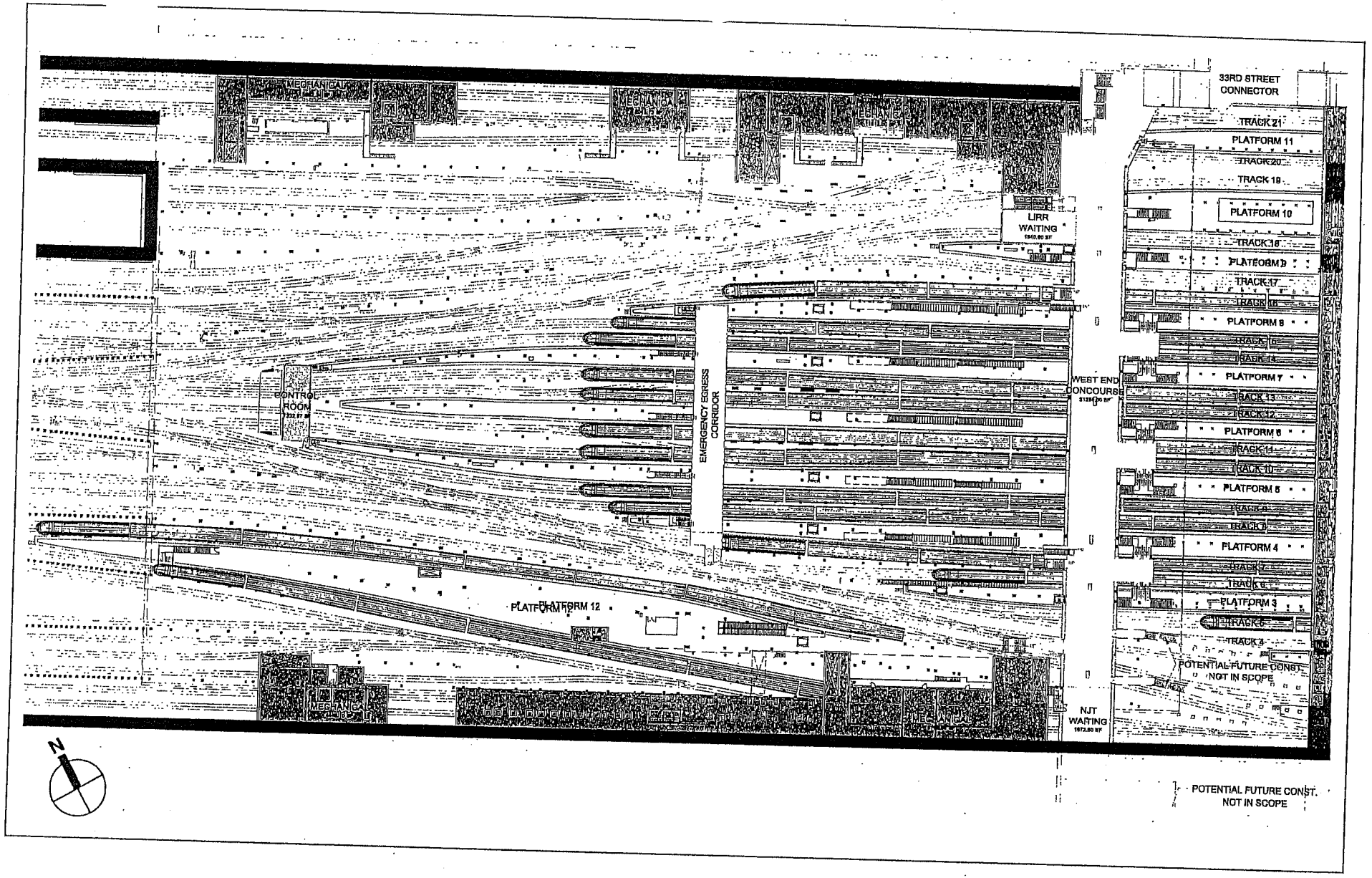
Moynihan Station

Constructed under Phase 1 of the Project, the West End Concourse would be the same under either the Amtrak Station or Open Station Options. The one difference between the two options would be that the Open Station Option would not include a baggage handling corridor west of the West End Concourse, but like the 2006 plan there would be an emergency access corridor. At the postal lobby level, this option, unlike the Amtrak Station Option, is assumed to have a southern pedestrian passageway between the USPS retail lobby on Eighth Avenue and the Intermodal Hall, which was contemplated in the 2006 FEIS. On the main concourse level, there are differences in floorplan and space allocations between the Open Station and Amtrak Station Options. Waiting areas, retail spaces, station services, and railroad back-of-house areas would be laid out differently under the Open Station Option.

USPS Facilities

The program for the USPS facilities would be similar under the Open Station Option to that under the Amtrak Station Option and to that assessed in the 2006 FEIS. There are two differences in the plan of the USPS facilities in the Open Station Option, as compared to the Amtrak Station Option. Under the Amtrak Station Option, the USPS museum, store, and P.O. boxes would be located at the south end of the USPS retail lobby. Under the Open Station Option, the store and P.O. Boxes would be located along the passageway on the north side of the train hall between the USPS retail lobby and the Intermodal Hall. The museum would be relocated to the south passageway. Under the Amtrak Station Option, the north passageway would be lined by retail space.

In addition, the Open Station Option includes, along with retail and station services, significantly more USPS space and a shared loading area on the main concourse level of the Western Annex in keeping with the design assessed in the 2006 FEIS. There would be a vehicular ramp from West 31st Street to the below-grade loading area, as assessed in the 2006 FEIS. In comparison, under the Amtrak Station Option the main concourse level of the Western Annex would include retail, station and building services, some USPS space, and the lower level of the West 32nd Street pedestrian corridor, while the loading area would be located at street level on West 31st Street in the location of the existing loading docks. The total program amounts of USPS space



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DEVELOPMENT PROJECT
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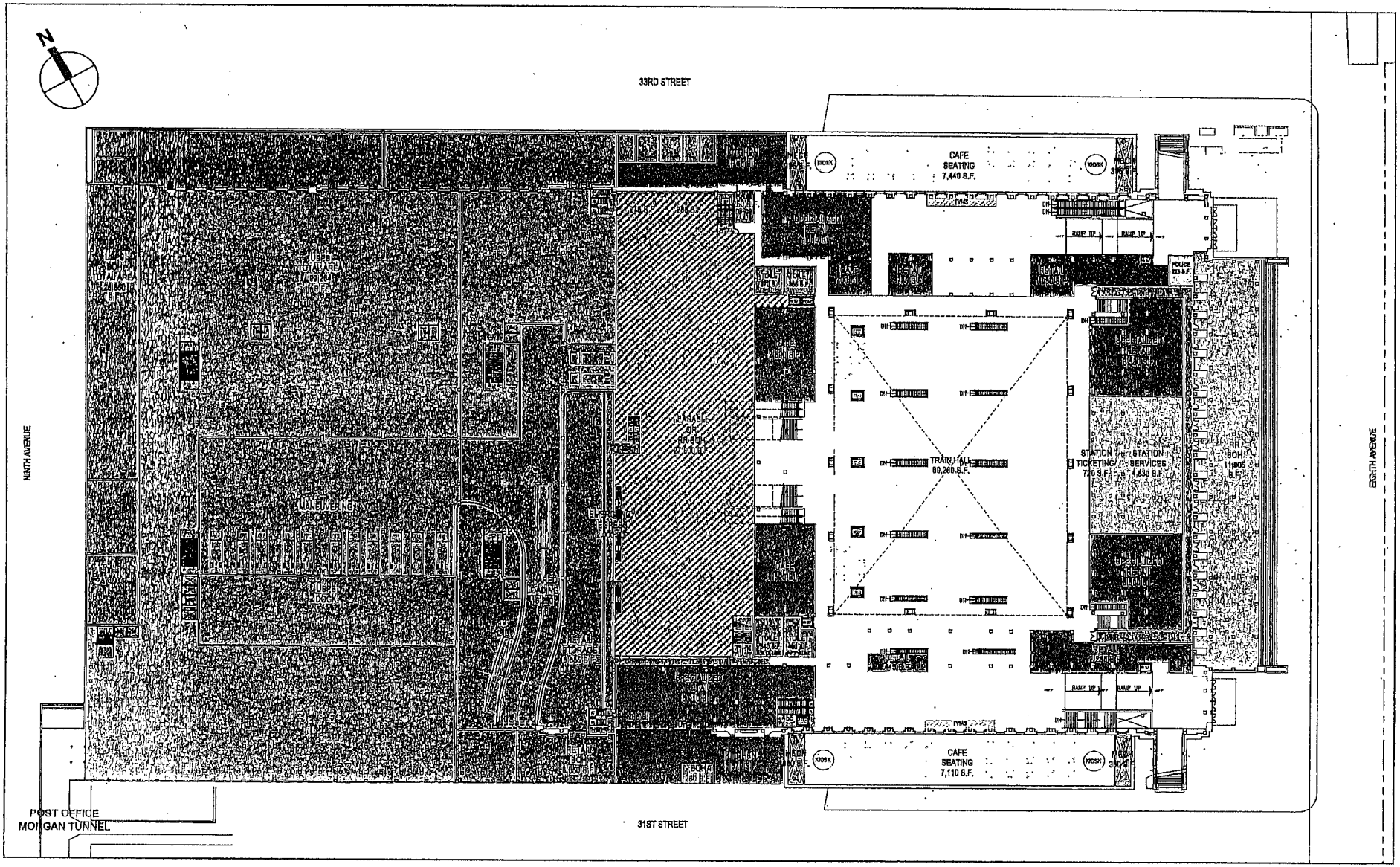
Moynihan Station - Open Station Option
Lower Concourse Level
Figure 1-8



MOYNIHAN STATION
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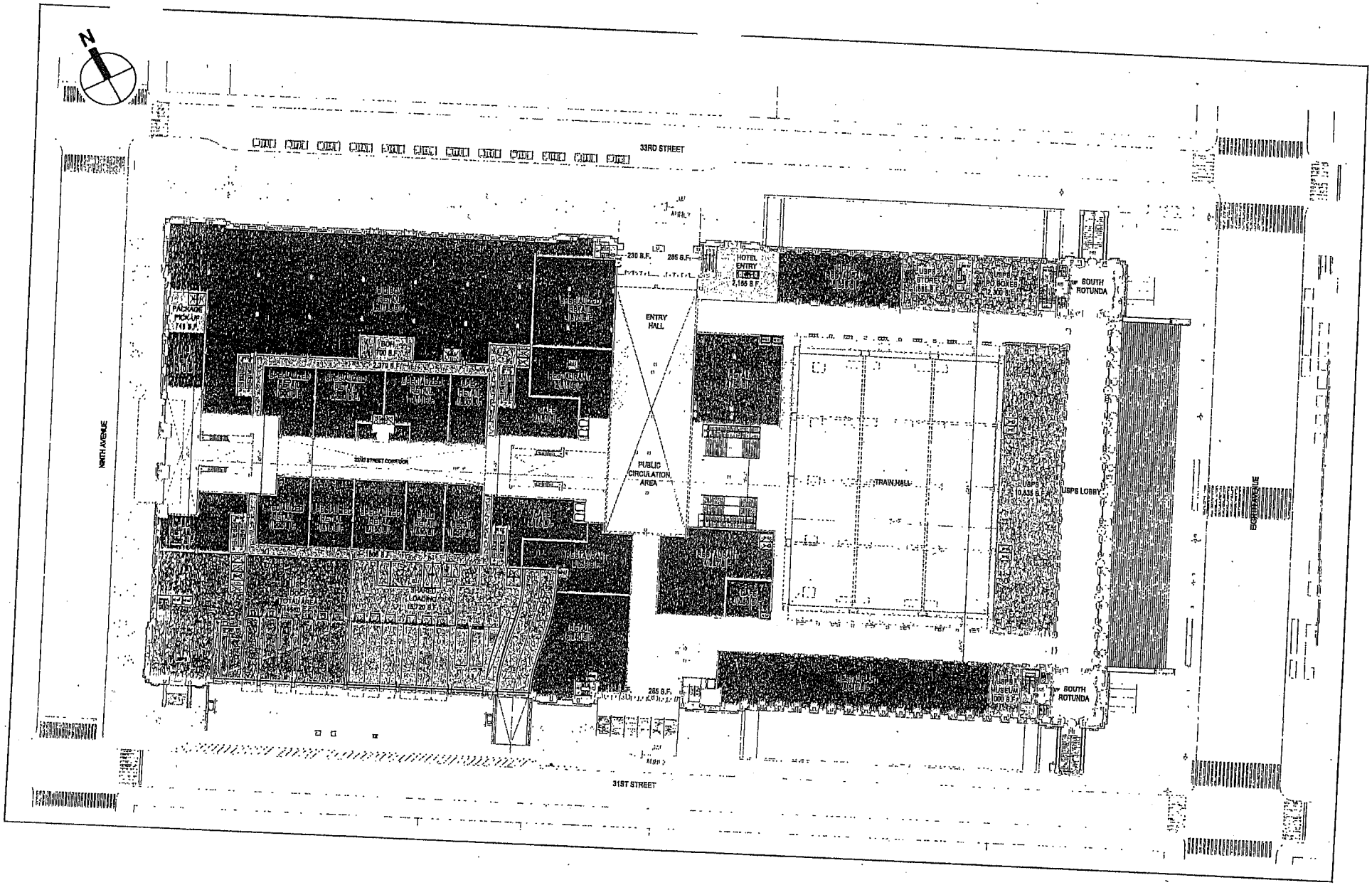
Moynihan Station - Open Station Option
Main Concourse Level
Figure 1-9



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Moynihan Station - Open Station Option
Street Level
Figure 1-10

and non-station commercial space would be the same under the Open Station and Amtrak Station Options, although the location of more USPS space on the main concourse level in the Open Station Option would result in a different allocation of those program elements on the street level and upper floor levels of the Farley Complex.

Non-Station Commercial Development

The non-station commercial development portion of the Open Station Option would include retail, banquet facility, and hotel space, like the Amtrak Station Option. In total, it would also include 518,100 square feet of retail use, 125,000 square feet of hotel use, or 125 rooms, and 35,000 square feet of banquet space. However, there would be some minor differences in the layout of retail spaces on the street and concourse levels, a slightly different configuration of the retail entrances on West 31st and West 33rd Streets, and a different configuration of escalators in the West 32nd Street corridor. In addition, under the Open Station Option, there would be only one level of the 32nd Street corridor between the Intermodal Hall and Ninth Avenue on the street level.

DEVELOPMENT TRANSFER SITE

The Project, under either the Amtrak Station or Open Station Options, assumes that the Development Transfer Site on the western end of the One Penn Plaza block, fronting the east side of Eighth Avenue between West 33rd and West 34th Streets, would utilize approximately 1 million square feet of the Farley Complex's unused development rights, as was assessed in one of the 2006 FEIS scenarios. Under this development, a mixed-use building of up to 1.1 million gross square feet would be constructed. As currently contemplated, this building would be massed with several sections of varying heights, the tallest of which would be approximately 700 feet tall. Two options are contemplated for the Development Transfer Site building—a primarily residential building that would have approximately 940 units (940,000 square feet) and 120,000 square feet of retail space and a mixed-use option that would contain a 310,000-square-foot hotel, 630 residential units (630,000 square feet), and 120,000 square feet of retail space. These options are the same as were assessed in the 2006 FEIS. Either building is assumed to contain twenty percent of the residential rental units developed with affordable rental units provided under the 80/20 affordable housing program.

The Phase 1 transportation improvements described above do not assume development of the Development Transfer Site as part of Phase 1. However, it is possible that the project sponsor or designated developer may seek to advance development of the Development Transfer Site prior to commencement of the Phase 2 transportation improvements. Since this Technical Memorandum assesses all Project components for a 2015 Build year, the environment impact conclusions presented in this Technical Memorandum do not change if the Development Transfer Site is developed as part of Phase 1 instead of Phase 2.

D. PUBLIC SAFETY

This section identifies the safety and security considerations related to the design and operation of the Project and it describes in general terms the safety procedures and security systems that would be implemented to protect rail employees, passengers, and the general public. Moynihan Station would be designed, built, and operated to comply with all relevant federal, state, and local safety regulations, including: the New York State Uniform Fire Prevention and Building

Code; New York City Fire Department (FDNY) regulations; Americans with Disabilities Act (ADA) regulations; and Occupational Safety and Health Administration (OSHA) regulations.

The Project would create a safe and efficient intermodal transportation facility at the Farley Complex. It has been designed to help ease congestion of rail traffic, redirect pedestrian movements in the vicinity of the Penn Station Complex, and reduce overcrowding and conflicting movements of intercity and commuter rail users within the passenger terminal and connecting passages. Specifically, the Project would widen and improve the existing underground connection between the Farley Complex, the Eighth Avenue subway, and Penn Station so as to be ADA compliant. The Project would provide state-of-the art emergency platform ventilation and security and emergency egress. Moynihan Station would include critical design elements and features that would adhere, to the extent practicable, to guidelines established by the National Fire Protection Association (NFPA) *Standard 130: Standard for Fixed Guideway Transit and Passenger Rail Systems*. The proposed project would provide approximately 30 new vertical access points (stairs, escalators, and elevators) within Moynihan Station connecting its concourses to train platforms. These new vertical access points would provide access from the Farley Complex to and from platforms, resulting in additional passenger access/egress and circulation space that would relieve congestion at platform and concourse levels in the Penn Station Complex. In particular, with the Project, egress times from most platforms would be greatly improved.

Arrangements would be made among MSDC, PANYNJ, and the operating railroads for police services. Police forces in Moynihan Station would participate in the New York City Joint Terrorism Infrastructure Task Force, which also includes FDNY, the Federal Bureau of Investigation, and the U.S. Department of Homeland Security, as well as other federal, State, and City agencies and organizations. Through this task force, and by using outside security experts, the MTA police and the New York City Police Department (NYPD) are at the forefront of developing strategies to strengthen protections against terrorist threats at New York City's transportation facilities. A Terrorism and Risk Assessment would be updated in connection with the design work for Moynihan Station and the NYPD anti-terrorism task force would be consulted regarding the station design.

A safety and security management plan would be developed and integrated, to the extent appropriate, with existing security arrangements at Penn Station. Standard electronic security systems (e.g., security cameras to monitor security-sensitive areas) would be incorporated into the design of Moynihan Station as determined necessary by security planning protocols.

The Development Transfer Site building would comply with local code requirements, including fire and building codes, as applicable. It is expected that the Development Transfer Site building would implement its own site security plan, which would include measures such as the deployment of security staff and monitoring and screening procedures.

E. SUMMARY OF GENERAL PROJECT PLAN MODIFICATIONS

As stated above, ESDC affirmed a GPP for the Farley/Moynihan project in August 2006. Since that time, MSDC, after consultation with project constituents, has been considering proposed Project modifications as set forth above and such modifications would be reflected in an amended GPP. These GPP modifications would include, but not be limited to: (1) identifying Amtrak as a potential anchor rail occupant with approximately 100,000 square feet of station programming included in the approximately 300,000 square feet of new station area; (2)

differentiating the station-related elements of the Project into Phase 1 (primarily below grade transportation elements) and Phase 2 (primarily train hall elements); (3) activating the diagonal mail platform (Platform 12); and (4) a revised funding structure required to accomplish the Project. The modified GPP may also allow ESDC to grant to the private developer the option to redevelop the Western Annex and the Development Transfer Site for the purposes described in the 2006 GPP. It is anticipated that requisite review and approval of this Technical Memorandum would occur in conjunction with the affirmation of an amended Project GPP. ✳

A. INTRODUCTION

This Technical Memorandum assesses the potential environmental consequences of the proposed Project relative to the environmental impacts disclosed in the 2006 FEIS for the Project that provided the basis for a SEQRA Findings Statement issued by ESDC on August 14, 2006. As noted in Section 1, "Project Description," specific changes and refinements have been proposed to the Project regarding station design, rail occupancy, and other program elements. In addition, this Technical Memorandum assesses the effects of the change to the anticipated year of completion for the Project from 2010 to 2015 by evaluating changes to background conditions that have taken place since completion of the 2006 FEIS and the changes to development trends in the vicinity of the Project site that could affect the impact assessments.

This section of the Technical Memorandum summarizes the status of the environmental review process, presents the approach and framework of the comparative environmental assessment, and describes background conditions in terms of projects likely to be completed by the 2015 No Build condition.

B. STATUS OF ENVIRONMENTAL REVIEW PROCESS

This Technical Memorandum has been prepared in order to determine if the project modifications and changes in background conditions and other new information would give rise to significant environmental impacts not adequately considered in the 2006 FEIS.

In addition, since the Moynihan Station Development Project continues to incorporate federal funding, involved federal agencies must comply with the National Environmental Policy Act (NEPA). Since approval of the GPP in 2006, the USPS completed an Environmental Assessment (EA) and issued a Finding of No Significant Impact (FONSI) in 2006 under NEPA. Issuance of the FONSI allowed the USPS to transfer ownership of the Farley Complex to ESDC, which occurred on March 30, 2007. As a result, the primary future actions involving federal agencies are related to funding, and the Federal Railroad Administration (FRA) is acting as lead agency for the NEPA review. In parallel with this Technical Memorandum, a new EA has been prepared to provide FRA and other federal agencies with an updated assessment of the modified Project under NEPA.

REQUIRED APPROVALS/LIST OF PRINCIPAL ACTIONS

The current Project has a more limited set of required actions than the Project assessed in 2006, primarily because the title to the property has been transferred. The following actions by ESDC and MSDC, however, are still necessary for project implementation:

- Adopt and affirm one or more modifications to the GPP reflecting the proposed changes to the Project.

- Enter into a series of real estate transactions involving leases or other real estate instruments for the use of the new train station by Amtrak or others, and with the conditionally designated developer, a joint venture of the Related Companies and Vornado Realty Trust (the Venture), or others regarding Project construction and the non-station development in the Farley Complex and on the Development Transfer Site.

In addition, the New York State Department of Transportation is expected to undertake certain actions related to securing federal funding.

ONGOING COORDINATION OF STATION PLANNING AND DESIGN

In addition to conducting the SEQRA and NEPA environmental review processes, MSDC is continuing to coordinate with the railroads and other stakeholders in the planning and design of the station and key circulation elements. These ongoing design efforts, which are outside the requirements for SEQRA review in this Technical Memorandum, include analyzing station circulation with a longer-term horizon year analysis with an at-capacity station utilization and a larger and long-range estimate in background growth in order to optimize the design of the Project. In addition, MSDC is coordinating with other large-scale transportation projects—most notably NJT's ARC project, as well as the potential to bring Metro-North Hudson Line Service to the Penn Station Complex—that are expected to be completed after the Project but need to be integrated into a comprehensive construction management plan, including the coordination of construction schedules, and overall access to, and circulation within, the Penn Station Complex.

C. FRAMEWORK FOR ENVIRONMENTAL ANALYSES

SCOPE OF THE ENVIRONMENTAL ANALYSES

The organization of this Technical Memorandum follows that of the 2006 FEIS and includes all the key technical chapters contained in the FEIS with the exception of Alternatives, which do not require further analysis. The prior environmental findings are evaluated and assessed based on updated analyses relating to changes in background conditions and changes resulting from project-specific modifications. Like the FEIS, this document generally builds on methodologies and guidelines set forth in the *CEQR Technical Manual,* which are considered to be the most appropriate technical analysis methods and guidelines for the environmental impact assessment of projects in New York City and are consistent with SEQRA. In addition, to incorporate station planning refinements and analyses conducted subsequent to completion of the 2006 FEIS, this Technical Memorandum also includes new information regarding the assessment of internal station circulation (see Section 13, "Station Circulation") and public safety (see Section 1, "Project Description").

As described below, this Technical Memorandum summarizes findings of the technical analyses relative to the 2006 FEIS based on either changes in background conditions or changes in the Project design. Since the analysis in Section 13 ("Station Circulation") of this Technical Memorandum presents new information that was not included in the 2006 FEIS, it does not follow the format of the other Technical Memorandum sections but includes a more complete presentation of methodology, existing conditions, and future conditions with and without the Project.

CHANGES IN BACKGROUND CONDITIONS

The standard methodology for conducting an environmental assessment involves analyzing the incremental change generated by a proposed action compared with a future baseline or

background condition, often referred to as the "No Action" or "No Build Condition." For the proposed Moynihan Station Development Project, this future baseline condition has changed from that examined in the 2006 FEIS. Changes include a revised assumption of what would occur on the project site itself if the station is not built, a new expected year of project completion of 2015, and a revised list of development projects that are assumed to be completed in and around the Farley Complex by 2015.

FARLEY COMPLEX PROJECT SITE

Since USPS no longer owns the Farley Complex, if the Project does not go forward, it is assumed that USPS would not reoccupy more floor space than the 265,000 square feet that was committed to USPS use under the long-term lease entered into with USPS at the time ESDC took title to the Farley Complex. As a result, it is assumed that the Farley Complex would contain more commercial use in the No Build condition than was assumed in the 2006 FEIS (see **Table 2-1**). In addition, it is assumed that in the future without the Project there would be no utilization of development rights and the Development Transfer Site would remain in its current condition.

Table 2-1
Comparison of Farley Complex Land Use Components: No Action 2006 FEIS and 2010 Technical Memorandum (in square feet)

Land Use Component	No Action 2006 FEIS	No Action 2010 Tech Memo
Train Station	0	0
Transit Retail	0	0
USPS	650,100	265,000
Commercial Office	436,000	551,000
Hotel*	0	0
Commercial Retail	248,000	518,100
Entertainment Retail	0	0
Merchandise Mart	0	0
Banquet Facilities	0	0
Common Areas	50,250	50,250
Docks/Service	24,000	24,000
Total	**1,408,350**	**1,408,350**

Notes:
* Divide by 1,000 to estimate approximate number of hotel rooms.

2015 NO BUILD PROJECTS

The 2015 No Build condition is based on existing conditions and changes expected to occur in the relevant study areas surrounding the Farley Complex, most notably including projects currently under construction or projects that can reasonably be expected to be constructed, because of their current level of planning and public approvals. Future development projects that have been announced, are in an approval process, or are under construction and likely to be built by 2015, along with proposals for rezoning and public policy initiatives likely to be undertaken by 2015, are presented in **Table 2-2** and shown on **Figure 2-1**. These No Build projects represent a total of approximately 17.6 million gross square feet (gsf) of new development, including: 4.9 million gsf of new office space, 823,636 gsf of new retail space, 198,726 gsf of new community facility space, 11,874 new residential units, and 2,823 new hotel rooms.

11.2.09

Farley Complex

Development Transfer Site

No Build Projects Expected to be Completed by 2015

Subway Station Entrance for No. 7 Subway Line Extension

0 1000 2000 FEET
SCALE

MOYNIHAN STATION
DEVELOPMENT PROJECT
TECHNICAL MEMORANDUM

Moynihan Station Study Area
No Build Projects
Figure 2-1

Table 2-2
Development Under Construction or Proposed Expected to Be Completed in the 2015 No Build Analysis Year

Map #	Site Description	Land Use Category in Gross Square Feet							
		Office	Hotel	Hotel Rooms	Retail	Residential Units	Community Facility	Parking	Other/ Comments
1	Jacob K. Javits Convention Center Expansion								100,000 sf expansion: 40,000 sf exhibition space and 60,000 sf support
3	316 Eleventh Avenue (east side) between W. 29th and W. 30th Streets (Block 701, Lots 62, 68, and 70)				4,820	365			
5	Hudson Park and Boulevard: W. 33rd to W. 36th Streets								Open Space: 2.12 acres
6	Related Companies: midblock on south side W. 30th Street between Tenth and Eleventh Avenues (Block 701, Lots 52, 55, 56, 58, 16, partial 45)				25,000	368		40,250 sf	
7	Related Companies: southwest corner of Tenth Avenue and W. 30th Street (Block 701, Lots 30, 33, 36, 37, 42, 43, partial 45)				30,000	382		23,000 sf	
8	Avalon Bay Properties: Eleventh Avenue at W. 28th Street, northeast corner (Block 700, Lots 1, 9, 18)					600			
9	Taxi Garage Site: Tenth Avenue between W. 28th and W. 29th Streets (Block 700, Lots 27, 42, 44, 45, 32, 34, 38)		38,850	78		46			
10	Extell Development - Hudson Yards Potential Site 62: east side Tenth Avenue between W. 31st and W. 30th Streets		235,750	472		220			
11	Rockrose - Hudson Yards Site 11: west side of Tenth Avenue between W. 37th and W. 38th Streets				65,320	855			
15	Cambria Suites Madison Square Garden Hotel: 325 West 33rd Street - north side between Eighth and Ninth Avenues		200,760	239					
17	River Place II: Eleventh Avenue between W. 41st and W. 42nd Streets					1,349			
18	Moinian Group - Hudson Yards Site 18: south side of W. 43rd Street between Eleventh and Twelfth Avenues				37,950	1,000			2 buildings

Table 2-2 (cont'd)
Development Under Construction or Proposed
Expected to Be Completed in the 2015 No Build Analysis Year

Map #	Site Description	Land Use Category in Gross Square Feet							
		Office	Hotel	Hotel Rooms	Retail	Residential Units	Community Facility	Parking	Other/ Comments
19	Related Companies - Hudson Yards Site 19, Theater Row II: east side of Tenth Avenue between W. 41st and W. 42nd Streets		230,000	250	12,500	774		360 parking spaces	50,000 sf Equinox 70,000 sf theater
20	515 West 41st Street				28,580	333			
21	Port Authority Bus Terminal (PABT) office tower: west side of Eighth Avenue between W. 42nd and W. 41st Streets	1,300,000							Improvements to bus operations at PABT
22	11 Times Square, W 42nd Street and Eighth Avenue	938,950			49,420				
23	Rockrose - Hudson Yards Site 23: east side of Tenth Avenue between W. 37th and W. 38th Streets				20,900	388			
25	345 W. 35th Street between Eighth and Ninth Avenues		100,500	200					
	Tower 37: LLC south side of W. 37th Street, near Ninth Avenue (Block 760, Lots 10, 67, 68)					208			
27	Wyndham Garden Inn, Metropolis Group: 339 W. 36th Street		188,160	224					Open Space: 3,660 sf
29	Glenwood Management - 310-328 W. 38th Street: midblock on W. 37th and W. 38th Streets between Eighth and Ninth Avenues				10,600	569			
30	307-311 W. 37th Street (north side W. 37th Street near Eighth Avenue)		93,319	187					
31	Sam Chang Hotels: 585 Eighth Avenue		82,906	169					
33	Bush Tower Annex: 140 W. 42nd Street	140,000							
34	Fairfield Inn and Four Points Hotel: 340-342 W. 40th Street		420,000	500					
35	Mehta Family, Staybridge Suites Times Square: 334 W. 40th Street		260,400	310					
36	Sam Chang - Hudson Yards Potential Sites 68,70: mid-block bounded by W. 39th and W. 40th Streets, Eighth and Ninth Avenues (five budget hotel properties, total 1,061 rooms)		891,240	1,061					
37	Hudson Yards Site 37: midblock on W. 38th and W. 39th Streets between Eighth and Ninth Avenues (Block 762, lot 6)	381,990			8,520				

Table 2-2 (cont'd)
Development Under Construction or Proposed Expected to Be Completed in the 2015 No Build Analysis Year

Map #	Site Description	Land Use Category in Gross Square Feet							
		Office	Hotel	Hotel Rooms	Retail	Residential Units	Community Facility	Parking	Other/ Comments
38	Majestic Hotel Corp, Strand Hotel: 33 W. 37th Street,		149,520	178					
39	Hotel Pennsylvania: 15 Penn Plaza, Seventh Avenue between W. 32nd and W. 33rd Streets	1,819,004	-1,213,320	-1,700	181,520				Trading Floor Use: 228,114 sf Mechanical Space: 312,623 sf Lobby, Amenity Space, Service, Loading Areas: 109,420 sf
40	885 Sixth Avenue and W. 32nd St	21,500			25,600	338			
41	855 Sixth Avenue, west side between W. 30th and W. 31st Streets				38,468	433			
42	835 Sixth Avenue, west side between W. 29th and W. 30th Streets		290,000	290	26,368	302			
43	REMY: 815 Sixth Avenue at W. 28th Street				59,000	269			
44	145 W. 27 Street, north side, midblock between Sixth and Seventh Avenues				1,029	11			
45	101 W. 24th Street (735 Sixth Avenue)				16,000	199			
46	124 W. 24th Street, south side, midblock between Sixth and Seventh Avenues				1,965	21			
47	133 W. 22nd Street, between Sixth and Seventh Avenues				2,211	89			
48	241-53 W. 28th Street	227,730			11,990				
49	261 W. 28th Street, north side, midblock between Seventh and Eighth Avenues				5,145	55			
50	Savanna REF: 415 Eighth Avenue at southwest corner of W. 31st Street (Block 754 Lot 44)				10,000	106			
51	Hudson River Park, portions of Segment 5								Parkland: 9.2 acres
52	West Chelsea Projected Site 4: 547-59 W. 27th Street (Block 699, Lot 5)				15,548	118			Conversion of existing building
53	West Chelsea Projected Site 5: 507-17 W. 27th Street (Block 699, Lots 9, 22-27, 44)				39,976	283			
54	West Chelsea Projected Site 6: 299-311 Tenth Avenue (Block 699, Lots 29, 31-33, 37)				28,637	159			

Table 2-2 (cont'd)
Development Under Construction or Proposed
Expected to Be Completed in the 2015 No Build Analysis Year

Map #	Site Description	Land Use Category in Gross Square Feet							
		Office	Hotel	Hotel Rooms	Retail	Residential Units	Community Facility	Parking	Other/ Comments
55	Otis Elevator Building: 550 - 558 W. 27th Street (Block 698, Lot 1)	57,500							
56	520 W. 27th Street, south side, midblock between Tenth and Eleventh Avenues	43,400							
57	Spindler Site: W. 26th Street and Tenth Avenue (Block 698, Lots 28, 32)		26,250	53		31			
58	West Chelsea Projected Site 9: 507 W. 25th Street (Block 697, Lots 27 and 31)				8,888	175			
59	420 W. 25th Street, south side, midblock between Ninth and Tenth Avenues				7,110	76			
60	West Chelsea Projected Site 10: 550 W. 25th Street (Block 696, Lot 58)						110,598		
61	245 Tenth Avenue					18			
	High Line 519: 519 W. rd Street, north side, dblock between Tenth and Eleventh Avenues					11			
63	200 Eleventh Avenue					16			
64	552 W. 24th Street					15			
65	HL 23: W. 23rd Street					11			
66	10 Chelsea: 500 W. 23rd Street					68			
67	Time Warner Garage site: W. 21st Street/W. 22nd Street (Block 693, Lot 23)		155,925	312					
68	High Line Open Space								Open space: 4.41 acres
69	West Chelsea Projected Site 13: 550 W. 21st Street (Block 692, Lots 7, 61, 63)				7,331	133			
70	West Chelsea Projected Site 14: 540-542 W. 21st Street (Block 692, Lots 53, 57)						88,128		
71	West Chelsea Projected Site 15: 521-527 W. 20th Street(Block 692, Lots 28, 30)				43,240	87			
72	Nouvel on W. 19th Street: W. 19th Street and Eleventh Avenue					72			
73	Metal Shutter Houses: W. 19th Street					9			
74	520 West Chelsea: 520 W. 19th Street					26			

Table 2-2 (cont'd)
Development Under Construction or Proposed
Expected to Be Completed in the 2015 No Build Analysis Year

Map #	Site Description	Land Use Category in Gross Square Feet							
		Office	Hotel	Hotel Rooms	Retail	Residential Units	Community Facility	Parking	Other/ Comments
75	High Line Bonus Site C: West Chelsea Subarea G, Tenth Avenue between W. 18th and W. 19th Streets					341			
76	High Line Bonus Site B: West Chelsea Subarea H (Block 689, Lot 17)					945			
S	No. 7 Subway Line Station at Eleventh Avenue and West 34th Street								New terminal subway station
	Total	4,930,074	2,150,260	2,823	823,636	11,874 [9,499,200 sf][1]	198,726		

Note: See **Figure 2-1.**
1. Based on an average residential unit size of 800 gross square feet.

The 2006 FEIS analyzed future No Build conditions in 2010 (when the Project was expected to be completed at the time the FEIS was prepared); given the current economic climate, there is a relatively modest change in the amount of expected development in the 2015 analysis year considered in this Technical Memorandum compared with the prior estimate for 2010 in the 2006 FEIS. The 2010 future conditions included approximately 28 No Build projects including: 6.1 million gsf of new office space; 603,492 million gsf of new retail space; 330,260 gsf of new community facility space; 9,084 new residential units; and 1,600 new hotel rooms (see **Table 2-3**). Many of the developments listed in **Table 2-2** were also identified in the 2006 FEIS for future conditions in 2010. Since publication of the 2006 FEIS, several projects identified for future conditions in 2010 have been completed and are currently built and fully occupied. Other projects have changed in the amount and type of development expected and/or the expected year of completion. For example, the construction schedules for some projects have been delayed until after 2015 and are therefore no longer listed. Also listed in **Table 2-2** are new projects that were not originally identified in the 2006 FEIS for future conditions in 2010. Overall, the total development for future conditions in 2015 (as analyzed in this Technical Memorandum) is similar to the total development for future conditions in 2010 (as analyzed in the 2006 FEIS) but with a smaller amount of office and community facility development and more hotel, residential, and retail development (see **Table 2-3**).

Table 2-3
2015 No Build Conditions in the Technical Memorandum
Compared to 2010 No Build Conditions in the 2006 FEIS

No Build Conditions	Office Floor Area (gsf)	Hotel Rooms	Retail Floor Area (gsf)	Residential Units	Community Facility Floor Area (gsf)
2006 FEIS 2010 No Build Conditions	6,136,686	1,600	603,492	9,084	330,259
2006 FEIS 2010 No Build Conditions: Built Projects	-2,745,376	-100	-182,801	-2,879	-46,000
2015 No Build Conditions: New Projects Since 2006 FEIS	3,368,234	2,130	512,626	6,667	
2006 FEIS 2010 No Build Conditions: Changes to Projects	-1,829,470	-807	-109,681	-998	-85,533
2015 No Build Conditions (Total)	4,930,074	2,823	823,636	11,874	198,726
Comparison 2015 No Build to 2010 No Build in 2006 FEIS	-1,206,612	1,223	220,144	2,790	-131,533

34TH STREET BUS RAPID TRANSITWAY

Since the Draft Technical Memorandum was completed, NYCDOT announced a proposal for the construction of a new right-of-way for cross-town bus service along 34th Street. The 34th Street Bus Rapid Transitway (Transitway) project envisions the construction of a physically separate right-of-way for buses on 34th Street, as well as passenger boarding islands, implementation of a prepayment fare system, and other bus operations improvements. The Transitway would feature a select bus service route between the Javits Convention Center (West 34th Street between 11th and 12th Avenues) and the East 34th Street ferry landing, along 34th Street. The Transitway would be used by existing and expanded express bus routes from Brooklyn, Queens, Staten Island, and New Jersey, buses connecting to the Pier 79/West 39th Street ferry terminal, and other local buses. The Transitway would also create a new pedestrian plaza in the middle of Manhattan and other pedestrian mobility, safety, and comfort enhancements along the corridor.

Although several of the details concerning the design of the Transitway proposal have yet to be finalized, and may change in the coming months, as currently proposed, the Transitway would consist of a two lane, bi-directional bus lane aligned against one curb of the street. The remainder of the street would be used for one-way traffic, running outbound from midtown: westbound from Sixth Avenue, and eastbound from Fifth Avenue. Between Fifth and Sixth Avenues, buses would be the only through traffic allowed, with the remainder of the space devoted to new pedestrian spaces. Loading zones and parking would be available along at least one side of each block of the Transitway at all times.

The Transitway is proposed to be completed by late 2013 or early 2014. It requires various City and State approvals and full implementation of the project as currently proposed will require funding from the Federal Transit Administration. The Transitway project also must undergo environmental review pursuant to the State Environmental Quality Review Act and the National Environmental Policy Act. The scope of work for these environmental studies has not been determined and a public scoping process will be undertaken. It is assumed that a comprehensive traffic impact analysis will be included in the scope of work for the 34th Street Transitway environmental assessment.

While the general goals and outlines of the Transitway have been identified, many of the specifics of the Transitway's operational characteristics have yet to be finalized. For example, NYCDOT has not designated preferred traffic diversion routes or truck circulation routes. Signal timing changes have yet to be identified. Curbside regulations and turn restrictions associated with the Transitway also have not been finalized. These as yet undetermined conditions will have a substantial effect on how traffic will move through the study area. Moreover, the public review processes and environmental review required for the Transitway could result in modifications to the project as currently envisioned. Accordingly, it is not possible at this time to conduct a quantitative analysis that would accurately reflect traffic conditions in the study area with the Project if the Transitway is implemented. It is anticipated that additional traffic will be diverted to parallel streets in the area as a result of any changes NYCDOT makes to traffic operations on 34th Street. Any necessary resulting changes to the traffic network will be monitored and implemented by NYCDOT.

PROJECT DESIGN CHANGES

Since the core program elements of the current Project are basically unchanged from the Project as assessed in the 2006 FEIS, the following changes are considered for their potential to cause

significant environmental effects not addressed in the 2006 FEIS (see the more detailed description in Section 1, "Project Description)."

FARLEY COMPLEX—PHASE 1

- Revised pedestrian circulation elements associated with the West End Concourse, the 33rd Street Connector, and other vertical circulation refinements.

FARLEY COMPLEX—PHASE 2

- New station operation options.[1]
  - Amtrak Station Option: Amtrak as primary occupant in Moynihan Station and ground-floor retail on lower level of the Western Annex.
  - Open Station Option: open station with no primary rail occupant and USPS retaining lower-level parking and loading in the Western Annex.
- Renovation and utilization of Platform 12 for passenger railroad service.
- Revised pedestrian circulation elements as set forth in Phase 1 as well as new platform vertical circulation associated with the new station.
- Revised design for the Intermodal Hall and for the roofs over both the Train Hall and Intermodal Hall.

This Technical Memorandum does not consider project elements analyzed in the 2006 FEIS that are no longer part of the current Project. Specifically, the development of an office building overbuild on the Farley Complex is no longer being considered as an option for the utilization of the Farley Complex's unused development rights, nor is an arena option in the Western Annex under possible consideration.

*

[1] In each of the station options, it is assumed that USPS would retain 265,000 square feet of space, although in the Amtrak Station Option it is specifically assumed that space would be elsewhere in the Farley Complex and not on the lower level of the Western Annex.

A. INTRODUCTION

This section assesses whether changes in the Project and in background conditions since 2006 would result in any new or different significant adverse impacts to land use, zoning, and/or public policy that were not previously identified in the 2006 FEIS. The regulatory context and methodology for this analysis are the same as described in the 2006 FEIS.

B. CHANGES IN BACKGROUND CONDITIONS

As discussed in Section 2, "Analytical Framework," in connection with the preparation of this Technical Memorandum background conditions and the status of development projects anticipated for completion through 2015 have been updated for the FEIS study area.

Updates to the No Build list were made through review of New York City Department of Buildings permits, identification of construction sites, and review of No Build lists for other projects. The updated No Build list includes projects that were planned prior to the current economic slowdown. Although some of these projects are now on hold, they are assumed to still be moving forward in the future when market conditions improve. Therefore, since projects were not removed, this list is conservatively inclusive. Since the FEIS was completed in 2006, some development projects have been completed in the surrounding area and are currently built and fully occupied. Other projects have changed in the amount and type of development expected and/or the expected year of completion, and some new projects are under development or are proposed.

The 2010 future conditions included approximately 28 No Build projects including: 6.1 million gsf of new office space; 603,492 gsf of new retail space; 330,260 gsf of new community facility space; 9,084 new residential units; and 1,600 new hotel rooms (see **Table 2-3**). In comparison, the 2015 future conditions assume: 4.9 million gsf of new office space; 823,636 gsf of new retail space; 198,726 gsf of new community facility space; 11,874 new residential units; and 2,823 new hotel rooms. As set forth in **Table 2-3**, the total development anticipated to be complete by the Project's 2015 Build year is similar to the total development anticipated to have been completed by 2010 (as analyzed in the 2006 FEIS) but with a smaller amount of office and community facility development and slightly more hotel, residential, and retail development.

These changes to background conditions are modest in relation to the overall land use development anticipated within the study area, and notwithstanding these changes, the overall land use profile of the study area will remain the same as analyzed in the 2010 future conditions for the 2006 FEIS. In summary, changes in background conditions since 2006 and future conditions anticipated through 2015 would not substantially alter the conclusions presented in the FEIS for land use. Although there is more of a trend toward residential, hotel, and retail development than office uses— and although additional No Build projects have been added— the essential land use patterns within the study area have remained similar to what was expected in the FEIS.

In April 2007, subsequent to completion of the 2006 FEIS, the Mayor's Office of Long Term Planning and Sustainability released *PlaNYC: A Greener, Greater New York*. It includes policies to address three key challenges that the City faces over the next twenty years: (1) population growth; (2) aging infrastructure; and (3) global climate change. Elements of the plan are organized into six categories—land, water, transportation, energy, air quality, and climate change—with corresponding goals and objectives for each.

No significant changes to zoning or public policy are expected by 2015 for the project site, the Development Transfer Site, or study area.

C. PROJECT DESIGN CHANGES

FARLEY COMPLEX—PHASE 1

As described in Section 1, "Project Description," Phase 1 of the Project would consist of improvements to below-grade infrastructure. Above-grade work would be limited to two new Eighth Avenue entrances into the Farley Building. The design and configuration of these entrances would be the same as assessed in the 2006 FEIS.

LAND USE

The proposed below-grade changes for the Project would modify the Farley Building to accommodate the proposed passenger rail uses—as anticipated in the 2006 FEIS—although the configuration and design of these modifications would be somewhat different than previously analyzed. The proposed rail uses of the Farley Building would continue to be consistent with the surrounding uses in the area. The proposed below-grade changes to the Project do not include any changes to its proposed uses, and would not require any new structures or expansion of building floor area. Therefore, the proposed changes would not change the FEIS conclusion that the Project would not result in significant adverse environmental impacts with respect to land use.

ZONING

The proposed below-grade changes do not involve any changes to zoning, proposed use, or expansions of building floor area. Therefore, the proposed changes would not change the FEIS conclusion that the Project would not result in significant adverse environmental impacts with respect to zoning.

PUBLIC POLICY

The proposed below-grade changes would continue to be compatible with the goals of the 34th Street Partnership Business Improvement District, as the Project would continue to bring new activity to the Farley Complex block. The proposed changes would have no influence on the recommendations for zoning changes or projected development for Chelsea in the 197-a plan developed for this area. Therefore, the Project would continue to be compatible with these policies. The Project also would continue to be consistent with the public policy goal of federal, state, and city agencies to redevelop the Farley Complex as a safe, efficient, and contemporary intermodal transportation facility and commercial center to meet New York's future transportation needs. With the proposed changes, the Project would be compatible with the goals and initiatives of PlaNYC, by improving and capitalizing on transit access.

Therefore, the proposed changes would not change the FEIS conclusion that the Project would not result in significant adverse environmental impacts with respect to public policy.

FARLEY COMPLEX—PHASE 2

AMTRAK STATION OPTION

Land Use

The proposed changes under the Amtrak Station Option would not involve any alterations to the overall program of uses for the Project. The Project would continue to create a new public destination and activity at the Farley Complex, which would have the beneficial effect of providing improved opportunities to integrate activity with the surrounding land uses. In addition, the proposed rail uses would continue to be consistent with the surrounding uses in the area, and the proposed commercial retail facilities at the Farley Complex would help to generate more activity at the site and make the site more visible. Although the primary occupant of the station would change, as would some station design elements, these changes would not require any new structures or expansion of building floor area. Therefore, the proposed changes under the Amtrak Station Option would not change the FEIS conclusion that the Project would not result in significant adverse impacts with respect to land use.

Zoning

As described above and as discussed in the 2006 FEIS, to facilitate the use of the Farley Building for rail service, it is expected that ESDC would exercise its override power with respect to Section 74-62 of the Zoning Resolution of the City of New York. However, the Project would remain consistent with the substantive requirements of the Zoning Resolution of the City of New York for the construction of a railroad passenger station. The proposed changes to the Project do not involve any changes to zoning, proposed use, or expansions of building floor area. Therefore, the proposed changes under the Amtrak Station Option would not change the FEIS conclusion that the Project would not result in significant adverse environmental impacts with respect to zoning.

Public Policy

The Amtrak Station Option, like the Project as assessed in the 2006 FEIS, would be compatible with the goals of the 34th Street Partnership Business Improvement District, as the Project would continue to bring new activity to the Farley Complex block. The proposed changes would have no influence on the recommendations for zoning changes or projected development for Chelsea in the 197-a plan developed for this area. Therefore, the Project would continue to be compatible with these policies. The Project also would continue to be consistent with the public policy goal of federal, state, and city agencies to redevelop the Farley Complex as a safe, efficient, and contemporary intermodal transportation facility and commercial center to meet New York's future transportation needs. With the proposed changes, the Amtrak Station Option would be compatible with the goals and initiatives of PlaNYC, by improving and capitalizing on transit access. In addition, an analysis of the technical and economic feasibility of installing combined heat and power as part of any development on the Development Transfer Site would be undertaken in accordance with PlaNYC. Therefore, the proposed changes under the Amtrak Station Option would not change the FEIS conclusion that the Project would not result in significant adverse environmental impacts with respect to public policy.

OPEN STATION OPTION

As described in Section 1, "Project Description," the Open Station Option would be more similar in terms of station layout to the station design examined in the 2006 FEIS than would be the Amtrak Station Option.

Land Use

The Open Station Option, like the Amtrak Station Option, would not involve any alterations to the overall program of uses for the Project. Like the Amtrak Station Option and the project assessed in the 2006 FEIS, the Project would continue to create a new public destination and activity at the Farley Building, which would have the beneficial effect of providing improved opportunities to integrate activity with the surrounding land uses. In addition, the proposed rail uses would continue to be consistent with the surrounding uses in the area, and the proposed commercial retail facilities at the Farley Complex would help to generate more activity at the site and make the site more visible. Although some design and configuration elements would change, these changes would not require any new structures or expansion of building floor area. Therefore, the proposed changes under the Open Station Option would not change the FEIS conclusion that the Project would not result in significant adverse impacts with respect to land use.

Zoning

As described above and as discussed in the 2006 FEIS, to facilitate the use of the Farley Building for rail service, it is expected that ESDC would exercise its override power with respect to Section 74-62 of the Zoning Resolution of the City of New York. However, the Project would remain consistent with the substantive requirements of the New York City Zoning Resolution for the construction of a railroad passenger station. The proposed changes to the Project do not involve any changes to zoning, proposed use, or expansions of building floor area. Therefore, the proposed changes under the Open Station Option would not change the FEIS conclusion that the Project would not result in significant adverse impacts with respect to zoning.

Public Policy

The Open Station Option, like the Amtrak Station Option and the project assessed in the 2006 FEIS, would be compatible with the goals of the 34th Street Partnership Business Improvement District, as the Project would continue to bring new activity to the Farley Complex block. The proposed changes would have no influence on the recommendations for zoning changes or projected development for Chelsea in the 197-a plan developed for this area. Therefore, the Project would continue to be compatible with these policies. The Project also would continue to be consistent with the public policy goal of federal, state, and city agencies to redevelop the Farley Complex as a safe, efficient, and contemporary intermodal transportation facility and commercial center to meet New York's future transportation needs. With the proposed changes, the Open Station Option would be compatible with the goals and initiatives of PlaNYC, by improving and capitalizing on transit access. In addition, an analysis of the technical and economic feasibility of installing combined heat and power as part of any development on the Development Transfer Site would be undertaken in accordance with PlaNYC. Therefore, the proposed changes under the Open Station Option would not change the FEIS conclusion that the Project would not result in significant adverse environmental impacts with respect to public policy.

*

A. INTRODUCTION

This section assesses whether changes in the Project and in background conditions since 2006 would result in any new or different significant adverse impacts to socioeconomic conditions that were not previously identified in the 2006 FEIS. The regulatory context and methodology for this analysis are the same as described in the 2006 FEIS.

B. CHANGES IN BACKGROUND CONDITIONS

As discussed in Section 2, "Analytical Framework," in connection with the preparation of this Technical Memorandum background conditions and the status of development projects anticipated for completion through 2015 have been updated for the FEIS study area. In comparison to the 2010 future conditions analyzed in the 2006 FEIS, the 2015 future conditions are anticipated to have approximately 1,206,612 square feet less office use, 1,223 additional hotel rooms, 2,790 additional residential units, 220,144 square feet additional retail use, and 131,533 square feet less community facility use. On the whole, a considerable amount of development is still expected on Manhattan's west side by 2015; however, the current recession and other market considerations may affect the likelihood that all of this expected development would occur by the 2015 analysis year.

Within the specific study area for socioeconomic conditions, the 2015 No Build projects are more limited, with 17 projects that will add about 2.0 million square feet of office space, about 1.1 million square feet of hotel use (or about 1,600 hotel rooms), 390,000 square feet of retail, and about 2,899 new residential units. A key redevelopment in the study area—the 15 Penn Plaza project, which is primarily an office project that replaces the Hotel Pennsylvania—is expected to eliminate about the same number of hotel rooms that would be built elsewhere in the study area.

The 2,899 new residential units are expected to add another 4,986 residents to the study area. This increases the current population estimate from 16,188 to 21,171, an increase of 30.8 percent and a clear indication of the continuing trend of residential growth in the areas immediately adjacent to the Midtown Central Business District (CBD), consistent with long standing public policy for the West Chelsea area, the corridor along Sixth Avenue, and the Hudson Yards. The new office and retail development can be expected to add about 9,000 workers to the study area, or about a 10 percent increase over the 2000 estimated private sector employment base.

As described in the 2006 FEIS, the study area already has a well-established mixed-use commercial economic base, and these changes in background conditions would not significantly alter existing economic patterns but rather would strengthen the area's identity. The Project site is located in a stable and desirable marketplace, as demonstrated by relatively low vacancy rates. Although there is more of a trend toward residential, hotel, and retail development than office uses, and additional No Build projects have been added, the essential socioeconomic patterns

within the study area have remained similar to what was expected in the 2006 FEIS. In summary, changes in background conditions since 2006 and future conditions anticipated through 2015 would not substantially alter the conclusions presented in the 2006 FEIS for socioeconomic conditions.

C. PROJECT DESIGN CHANGES

FARLEY COMPLEX—PHASE 1

In the short-term, the proposed below-grade changes to the Project are not expected to significantly change total employment for any rail service providers using the station, but over the long term would facilitate meeting the expected growth in demand for rail passenger services and thus increase associated employment. The proposed changes would not result in any direct or indirect displacement of residents, jobs, or economic activity. The Project would fulfill its long-standing goal to improve the condition and character of travel to and from New York City. Therefore, the proposed changes would not change the 2006 FEIS conclusion that the Project would not result in significant adverse environmental impacts with respect to socioeconomic conditions.

FARLEY COMPLEX—PHASE 2

AMTRAK STATION OPTION

The proposed Project changes under the Amtrak Station Option would not involve any alterations to the overall program of uses for the Project. Although some design and configuration elements would change, these changes would not require any new structures or expansion of building floor area, and thus would result in no notable changes to projected employment on-site and no alteration of basic employment characteristics of the study area. While the amount of space occupied by Amtrak within the station (100,000 square feet) would be greater than the amount that was assumed in the 2006 FEIS to have been occupied by NJT (34,000 square feet), there would be no net change in overall Amtrak employment (or in employment for the other railroads) at the Penn Station complex, the same as was assumed in the 2006 FEIS. In the short-term, the Amtrak Station Option would not be expected to significantly change total employment for any service providers using the station, but over the long term would facilitate meeting the expected growth in demand for rail passenger services and thus increase associated employment. There is a projected increase in the amount of station-specific retail space that would be privately managed, which can be expected to generate demand for about 347 employees (as estimated in the 2006 FEIS) and would improve station amenities to passengers and other users of the station. Since the current retail USPS operations would remain, the Amtrak Station Option would not result in any direct displacement of jobs or economic activity.

Like the project assessed in the 2006 FEIS, the Amtrak Station Option would not result in any new significant adverse impacts due to direct or indirect residential displacement or indirect business and institutional displacement. The Amtrak Station Option would not represent a substantial increase in the concentration of any particular economic sector, and no alteration of existing patterns would be expected. All of the uses contemplated under the Amtrak Station Option are well established in the study area, which already has a dense and diverse amount of economic activity.

Like the project assessed in the 2006 FEIS, the Amtrak Station Option would continue to expand the existing base of transportation offerings within the study area, thereby drawing new transportation users and visitors to the area within and immediately surrounding the Farley Complex. The other proposed uses within the Farley Complex also would continue to attract and retain visitors within the study area. The resultant incremental pedestrian flow would not have any adverse effect on commercial property values within the study area east of the Farley Complex, where there are already heavy volumes of pedestrian traffic. Commercial establishments along other nearby thoroughfares could experience rent increases, as their property values could increase due to the increased pedestrian traffic. Most of the existing retail stores would benefit from the increased pedestrian flow, allowing them to increase their overall sales and avoid indirect displacement due to increased rent. Those that would be most vulnerable to indirect displacement due to increased rents would be those retail uses that may not be able to capitalize as effectively from the increased pedestrian flow.

Like the project assessed in the 2006 FEIS, the Amtrak Station Option would not significantly affect business conditions in any industry or any category of business within or outside the study area, nor would it indirectly reduce employment or adversely affect the viability of any industry or category of business. Development under the Amtrak Station Option with the proposed changes would not introduce new, competing businesses that would drive out or otherwise diminish the performance of any identifiable business sector. Overall, the Amtrak Station Option would reinforce existing business sectors, and provide new office space to retain and attract businesses.

The Amtrak Station Option would fulfill the Project's long-standing goal to improve the condition and character of travel to and from New York City, reinforcing the commercial vitality of the western portions of the Midtown CBD and enhancing the growing areas to the west, north, and south of the Project. Therefore, the proposed changes under the Amtrak Station Option would not change the 2006 FEIS conclusion that the Project would not result in significant adverse environmental impacts with respect to socioeconomic conditions.

OPEN STATION OPTION

Like the Amtrak Station Option and the project assessed in the 2006 FEIS, the proposed changes under the Open Station Option would not involve any alterations to the overall program of uses for the Project. Although some design and configuration elements would change, these changes would not require any new structures or expansion of building floor area, and thus no notable changes to projected employment. In the short-term, the Open Station Option would not be expected to change total employment for any service providers using the station significantly, but over the long term would facilitate meeting the expected growth in demand for rail passenger services and thus increase associated employment. There is a projected increase in the amount of station-specific retail space that would be privately managed, which can be expected to generate demand for about 347 employees (as estimated in the FEIS) and would improve station amenities to passengers and other users of the station. Since the current retail USPS operations would remain, the Open Station Option would not result in any direct displacement of jobs or economic activity.

Like the Amtrak Station Option and the project assessed in the 2006 FEIS, the Open Station Option would not result in any new significant adverse impacts due to direct or indirect residential displacement or indirect business and institutional displacement. The Open Station Option would not represent a substantial increase in the concentration of any particular

economic sector, and no alteration of existing patterns would be expected. All of the uses contemplated under the Open Station Option are well established in the study area, which already has a dense and diverse amount of economic activity.

Like the Amtrak Station Option and the project assessed in the 2006 FEIS, the Open Station Option would continue to expand the existing base of transportation offerings within the study area, thereby drawing new transportation users and visitors to the area within and immediately surrounding the Farley Complex. The other proposed uses within the Farley Complex also would continue to attract and retain visitors within the study area. The resultant incremental pedestrian flow would not have any adverse effect on commercial property values within the study area east of the Farley Complex, where there are already heavy volumes of pedestrian traffic. Commercial establishments within other nearby thoroughfares could experience rent increases, as their property values could increase due to the increased pedestrian traffic. Most of the existing retail stores would benefit from the increased pedestrian flow, allowing them to increase their overall sales and avoid displacement. Those that would be most vulnerable to indirect displacement due to increased rents would be those retail uses that may not be able to capitalize as effectively from the increased pedestrian flow.

Like the Amtrak Station Option and the project assessed in the 2006 FEIS, the Open Station Option would not significantly affect business conditions in any industry or any category of business within or outside the study area, nor would it indirectly reduce employment or adversely affect the viability of any industry or category of business. Development under the Open Station Option with the proposed changes would not introduce new, competing businesses that would drive out or otherwise diminish the performance of any identifiable business sector. Overall, the Open Station Option would reinforce existing business sectors, and provide new office space to retain and attract businesses.

Like the Amtrak Station Option, the Open Station Option would fulfill the Project's long-standing goal to improve the condition and character of travel to and from New York City, reinforcing the commercial vitality of the western portions of the Midtown CBD and enhancing the growing areas to the west, north, and south of the Moynihan project. Therefore, the proposed changes under the Open Station Option would not change the 2006 FEIS conclusion that the Project would not result in significant adverse environmental impacts with respect to socioeconomic conditions. ✳

A. INTRODUCTION

This section assesses whether changes in the Project and in background conditions since 2006 would result in any new or different significant adverse impacts to community facilities that were not previously identified in the 2006 FEIS. The regulatory context and methodology for portions of this analysis are the same as described in the 2006 FEIS. The methodologies for assessing potential impacts to public schools and publicly-funded child care facilities have changed since 2006, and those changes are described below. Consistent with the 2006 FEIS, this Technical Memorandum does not provide an analysis of public health care or library services, as the Project with the proposed changes and changes due to background conditions does not meet the *CEQR Technical Manual* thresholds for such analysis.

B. CHANGES IN BACKGROUND CONDITIONS AND METHODOLOGIES

The 2006 FEIS analyzed future conditions in 2010, by which time the Project was expected to be complete; however, as described in Section 1, "Project Description," the Project is now anticipated to be fully complete in 2015. Therefore, in connection with the preparation of this Technical Memorandum, background conditions and the status of development projects anticipated for completion through 2015 have been updated for the FEIS study area.

The 2010 future conditions included approximately 28 No Build projects including: 6.1 million gsf of new office space; 603,492 gsf of new retail space; 330,260 gsf of new community facility space; 9,084 new residential units; and 1,600 new hotel rooms. In comparison, the 2015 future conditions assume: 4.9 million gsf of new office space; 823,636 gsf of new retail space; 198,726 gsf of new community facility space; 11,874 new residential units; and 2,823 new hotel rooms. Overall, the total development anticipated to be completed by the Project's 2015 Build year is similar to the total development anticipated to have been completed by 2010 (as analyzed in the 2006 FEIS) but with a smaller amount of office and community facility development and more hotel, residential, and retail development.

POLICE AND FIRE SERVICES

These changes to background conditions are modest in relation to the overall land use development anticipated within the study area, and notwithstanding these changes, the overall profile of the study area will remain the same as analyzed in the 2006 FEIS for the future conditions in 2010. None of the changes to background conditions involve the direct displacement of a police station, fire station, emergency medical service (EMS) facility, or other community facility. The New York Police Department (NYPD) would continue to evaluate its staffing needs and assign personnel based on population growth, area coverage, crime levels, and other local factors. As noted in the 2006 FEIS, the New York City Fire Department (FDNY)

believes it would need additional resources, including a new firehouse, to continue to provide adequate fire protection throughout Hudson Yards (which includes the Farley Complex); this condition would not change with the changes to background conditions through 2015 and would not alter the 2006 FEIS finding of no significant adverse impact on police or fire services.

PUBLIC SCHOOLS

The updated information on background conditions was reviewed to determine whether the Project's potential effects on public schools would remain consistent with the conclusions in the 2006 FEIS. The schools analysis was also updated to account for new information on current school enrollment and new enrollment projections, and to use updated *CEQR Technical Manual* pupil generation rates.

Current school enrollment data and enrollment projections for up to 10 years into the future are released annually by the School Construction Authority (SCA). This analysis uses the most recent data available, including school enrollment for the 2008-2009 school year and enrollment projections through the 2017-2018 school year. The 2006 FEIS analysis used data on school enrollment for the 2003-2004 school year. For enrollment projections, the New York City Department of City Planning's projections (actual 2003, projected 2004-2013), which were higher than those of the New York City Department of Education (DOE), were used.

The updated CEQR pupil generation rates were released in November 2008 in conjunction with the release of SCA's new five-year (2010-2014) capital plan based on this information. The new student generation rates (i.e., the number of school-age children per household) differ from those used by SCA in the past, and those used in the 2006 FEIS based on 2001 *CEQR Technical Manual* guidelines. The New York City Office of Environmental Coordination (OEC) has issued an online addendum to the *CEQR Technical Manual* that incorporates these rates into a revised Table 3C-2 for CEQR schools analyses.

Future conditions at local schools were predicted based on the new school enrollment projections and estimated enrollment from the updated list of development projects in the study area. The updated CEQR pupil generation rates were applied to the build program for the Development Transfer Site as defined in the 2006 FEIS to determine how many school children would be introduced by the Project. The effect of these school children on local schools was evaluated and compared to the effects of the Project as presented in the 2006 FEIS.

As reflected in the technical analysis that follows, these changes would not result in any additional significant adverse impacts on public schools that were not identified in the 2006 FEIS.

Student Population. As described above, the 2006 FEIS analysis of the Project's potential effect on public schools relied on student generation rates previously provided in Table 3C-2 of the *CEQR Technical Manual*. These rates were used to estimate the number of school age children generated per household given the location (by borough) and affordability level of new residential development. The updated CEQR pupil generation rates account for differences by borough, but do not differentiate by income mix.

As shown in **Table 5-1**, the 2006 FEIS concluded that the Project would generate 102 elementary school students, 20 intermediate school students, and 32 high school students upon completion. Based on the updated CEQR pupil generation rates, the Project would generate 113 elementary school students, 38 intermediate school students, and 56 high school students. This is 11, 18, and 24 more elementary, intermediate, and high school students, respectively, than disclosed in the 2006 FEIS. In the 2006 FEIS, the Project did not generate sufficient students to exceed the threshold for

requiring a high school analysis (150 or more students). Similarly, the current Project would not generate sufficient students to exceed the threshold for requiring a high school analysis.

Table 5-1

Estimated Number of Students Generated by the Project 2006 FEIS versus with Updated CEQR Generation Rates

School	FEIS Student Generation[1]	Updated CEQR Student Generation[2]	Difference
PS	102	113	11
IS	20	38	18
HS	32	56	24
Totals	154	207	53

Notes: 1. Based on student generation rates provided in the *2001 CEQR Technical Manual*
2. Based on updated SCA pupil generation rates (0.12 elementary students, 0.04 intermediate students, and 0.06 high school students per household).

Conclusions. Using the updated CEQR pupil generation rates and the new information about other projects planned in the study area, elementary schools within Region 3 and CSD 2 would have seat shortfalls that would be less than what had been predicted in the 2006 FEIS. This would occur primarily because of the large number of elementary and intermediate school seats that are anticipated to be constructed in CSD 2 by the 2015 build year. For a conservative analysis, it was assumed that none of these schools would be developed within Region 3. In addition, based on the revised SCA projections, predicted enrollment in the CSD 2 elementary and intermediate schools is notably lower compared to the 2006 FEIS. **Table 5-2** below shows school enrollment, capacity and utilization based on the new methodology and updated background conditions in the 2015 future without the Project and the 2015 future with the Project. **Table 5-3 below** shows school enrollment, capacity, and utilization as projected in the 2006 FEIS for the 2010 No Build condition compared to the 2015 Build condition.

According to the guidance of the 2001 *CEQR Technical Manual*, if a project causes an increase of 5 percent or more in a deficiency of available seats, a significant adverse impact may result. Accounting for changes in background conditions and methodology, the Project would not increase the utilization rates for elementary and high schools by more than 5 percent, and would actually not be in a deficit condition. Therefore, the Project would not result in a significant adverse impact to those school levels and is considerably below the threshold examined in the 2006 FEIS.

For intermediate schools, the total projected Region 3 enrollments with the Project would drop from 559 students in the 2006 FEIS to 313 students, and the capacity would increase from 273 to 292 seats, for a total projected increase of 265 available seats. Furthermore, although there would still be a deficiency in available seats in Region 3 intermediate schools, the proportion of deficiency is considerably lower than analyzed in the 2006 FEIS, dropping from 205 percent utilization to 107 percent. The Project would still be expected to generate more than a 5 percent increase in the deficiency of available seats in Region 3 and thus would continue to contribute to a shortfall in intermediate school seats in Region 3 (as identified in the 2006 FEIS); however, as noted above, it was assumed that none of the 8 elementary and intermediate schools that are anticipated for completion by 2015 would be located in Region 3. Should one of the planned intermediate schools be located within this area, it is anticipated that the deficiency of available seats would be alleviated. Furthermore, CSD 2 as a whole would be operating at 66 percent of capacity in the future with the Project in 2015—compared to 124 percent of capacity as projected in the 2006 FEIS—and therefore DOE could shift the boundaries of school catchment areas within the CSD to alleviate this deficiency.

Overall, accounting for the changes in background conditions and the updated methodology, the Project would not result in any significant adverse impacts on public schools not previously identified in the 2006 FEIS. In summary, changes in background conditions since 2006 and future conditions anticipated through 2015 would not substantially alter the conclusions presented in the 2006 FEIS for community facilities.

Table 5-2
Analysis with Updated Background Conditions and Methodology: Estimated Public Elementary, Intermediate, and High School Enrollment, Capacity, and Utilization 2015 Future Without and With the Project

	2015 Future Without the Project				2015 Future With the Project			
Study Area	Total Enrollment	Capacity[1]	Available Seats	Utilization	Total Enrollment	Capacity[1]	Available Seats	Utilization
Elementary Schools								
Region 3[2]	2,257	2,594	336	87%	2,370	2,594	223	91%
CSD 2	18,293	19,898	1,605	92%	18,406	19,898	1,492	93%
Intermediate Schools								
Region 3[2]	275	292	17	94%	313	292	-21	107%
CSD 2	7,180	10,986	3,806	65%	7,218	10,709	3,768	66%
High Schools								
Manhattan Total	43,266	42,635	-631	101%	43,322	42,635	-687	102%

Notes: [1] The capacity column includes additional elementary, intermediate, and high school capacity identified for development by 2015 in the DOE five-year capital plan.
[2] Although analysis of schools by region is being phased out in favor of analysis of schools within ½ mile of a project site, this study area was maintained for consistency with the 2006 FEIS study areas.
Sources: SCA *Enrollment Projections*; DOE, *Utilization Profiles: Enrollment/Capacity/Utilization, 2008-2009*. DOE *FY 2010-2014 Five-Year Capital Plan*, June 2009

Table 5-3
2010 Build Condition (2006 FEIS) vs. 2015 Build Condition

Study Area	Year	Students Generated by Proposed Action	Total Projected Enrollment	Capacity	Available Seats	Utilization
Elementary Schools						
Region 3	2010	102	3,934	2,770	-1,164	142%
	2015	113	2,370	2,594	223	91%
	Change	***11***	***-1,564***	***-176***	***1,387***	***-51%***
CSD 2	2010	102	19,105	16,482	-2,623	116%
	2015	113	18,406	19,898	1,492	93%
	Change	***11***	***-699***	***3,416***	***4,115***	***-23%***
Intermediate Schools						
Region 3	2010	20	559	273	-286	205%
	2015	38	313	292	-21	107%
	Change	***18***	***-246***	***19***	***265***	***-98%***
CSD 2	2010	20	8,932	7,225	-1,707	124%
	2015	38	7,218	10,709	3,768	66%
	Change	***18***	***-1,714***	***3,484***	***5,475***	***-58%***

PUBLICLY FUNDED CHILD CARE FACILITIES

The 2006 FEIS did not include an analysis of the Project's potential effects on publicly funded child care facilities, as at that time the Project did not meet the *CEQR Technical Manual's* threshold for such review. In December 2009, the New York City Department of City Planning (DCP) released updated CEQR generation rates for publicly funded child care-eligible children; these rates are being incorporated into the *CEQR Technical Manual* via an online addendum on the New York City Office of Environmental Coordination's website. As described below, the Project, under one option for the Development Transfer Site, now meets the *CEQR Technical Manual* threshold warranting an analysis of impacts on child care facilities.

Per the revised *CEQR Technical Manual* table[1] that lists the multipliers for estimating the number of children eligible for publicly funded child care and Head Start, the new rates for Manhattan are 0.115 child care-eligible children up to age 6 per low- or low-moderate income unit. Using these generation rates, projects in Manhattan that would create 169 or more units of low-income and/or low- to moderate-income housing would generate more than 20 child care-eligible children, and thus would meet the threshold for a detailed analysis of child care centers.

As described above, the Project, under either the Amtrak Station or Open Station Options, assumes that the Development Transfer Site could utilize a portion of the Farley Complex's unused development rights, as was assessed in the 2006 FEIS. Two options are contemplated for the Development Transfer Site building. The first option is a primarily residential building that would have approximately 940 units and 120,000 square feet of retail space. The second option is a mixed-use option that would contain a 310,000-square-foot hotel, 630 residential units, and 120,000 square feet of retail space. For the purposes of this analysis, it is conservatively assumed that either building would be rental units (versus condominiums) and that 20 percent of the units would be developed as affordable units provided under the 80/20 affordable housing program.

Based on the updated CEQR generation rates, the mixed-use option for the Development Transfer Site with 630 units would not meet the threshold for an analysis of potential impacts on publicly funded day care facilities, as it would result in 126 affordable units and its impact is considered *de minimus*. The primarily residential option could create as many as 940 new residential units. Under a conservative assumption—that the 940 units would be rental housing with 20 percent developed as affordable housing—the Development Transfer Site could generate 188 units of affordable housing and would, therefore, exceed the detailed analysis threshold. Using the generation rates described above, the Project under the 940 unit scenario could potentially generate 22 children under the age of 6 who would be eligible for publicly funded child care programs.

Enrollment and capacity information was obtained from the New York City Administration for Children's Services (ACS) for child care facilities and Head Start programs and is current as of July and December 2008. For this analysis, publicly funded child care facilities within 1.5 miles of the Development Transfer Site were identified and examined; private child care facilities were not considered in the analysis. Following CEQR methodologies, impacts were considered significant if the Project would result in demand for slots in publicly funded child care centers greater than available capacity and the increased demand generated by the Project would be 5 percent or more of the collective capacity of the child care centers serving the study area in the future without the Project.

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[1] It is Table 6-1b in the 2010 *CEQR Technical Manual*

BACKGROUND

Publicly funded child care for the children of income-eligible households in New York City is sponsored and financially supported by the Division of Child Care and Head Start (CCHS), within the ACS, and Head Start, federally funded early childhood education and family support programs. ACS contracts with hundreds of private, non-profit organizations to provide Child Care and Head Start programs in communities across the City that are licensed by the New York City Department of Health and Mental Hygiene (DOHMH). ACS also issues vouchers to eligible families to provide financial assistance in accessing care from formal and informal providers in the City.

To receive subsidized child care services, a family must meet specific financial and social eligibility criteria that are determined by federal, state, and local regulations. Eligibility is determined by a child's age (0-13), and a family's gross income, with consideration of family size. To meet the social eligibility for publicly funded child care, a family must also have an approved "reason for care," such as involvement in a child welfare case or participation in a "welfare-to-work" program.

Publicly funded, center-based and family-based child care programs are contracted through community based organizations under the auspices of CCHS within ACS for the children of income-eligible households. Space for one child in such child care centers is termed a "slot." ACS funds center-based services for children under the age of five, and family-based services for income-eligible children up to the age of 12. The name, location and enrollment information for publicly funded child care centers in the study area are provided below.

Head Start is a national program that promotes school readiness by enhancing the social and cognitive development of children through the provision of educational, health, nutritional, social and other services. The program provides grants to local public and private non-profit and for-profit agencies to provide comprehensive child development services to economically disadvantaged children and families, with a special focus on helping preschoolers develop the early reading and math skills they need to be successful in school.

In addition to attending group child care centers, eligible children may also be cared for in the homes of family child care providers, also licensed by DOHMH. Family child care providers are professionals who provide care for 3 to 7 children in their residences. Group family child care providers are professionals who care for 7 to 12 children, with the help of an assistant, in their homes. The majority of family and group family child care providers in New York City are registered with a child care network, which provides access to training and support services.

In addition to these child care facilities, other publicly financed child care options are available to residents of the study area. As discussed above, given that there are no location requirements for enrollment in child care centers, some parents/guardians may choose a child care center closer to a location of employment than their place of residence. Parents/guardians who have an ACS voucher may access child care from private providers, in either a formal or informal setting, both within and outside the 1.5-mile study area, potentially in neighborhoods close to parents' workplaces. The portability of ACS vouchers indicates that services beyond a 1.5-mile study area can be and are used by eligible parents. However, as discussed in the *CEQR Technical Manual*, the centers closest to a project site are more likely to be subject to increased demand.

EXISTING CONDITIONS

There are five publicly funded child care facilities located within an approximately 1.5-mile radius of the Development Transfer Site (see **Figure 5-1**). As shown in **Table 5-4**, current capacity of these facilities is 251 slots with an enrollment of 244, for a current utilization of 97 percent. As mentioned previously, additional capacity could likely be provided by private child care centers, but these facilities are not included in this analysis. There are also three Head Start programs in the study area that have a capacity of 218 slots and an enrollment of 183.

Table 5-4
Publicly Funded Child Care Facilities in 1.5-Mile Study Area

Map No.	Name	Address	Capacity	Enrollment
		Child Care Facilities		
1	ICAHN House	515 West 41st Street	37	28
2	Hudson Guild	459 West 26th Street	90	98
3	LYFE Manhattan High School	317 West 52nd Street	8	6
4	YWCA Polly Dodge Early Learning Center	538 West 55th Street	83	82
5	Bellevue Educare	462 First Avenue	33	30
		Child Care Facilities Total	**251**	**244**
		Head Start Facilities		
A	Hudson Guild	459 West 26th Street	111	93
B	Plaza Head Start	410 West 40th Street	47	30
C	Bank Street Head Start	113 East 13th Street	60	60
		Head Start Total	**218**	**183**
		Total	**469**	**427**

Note: See **Figure 5-1** for public child care facilities.
Source: Administration for Children's Services, July and December 2008.

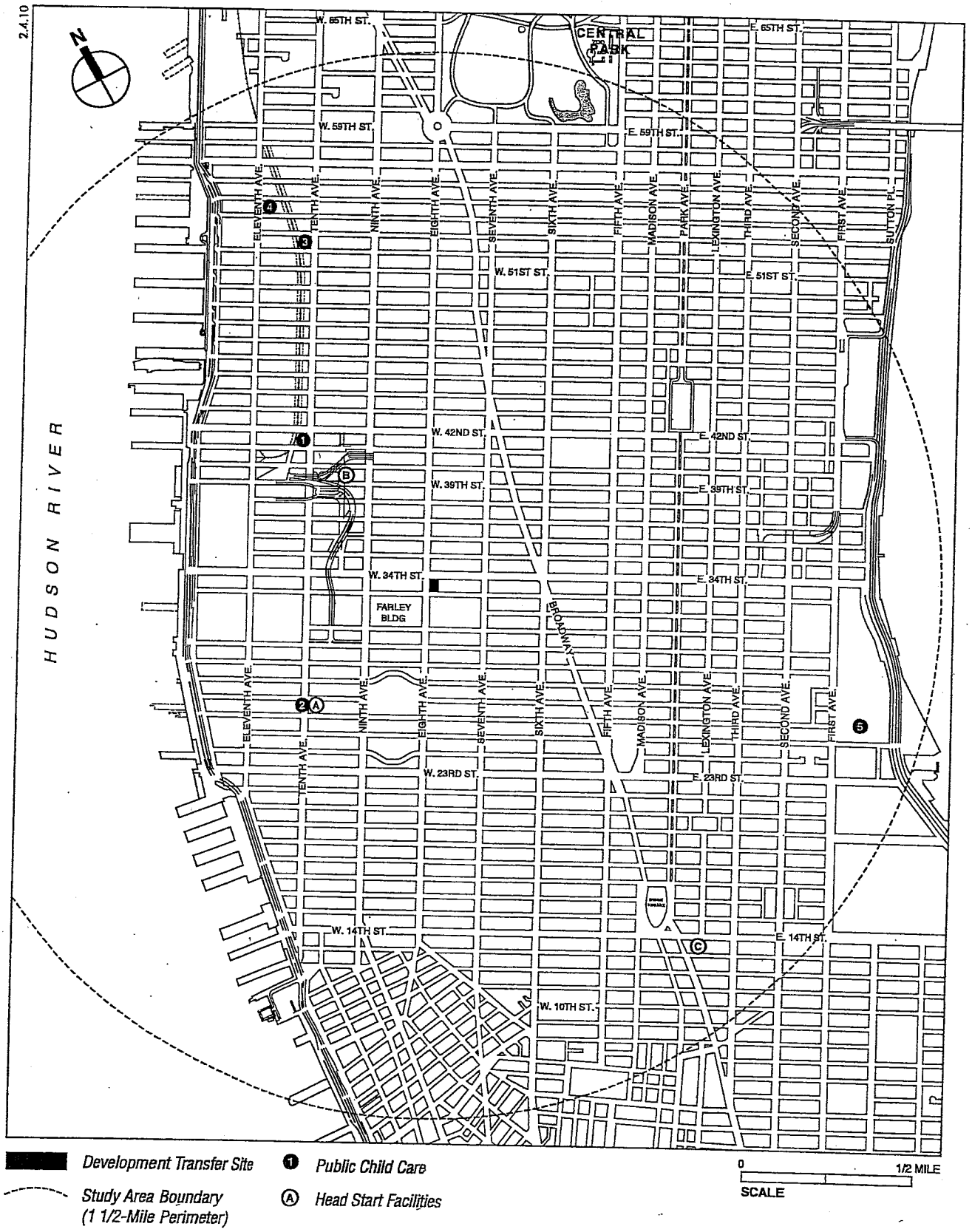
THE FUTURE WITHOUT THE PROPOSED PROJECT

In the future without the proposed Project, planned or proposed development projects will introduce an additional 11,874 residential units within 1.5 mile of the Development Transfer Site. For the purposes of this analysis, it was conservatively assumed that 20 percent of these new units would be occupied by low- to moderate-income residents. Based on this assumption, approximately 2,375 units are expected to be affordable for low- or low- to moderate-income households. Using the new CEQR generation rates discussed above, this amount of development will introduce an estimated 273 children under the age of 6 who are eligible for publicly funded child care. No new publicly funded child care centers have been identified as planned in the study area, but additional facilities may open to meet the rising demand for services.

Based on these assumptions, if no new child care facilities open in the future without the proposed Project, the number of children eligible for public child care and Head Start would exceed available slots in 2015. As described above, there are currently 469 slots with 427 enrollees, leaving a surplus of 42 seats. When the estimated 273 eligible children introduced by planned development projects are added to this total, there will be a shortage of 231 slots in publicly funded child care in the study area (149 percent utilization).

PROBABLE IMPACTS OF THE PROPOSED PROJECT

Under the most conservative scenario—in which the Development Transfer Site is developed with the primarily residential option, as rental rather than condominium units, and includes an affordable housing component—the proposed Project could generate as many as 188 affordable housing units on the Development Transfer Site, which would introduce up to 22 children up to



MOYNIHAN STATION
DEVELOPMENT PROJECT
TECHNICAL MEMORANDUM

Public Child Care and Head Start Facilities
Figure 5-1

age 6 that are eligible for publicly funded child care services, according to the new *CEQR Technical Manual* generation rates discussed above. Demand for child care facilities in the 1.5-mile study area will already exceed available capacity in the future without the proposed Project. If no new child care facilities are added in the study area to respond to this new demand, the 22 new children up to age 6 from the proposed Project would exacerbate the predicted shortage in child care slots. However, the Project-generated demand would constitute 4.6 percent of the collective capacity of child care and Head Start facilities (469 slots) in the study area.

While accounting for the updated December 2009 *CEQR Technical Manual* generation rates and changes in background conditions, the new detailed analysis indicates that although a shortfall of child care slots is identified with the Project in 2015, this shortfall would occur primarily due to changes in background conditions and analysis methodologies that would not be caused by the proposed changes in the Project. Independent of the proposed Project, the large increases in demand generated by the substantial new development anticipated in the Hudson Yards and West Chelsea areas will substantially alter the existing baseline of available child care, creating a large shortfall in capacity. The additional demand generated by the Project in the most conservative scenario, while exceeding available future capacity, would not exceed 5 percent or more of the collective capacity of the child care centers serving the study area in the future without the Project and would be modest compared with the overall growth in demand that will occur independently of the Project. Therefore, the Project would not result in any significant adverse impacts on publicly funded child care facilities.

C. PROJECT DESIGN CHANGES

FARLEY COMPLEX—PHASE 1

The proposed Project changes do not include any changes to the Project's proposed uses, and would not require any new structures or expansion of building floor area. No new residential population would be introduced, and thus there would be no new student population or impacts to area schools. No police stations, fire stations, EMS facilities, or other community facilities would be displaced. NYPD would continue to evaluate its staffing needs and assign personnel based on population growth, area coverage, crime levels, and other local factors, and as noted above, FDNY would continue to monitor and evaluate future resources necessary to provide adequate fire protection. Therefore, it is not anticipated that the proposed below-grade changes would change the conclusions of the 2006 FEIS with respect to community facilities.

FARLEY COMPLEX—PHASE 2

Neither of the two station options would alter the overall development program that could affect community services as no station elements would add a new residential population or result in the displacement of police stations, fire stations, EMS facilities, or other community facilities. Since the residential component of the Project would remain the same as in the 2006 FEIS, no Project design changes would change demands for community facilities (as opposed to background analyses as described above). Therefore, it is anticipated that there would be no change to the conclusions of the 2006 FEIS with respect to community facilities and the proposed Project would not result in significant adverse impacts. ✳

A. INTRODUCTION

This section assesses whether changes in the Project and in background conditions since 2006 would result in any new or different significant adverse impacts to open space that were not previously identified in the 2006 FEIS. As with the 2006 analysis, this chapter generally uses methodologies and follows the guidelines of the 2001 *CEQR Technical Manual.*

As described below, changes to background conditions since the 2006 FEIS and the largely operational changes to the Project (i.e., the overall size of the project has not changed) would not substantially alter the conclusions presented in the 2006 FEIS that the Project is not anticipated to result in significant adverse open space impacts.

B. CHANGES IN BACKGROUND CONDITIONS

The 2006 FEIS analyzed a No Action Alternative for future conditions in 2010, by which time the Project was expected to be complete; however, as described in Section 2, "Analytical Framework," of this Technical Memorandum the Project is now anticipated to be fully complete in 2015. The 2015 build year provides a new baseline condition and list of No Build projects that were not included in the 2006 FEIS. This analysis incorporates those updated projects and also takes into account the attendant changes to worker and residential populations.

OPEN SPACE INVENTORY

In the ¼-mile study area, no new open spaces would be added by 2015. Similarly, the 2006 FEIS did not include any new open spaces in the ¼-mile study area that would be added to the open space inventory by 2010 or 2015. For this Technical Memorandum, three projects within the ½-mile study area have been identified that would include new open space. These include:

- The portion of the High Line (between Tenth and Eleventh Avenues from West 20th Street to West 30th Street) that is currently under construction and expected to be completed at the end of 2010. The portion of the High Line south of West 20th Street that opened in 2009 has also been accounted for in the update to background open space conditions. The 2006 FEIS included the High Line project in the 2010 baseline condition for the ½-mile study area.
- Hudson Park and Boulevard, which will include a 4.0-acre mid-block park and boulevard system in the midblocks between Tenth and Eleventh Avenues from West 33rd Street to West 39th Street with a pedestrian bridge connecting to West 42nd Street (a portion of the project, approximately 2.12 acres of passive space, will be completed by 2013). The 2006 FEIS included this project in the 2010 baseline condition for the ½-mile study area.
- A small open space associated with the Wyndham Garden Inn on West 36th Street. This is a new project in the ½-mile study area.

Together, these spaces will add more than 6.5 acres of open space to the ½-mile study area.

With the addition of the portion of the High Line that has already opened, the existing open space inventory would also increase from levels in the 2006 FEIS. Including the High Line project, the open space inventory now shows 16.22 acres of total open space within ½-mile of the Project site, of which 10.22 acres are passive and 6.00 acres are active. Nonetheless, in the future with the Project, conditions assumed for this Technical Memorandum show considerably less public open space compared to those assumed in the 2006 FEIS. As shown in Table 6-1, below, passive, active, and total open space anticipated for 2010 in the 2006 FEIS were 25.96, 10.10, and 36.06 acres, respectively. Current estimates for 2015 anticipate 16.83, 6.00 and 22.83 acres of passive, active, and total open space. This difference is due to the inclusion in the 2006 FEIS of several spaces that were then expected to be completed by 2010, but are currently not expected to be built by 2015. For example, open spaces that have been removed from the analysis include 7.5 acres over the eastern portion of Caemmerer Yard and 3.2 acres associated with the Jacob Javits Convention center.

USER POPULATIONS

This analysis also accounts for changes to the worker population resulting from changes in future background conditions, both for the Project site and for the surrounding area.

CHANGES TO NO BUILD CONDITIONS ON THE PROJECT SITE

As shown in **Table 2-1** of Section 2, "Analytical Framework" of this Technical Memorandum, if the Project does not go forward, it is assumed that the USPS would occupy 265,000 square feet of space, whereas in the 2006 FEIS it was assumed that the USPS would occupy 650,100 square feet. As a result, it is currently assumed that the Farley Complex would contain more commercial use in the No Build condition than was assumed in the 2006 FEIS. This would result in an estimated 746 fewer USPS workers, an increase in 460 office workers, and an increase of 675 retail workers. Taken together on the Project site, there would be an overall increase of 389 workers in the future without the Project when compared to levels expected in the 2006 FEIS.

CHANGES TO NO BUILD CONDITIONS IN THE SURROUNDING AREA

As shown in **Table 2-3** of Section 2, "Analytical Framework" of this Technical Memorandum, compared to conditions in the 2006 FEIS there is expected to be 1.2 million square feet less office space, 1,223 additional hotels rooms, 220,000 additional square feet of retail, 2,790 additional residential units, and 131,500 square feet less community facility space in the ½-mile study area. As a result, the open space user populations would change accordingly. Compared to the levels expected in the 2006 FEIS, there would be 12,325 more residents and 507 fewer workers in the future without the Project within the ½-mile study area.

OPEN SPACE RATIOS

The 2006 FEIS reported that existing open space ratios were below *CEQR Technical Manual* guidelines, except for the ratio of passive open space per 1,000 residents, and that the Project as then proposed would not change these ratios relative to the guidelines. Specifically, the 2006 FEIS anticipated that in the ½-mile study area the ratio of total open space per 1,000 residents would decrease from 0.803 to 0.767 with the Project, well below the suggested guideline of 2.5 acres per 1,000 residents. Similarly, the ratio of active open space per 1,000 residents would decrease from 0.225 to 0.217 with the Project, well below the guideline of 2.0 acres. The ratio of passive open space per 1,000 residents would decrease from 0.578 to 0.549 and would continue

to exceed the guideline of 0.5 acres. However, the ratio of passive open space for combined workers and residents would decrease slightly from 0.084 to 0.083 acres per 1,000 persons, and would be below the guideline of 0.20.

In terms of percentage change, the 2006 FEIS indicated that the ratio of total open space per 1,000 residents would decrease 4.5 percent, the ratio of active open space per 1,000 residents would decrease 3.6 percent, and the ratio of passive open space per 1,000 residents would decrease 5.0 percent. The ratio of passive open space for combined workers and residents would decrease by 1.2 percent.

The anticipated effects of the Project as now proposed, taking into consideration updated background conditions, would be similar to those identified in the 2006 FEIS. Although the future without the Project condition would have less open space and lower open space ratios, the change from No Build to Build conditions would be similar to those in the 2006 FEIS (see **Table 6-1**). In the ½-mile study area, the ratio of total open space per 1,000 residents would decrease from 0.388 to 0.371, remaining well below the suggested guideline of 2.5 acres per 1,000 residents. The ratio of active open space to 1,000 residents would decrease from 0.102 to 0.099, also remaining well below the guideline of 2.0 acres. Due to the significant increase in the study area residential population, the ratio of passive open space per 1,000 residents, which previously slightly exceeded the guideline, would decrease from 0.286 to 0.272, remaining well below the guideline of 0.5 acres. The ratio of passive open space for combined workers and residents would continue to fall below the guideline of 0.20 acres per 1,000 persons, decreasing slightly from 0.053 to 0.052. The change in the background conditions between the 2006 FEIS and the Technical Memorandum are due to the decrease in open space inventory assumed for this analysis (described above) as well as the increase in residential population that is now expected in the area.

Table 6-1
Comparison of Open Space Resources in the ½-Mile Study Area: 2006 FEIS and 2010 Technical Memorandum

	2006 FEIS Future Without the Project (2010)	2006 FEIS Future With the Project (Scenario 2: 2010)	2010 Tech Memo Future Without the Project	2010 Tech Memo Future With the Project
Open Space Acreage				
Passive	25.96	25.56	16.83	16.43
Active	10.10	10.10	6.00	6.00
Total	36.06	35.66	22.83	22.43
Open Space Ratios				
Active per 1,000 Residents	0.225	0.217	0.102	0.099
Passive per 1,000 Residents	0.578	0.549	0.286	0.272
Total per 1,000 Residents	0.803	0.767	0.388	0.371
Combined Passive per 1,000 residents and workers	0.084	0.083	0.053	0.052
Percent Change from No Action to Action				
Passive	N/A	-5.0	N/A	-5.0
Active	N/A	-3.6	N/A	-2.7
Total	N/A	-4.5	N/A	-4.4
Combined Passive	N/A	-1.2	N/A	-2.6

Notes:
Planning Goal Ratios:
Passive: 0.15 acres/1,000 workers.
Passive Combined: A weighted average ratio is used combining DCP's goals of 0.50 acres/1,000 residents and 0.15 acres/1,000 workers.
Source: 2000 U.S. Census of Population and Housing.

In terms of percentage change, with the Project the ratio of total open space per 1,000 residents would decrease 4.4 percent, the ratio of active open space per 1,000 residents would decrease 2.7 percent, and the ratio of passive open space per 1,000 residents would decrease 5.0 percent. The ratio of passive open space for combined workers and residents would decrease by 2.6 percent. These conditions are slightly better than what was disclosed in the 2006 FEIS.

QUALITATIVE CONSIDERATIONS

As was identified in the 2006 FEIS, the Project would provide publicly accessible indoor spaces within the Farley Complex (the Train Hall and the Intermodal Hall) that could be used for passive recreation, such as reading, and may include public art exhibitions and performances. In addition, the open spaces immediately outside of the ½-mile study area would continue to help alleviate the deficiency in open space resources, as was concluded in the 2006 FEIS.

CONCLUSION

Similar to the results of the 2006 FEIS, open space ratios in the ½-mile study area would decrease by 5 percent or less from the future without the Project. While all open space ratios would remain below *CEQR Technical Manual* guidelines in the future with the Project in 2010, no significant adverse impacts are expected to result from the Project. Neighboring open spaces would continue to relieve the open space deficiency in the study area. In addition, the Project itself would provide high quality areas of indoor public space, as was identified in the 2006 FEIS.

In summary, as with the Project analyzed in the 2006 FEIS, the Project as currently proposed would not be expected to have a significant adverse impact on the adequacy of open space resources within the study area by the 2015 Build year.

C. PROJECT DESIGN CHANGES

AMTRAK STATION OPTION

As described in Section 1, "Project Description" of this Technical Memorandum, the changes to the Project under the Amtrak Station Option would be largely operational in nature. These changes are not expected to significantly affect user populations, open space conditions, or open space ratios. As such, the Project would not have a significant adverse impact on the adequacy of open space resources.

OPEN STATION OPTION

As described in Section 1, "Project Description" of this Technical Memorandum, the changes to the Project under the Open Station Option would be largely operational in nature. These changes are not expected to significantly affect user populations, open space conditions, or open space ratios. As such, the Project would not have a significant adverse impact on the adequacy of open space resources. *

A. INTRODUCTION

This section assesses whether changes in the Project and in background conditions since 2006 would result in any new or different significant adverse impacts to shadows that were not previously identified in the 2006 FEIS. The regulatory context and methodology for this analysis are the same as described in the 2006 FEIS.

B. CHANGES IN BACKGROUND CONDITIONS

It is assumed that the development now anticipated through 2015—compared to the development anticipated to have been completed by 2010 as analyzed in the 2006 FEIS—would cast somewhat different shadows on the public open spaces and historic resources with sun-sensitive features within the area surrounding the Project site. Cumulatively, these potential changes to background shadows would not be anticipated to alter the conclusions of the 2006 FEIS. In addition, no resources have been newly identified within the Project's study area that would need to be considered in a shadows analysis. Therefore, changes in background conditions since 2006 and future conditions anticipated through 2015 would not substantially alter the conclusions presented in the 2006 FEIS for shadows.

C. PROJECT DESIGN CHANGES

FARLEY COMPLEX—PHASE 1

As described in Section 1, "Project Description," Phase 1 of the Project would consist of improvements to below-grade infrastructure and would have no shadow impacts. All of the proposed changes in this phase would occur below-grade, and thus would not have the potential to alter the conclusions of the 2006 FEIS shadows analysis. Therefore, the Project with the proposed below-grade changes would not result in any new significant adverse environmental impacts with respect to shadows.

FARLEY COMPLEX—PHASE 2

AMTRAK STATION OPTION

Although some design elements would change in the Amtrak Station Option, these changes would not require any new structures or expansion of building floor area. The designs of the new Train Hall and Intermodal Hall roofs would change; however, as discussed in the 2006 FEIS, the new roofs would be transparent structures with steel framing that are not expected to cast appreciable shadows. Further, the two new roofs would be lower than planned in 2006; the Train Hall roof would rise above the roof line of the Farley Building but would not be visible from the street and the Intermodal Hall roof would not rise above the Farley Complex's existing roof

parapet. Therefore, the Amtrak Station Option would not change the 2006 FEIS conclusion that the Project would not result in significant adverse impacts with respect to shadows.

OPEN STATION OPTION

The Open Station Option would have the same roof structures as the Amtrak Station Option. Therefore, the Open Station Option would also not change the 2006 FEIS conclusion that the Project would not result in significant adverse impacts with respect to shadows. ✳

A. INTRODUCTION

This section assesses whether changes in the Project and in background conditions since 2006 would result in any new or different significant adverse impacts to historic resources that were not previously identified in the 2006 FEIS. The regulatory context and methodology for this analysis are the same as described in the 2006 FEIS.

B. CHANGES IN BACKGROUND CONDITIONS

Since publication of the 2006 FEIS, one new historic resource has been identified in the 400-foot historic resources study area and two historic resources have been removed. These changes in background conditions would not result in significant adverse impacts with respect to historic resources that were not addressed in the 2006 FEIS.

In November 2008, the Garment Center Historic District was listed on the National Register of Historic Places but only a portion of the southernmost boundary of the large district is located within 400 feet of the Project site. Overall, the historic district (which is also listed on the New York State Register of Historic Places) includes part or all of 25 blocks in an area roughly bounded by Sixth Avenue on the east, Ninth Avenue on the west, West 35th Street on the south, and West 41st Street on the north. New York City's Garment Center (or Garment District) has been the heart of the city's, and also the nation's, garment industry since the years immediately following World War I. It also includes architectural remnants from an early tenement district later infamous as the city's "Tenderloin," an earlier incarnation of the Broadway theater district, and a publishing and printing district south and west of the New York Times tower in Times Square. Most buildings within the historic district are commercial with the most common type being the loft building, and most were constructed between 1896 and 1931, with some dating from earlier decades and others dating through the 1960s. The majority of loft and showroom buildings reflect the architectural trends of the 1920s and early 1930s. A typical 1920s loft building has a three- or four-story base, often clad in stone, with entrances and storefronts on the first story and bays of wide show windows above, and a brick-faced shaft with narrow windows in bays defined by brick piers and setbacks on the upper floors. Several garment center buildings of the immediate post-World War II era show the influence of post-War modernism. The Garment Center Historic District is significant under National Register Criterion A for its industrial and commercial history and its social and immigrant history and under National Register Criterion C for its role in community planning and development, and also for its architectural history, in particular the development of the modern loft building, including the

impact of New York City's 1916 zoning resolution which led to the creation of the typical "setback" building.[1]

The addition of the Garment Center Historic District to the historic resources located within the project study area would not result in significant adverse environmental impacts with respect to historic resources that were not addressed in the 2006 FEIS. No portion of the historic district is located close enough (within 90 feet) to the Project site to potentially experience adverse construction-related impacts. Most of the large historic district is located well beyond 400 feet of the Project site and there would, therefore, be limited or no visual or contextual relationship between the Project and the Garment Center Historic District. As was concluded in the 2006 FEIS, no adverse visual or contextual impacts on surrounding architectural resources are expected as a result of the Project.

In the Fall of 2009, the Cheyenne Diner, which was determined eligible for listing on the State and National Registers of Historic Places (S/NR), at 411 Ninth Avenue across from the Farley Complex, was removed from its site and relocated to Birmingham, Alabama for reasons unrelated to the Project. The relocation of the Cheyenne Diner would not affect the conclusions of the FEIS with regard to historic resources. In early 2008, the Glad Tidings Tabernacle at 325-329 West 33rd Street, across from the Farley Complex, was demolished for reasons unrelated to the Project. The Glad Tidings Tabernacle was eligible for both designation as a New York City Landmark (NYCL) and listing on the Registers. The demolition of the Glad Tidings Tabernacle affects the conclusions of the FEIS, only because the Project's Construction Protection Plan (CPP) for adjacent historic resources, while still necessary to protect two other historic resources, would no longer need to account for that non-extant resource, which was located within 90 feet of the Farley Complex.

As was concluded in the 2006 FEIS and stipulated in a Programmatic Agreement (entered into in August 2006 by the FRA, ESDC, MSDC, the New York State Historic Preservation Office [SHPO], and the conditionally designated developer) and as will be stipulated in an amended Programmatic Agreement for the Project, a CPP would be developed and implemented for the Project in consultation with SHPO regarding the former J.C. Penney Company building (S/NR-eligible) at 331-343 West 33rd Street and the former William F. Sloan Memorial YMCA (NYCL-eligible, S/NR-eligible) at 360 West 34th Street. Those two historic resources are located within 90 feet of the Farley Complex, close enough to potentially experience adverse construction-related impacts. Therefore, to avoid inadvertent construction damage from ground-borne vibrations, falling debris, collapse, or subsidence, the CPP would follow the recommendations of the New York City Department of Building's *Technical Policy and Procedure Notice (TPPN) #10/88*, which includes "a monitoring program to reduce the likelihood of construction damage to adjacent historic structures and to detect at an early stage the beginnings of damage so that construction procedures can be changed." With implementation of the CPP, no adverse impacts to historic resources are expected in connection with construction of the Project, as was concluded in the 2006 FEIS.

[1] This summary of the Garment Center Historic District is adapted from the *Garment Center Historic District National Register of Historic Places Registration Form* authored by Anthony Robbins.

C. PROJECT DESIGN CHANGES

AMENDED PROGRAMMATIC AGREEMENT

As part of the environmental review in 2006, SHPO indicated in a letter dated July 28, 2006 that no adverse effects were expected from the conceptual design of the project provided that designs continued to be developed in consultation with SHPO. At that time, a Programmatic Agreement was also prepared in accordance with Section 800.14 of the Section 106 Regulations to establish a process for evaluating the effects on the Farley Complex and adjacent historic properties caused by the Project, which could not be fully assessed at the time, and to ensure the long-term preservation of the Farley Complex's historic significance. In August 2006, the Programmatic Agreement was entered into by the FRA, ESDC, MSDC, SHPO, and the conditionally designated developer (the Venture).

Since 2006, ESDC and MSDC have continued to consult with SHPO regarding the Project, and an amendment to the 2006 Programmatic Agreement is being prepared. The amended Programmatic Agreement will be entered into by FRA, ESDC, MSDC, SHPO, PANYNJ, the Venture, and, if it elects to participate, the Advisory Council on Historic Preservation (Advisory Council) to satisfy FRA's Section 106 responsibilities, as well as to satisfy ESDC's State Historic Preservation Act responsibilities under state law and regulations. As stipulated in the amended Programmatic Agreement, the design plans for Moynihan Station will be developed in consultation with SHPO, and SHPO's design review will cover, among other things: the Intermodal Hall; the new entrances on West 31st and 33rd Streets, including the new stair on West 31st Street and treatment of the arched openings and canopies; treatment of the remaining original section of the Farley Building's west façade (that will become the east wall of the Intermodal Hall) and the corresponding new west wall of the Intermodal Hall; the train concourse and roof; station-related retail spaces; the interior connection(s) between the station and the USPS north (and possibly south) side lobby; new Eighth Avenue entrances and canopies; treatment of the Postmaster's Office; removal of the moat along Eighth Avenue and in front of the West 31st and 33rd Street entrances; and treatment of other building elements that may be determined to have historic interest. SHPO indicated in a letter dated January 5, 2010 that no adverse effects are expected from the proposed conceptual design of the Project provided that designs continue to be developed in consultation with SHPO (see Appendix A for a copy of the letter). As a result, no significant adverse impacts are expected from the Project, as was concluded in the 2006 FEIS.

FARLEY COMPLEX—PHASE 1

There would be no new significant adverse impacts to the Farley Complex historic resource from the Project components that would be part of the Phase 1 development. Most of those components would affect below-grade infrastructure and would not affect any elements of the Farley Complex that contribute to its significance.

Phase 1 would affect the Farley Complex with the creation of new at-grade entrances into the building from Eighth Avenue at the corners of West 33rd and West 31st Streets. These new entrances are not a new Project element and would be the same as the Eighth Avenue entrances assessed in the 2006 FEIS. They would be installed on each side of the monumental stairs at the corner moats in order to separate station users from USPS pedestrian traffic, which would continue to enter at the colonnade level. The stone walls bordering the moat would be removed to allow for regrading and access to the entrances. Some form of architectural treatment, such as

a special paving, would be explored to mark the location of the removed walls if requested by SHPO. Existing windows on the corner pavilions' Eighth Avenue façades would be widened to create ADA-compliant sidewalk level station entrances below the existing domed niches. These new entrances would be wider than the existing windows and they would be marked by metal and glass canopies. The canopies would have minimal connections to the building facade. The new entrances would be planned to be clearly identifiable as leading to the station, while minimized in terms of width and height and visibility of the canopies as much as practicable. As was concluded in the 2006 FEIS and stipulated in the 2006 Programmatic Agreement, and as will be stipulated in the amended Programmatic Agreement, the new entrances would be designed in consultation with SHPO and, therefore, no adverse impacts are expected to result from them.

Phase 1 would also include emergency platform ventilation exhaust grates within the moats adjacent to the Farley Building and grates located in the West 31st and West 33rd Street sidewalks adjacent to the Western Annex. The new platform ventilation grates are not a new Project element and would be the same as assessed in the 2006 FEIS. Like the new Eighth Avenue entrances, the platform ventilation grates would be designed in consultation with SHPO and, therefore, no adverse impacts are expected to result from them.

FARLEY COMPLEX—PHASE 2

Overall, like the project design assessed in the FEIS, it is expected that Phase 2 of the Project would not have any significant adverse impacts on the Farley Complex. Design elements that would avoid or minimize the potential for adverse impacts on the Farley Complex include efforts made to limit the removal of masonry, design of the Intermodal Hall and train concourse roofs so that they would not be visible from the surrounding streets, the clear differentiation between new and historic building components, and treatment of significant interior spaces in a manner sensitive to the building's original architectural design. Additional project elements that would have beneficial effects on the Farley Complex include continued USPS use of portions of the building, an extensive restoration program of the Farley Complex exterior, and adaptive reuse of the historic building as a station designed to reference the former Pennsylvania Station with a light-filled and spacious train concourse and Intermodal Hall. In addition, the amended Programmatic Agreement, like the 2006 Programmatic Agreement, will establish a process for evaluating the impacts on the Farley Complex caused by the Project. In order to ensure that the Project will not cause adverse impacts to the Farley Complex, under the amended Programmatic Agreement the final design of the Project would be developed in consultation among the FRA, Venture, ESDC, MSDC, PANYNJ, and SHPO to ensure compatibility with the historic character of the building. In addition, construction protection measures would be developed and implemented in consultation with SHPO to avoid adverse impacts on the Farley Complex exterior and the interior spaces to be preserved as part of the Project. Further, the adaptive reuse project and the restoration program would have overall beneficial effects on the Farley Complex.

ESDC has presented the preliminary conceptual design for the Project to SHPO and has consulted with SHPO with respect to that design. Based upon information received as a result of such consultation and discussions, SHPO indicated in a letter dated January 5, 2010 that no significant adverse impacts are expected to be caused to the Farley Complex, assuming the final design is developed in consultation with SHPO. The framework for this ongoing consultation process will be set forth in the amended Programmatic Agreement.

AMTRAK STATION OPTION

Moynihan Station and USPS Facilities

With the Amtrak Station Option, the proposed station design changes are not expected to result in any significant adverse impacts to the Farley Complex that were not identified in the 2006 FEIS, as the Project's design would be developed in consultation with SHPO in accordance with the amended Programmatic Agreement. The station and USPS components of the Project that both affect the Farley Complex and are new or different design elements than assessed in the 2006 FEIS are described below.

Train Concourse and Waiting Area

As was contemplated in the 2006 FEIS, a new large train concourse and waiting area would be constructed in the Farley Building interior atrium at the existing basement level (which is at the grade of Eighth Avenue). To construct the concourse, the non-original mezzanine, the original floor of the work room, and a portion of the basement floor would be removed so that the space would have greater height. Above, there would be a new, glazed roof. As currently contemplated, the existing roof system would be removed and the new roof would be a vault with a light metal structure that would rise above the roof line of the Farley Building but that would not be visible from the street. The 2006 FEIS also assessed a scenario that contemplated the complete removal of the existing roof system and the construction of a new roof, but that roof rose higher above the level of the Farley Building roof parapet and was expected to be visible above the Farley Complex from the surrounding streets. The brick-faced upper floor sections of the atrium facades would be restored, while the lower levels (which correspond to the walls of the existing work room floor and the basement) would have new surface finishes, as was contemplated in the 2006 FEIS.

As with the project assessed in the 2006 FEIS, the train concourse would not result in any adverse impacts on the Farley Building. Although an original element of the Farley Building would be removed, the work room roof has never been visible to the public, it has been altered over time, most significantly through the removal of original glazing, and the new roof would create a more open and light-filled train concourse. All new train concourse construction—new roof, ticketing windows, storefronts, and interior finishes—would be designed in consultation with ESDC, MSDC and SHPO to be compatible with the building's historic character. Further, the Project, like the project assessed in the 2006 FEIS, would create a publicly accessible space within the Farley Building atrium, an area of the building that is not currently open to the public.

Intermodal Hall

Like the project assessed in the 2006 FEIS, the current Project includes an Intermodal Hall between the Farley Building and the Western Annex in the location of the midblock loading area off West 33rd Street. As assessed in the 2006 FEIS, the existing roof over the loading area would be removed and the Intermodal Hall would be covered with a new glass and metal roof. The design and height of the new roof have not been determined but it would be a vault that would not rise above the Farley Complex's existing roof parapet. The Intermodal Hall would extend south to about the midpoint of the building, and a more narrow corridor lined with retail would continue to West 31st Street, thereby protecting more of the original building fabric created at the time of Annex construction. In comparison, the FEIS analyzed an Intermodal Hall that ran the full width of the Farley Complex and was covered with a new roof that rose above the roof height of the Farley Complex. That roof would have been visible from the surrounding streets and would have changed the exterior appearance of the Farley Complex. Inside, as currently proposed, the Intermodal Hall would have stairs and escalators to the train concourse

that would be located at a lower level, and there would be a passage between the Intermodal Hall and the USPS retail lobby on Eighth Avenue. The remaining portion of the original west façade of the Farley Building (found within the loading area off West 33rd Street and above the elevation of the existing roof) would be preserved and restored, as was assessed in the 2006 FEIS. While the interior volume of the loading area would be retained, the finishes and columns would not. New construction within the Intermodal Hall would be modern but would be referential to the original design of the Farley Building's west facade in terms of scale and detailing, as was contemplated in the 2006 FEIS.

The primary intercity station entrance, which would be ADA compliant, would be through the Intermodal Hall on West 33rd Street. This entrance would use the existing, arched truck exits located in the midblock façade section of the Farley Complex and, as currently contemplated, the metal window framing and grills within the arches would be removed. The portion of the moat adjacent to the Farley Building corner pavilion would be filled in and the existing pedestrian entrance into the corner pavilion would be retained. An area for taxi pick-ups and drop-offs would be located at the West 33rd Street entrance and the sidewalk adjacent to the Western Annex would be narrowed to create a lay-by lane. A secondary entrance to the Intermodal Hall would be located midblock on West 31st Street and the new building entrance would be through the existing three arched window openings. It is currently contemplated that portions of the metal window framing would be removed within the arches. The section of the moat adjacent to the West 31st Street entrance would be filled in and a new stairway would be created to the new midblock entrance. The existing pedestrian entrance into the Farley Building corner pavilion on West 31st Street would be renovated to provide ADA access. Each midblock entrance would have modern glass and metal canopies that would be largely freestanding with minimal ties to the facades. Overall, these entrance designs, which are similar to those assessed in the 2006 FEIS, would preserve the midblock façade sections and the midblock corner pavilions of the Farley Building and Western Annex.

As was concluded in the 2006 FEIS, it is not expected that the Intermodal Hall would have adverse impacts on the Farley Complex. It would be located within the existing space of the loading area and would be designed to minimize the removal of masonry on the West 33rd and West 31st Street facades. In addition, the new roof would be located below the existing roof parapet of the Farley Complex and would not be visible from the surrounding streets, unlike the proposed roof that was assessed in the 2006 FEIS. The final design of the Intermodal Hall, including the passage to the USPS retail lobby, would be developed in consultation with SHPO as stipulated in the amended Programmatic Agreement to ensure that it is compatible with the historic character of the Farley Complex.

USPS Truck Access

As was assessed in the 2006 FEIS, creation of the Intermodal Hall would replace the existing truck exits on West 33rd Street, and truck access through the Ninth Avenue arches would be discontinued. In addition, the existing row of exterior loading bays on West 31st Street adjacent to the new midblock station entrance would not be retained. To provide truck access into the Western Annex, the Project includes replacing all of the West 31st Street loading bays with a new interior loading area in the same location. (In addition to an interior loading area, the project assessed in the 2006 FEIS included a ramp to a below-grade loading area.) It is expected, as was concluded in the 2006 FEIS, that the reconstruction of the loading bays within the building and removal of the flanking masonry walls would not have an adverse effect on the Farley Complex, because the opening for the new loading area would correspond to the location of the existing loading bays. Although the existing, original metal canopy above the loading bays may be

removed, the new entrance to the loading area would not remove masonry from the façade above the loading bays or from the flanking corner pavilions. In addition, the reconfigured loading bays would be designed in consultation with SHPO.

Continued USPS Use

A key component of the Project (and of the project assessed in the 2006 FEIS) is the continued USPS use of the retail lobby. In addition, it is currently contemplated that USPS would continue to use some upper floor administrative offices in the Farley Building and in the Western Annex, loading areas in the Western Annex, and the tunnel connecting the Farley Complex to the USPS Morgan General Mail Facility and Annex. A new passage would be created between the historic postal retail lobby and the new station through the side lobby at the north end of the retail lobby. In comparison, the project plan assessed in the 2006 FEIS also included a passage from the retail lobby to the new station through the side lobby at the south end of the retail lobby. As currently contemplated, the postal museum in the north side lobby would remain in the Farley Building, but possibly would be moved to the side lobby at the south end of the retail lobby, at the discretion of the USPS. The transitional area between the north side lobby and the station would be designed in consultation with SHPO and compatibly designed with the historic interior spaces of the Farley Building, as was identified in the 2006 FEIS. As a result, adverse impacts would not be expected from creation of the transitional area between the historic USPS public spaces and the station. In addition, if it is determined that any project-related work is needed within the retail lobby, side lobbies, or rotundas, such work would be done in consultation with SHPO and in a manner that would not result in adverse impacts to those historic spaces, as is stipulated in a 2006 Memorandum of Agreement (MOA) among the USPS, ESDC, and SHPO and acknowledged by the Advisory Council for the transfer of the Farley Complex from the USPS to ESDC.

If the USPS determines to restore the retail lobby, the side lobbies, the flanking rotundas including the Lozowick murals, and the public stairs, independently of the Project, the restoration of those spaces would be subject to Section 106 review by USPS prior to its undertaking, in accordance with the 2006 USPS MOA.

Non-Station Commercial Redevelopment

As was assessed in the 2006 FEIS, the Project would redevelop the Western Annex and portions of the Farley Building with commercial uses, with some space retained for USPS uses. The new commercial uses—a boutique hotel, retail uses, and a banqueting facility—are the same as those assessed in the 2006 FEIS. In addition, the physical alterations to the Farley Complex that would be required for the non-station commercial redevelopment of the Western Annex are the same as assessed in the 2006 FEIS. Further, the mural designed by Frederico Lebrun in the Western Annex's West 33rd Street lobby will be graphically and photographically documented by USPS prior to removal, in accordance with the 2006 USPS MOA and as identified in the 2006 FEIS. Therefore, there would be no new adverse impacts to the Farley Complex that were not identified in the 2006 FEIS from the new commercial uses, new entrances, interior reconstruction and reconfiguration, and creation of a pedestrian passage/courtyard through the Western Annex. In addition, the design plans for the new commercial spaces, entrances, and pedestrian passage would be designed in consultation with SHPO, as stipulated in the amended Programmatic Agreement.

Proposed Station and Non-Station Commercial Signage

A signage program for Moynihan Station and the new non-station commercial users within the Farley Complex would be implemented as part of the Project, although the details for such a program have not been determined. Therefore, to avoid adverse impacts to the Farley Complex, a signage program would be designed in consultation with SHPO, as stipulated in the amended Programmatic Agreement.

OPEN STATION OPTION

With the Open Station Option, the proposed station design changes are not expected to result in any significant adverse impacts to the Farley Complex that were not identified in the 2006 FEIS, as the Project's design would be developed in consultation with SHPO in accordance with the amended Programmatic Agreement. For the most part, the Open Station Option would affect the Farley Complex in the same manner as the Amtrak Station Option.

Under the Open Station Option, there would be a southern pedestrian passage at the postal lobby level between the historic USPS retail lobby and the Intermodal Hall through the side lobby at the south end of the retail lobby. This passage would correspond to a passage on the north side of the train hall that would also be created under the Amtrak Station Option. The transitional area between the south side lobby and the station (like the transitional area to the north side lobby) would be designed in consultation with SHPO and be compatibly designed with the historic interior spaces of the Farley Building, as was identified in the 2006 FEIS. As a result, adverse impacts would not be expected from creation of the transitional areas between the historic USPS public spaces and the station. In addition, if it is determined that any project-related work is needed within the retail lobby, side lobbies, or rotundas, such work would be done in consultation with SHPO and in a manner that would not result in adverse impacts to those historic spaces, as stipulated in the 2006 USPS MOA.

Under the Open Station Option, there would be a vehicular ramp to a below-grade loading area. This ramp would be on West 31st Street adjacent to reconfigured street-level loading docks. The 2006 FEIS assessed a loading scenario that included a ramp to a shared, below-grade loading area. Therefore, this ramp would not result in any significant adverse impacts that were not identified in the 2006 FEIS. In addition, the reconfigured loading docks and ramp would be designed in consultation with SHPO to avoid adverse impacts on the Farley Complex. ✳

A. INTRODUCTION

This section assesses whether changes in the Project and in background conditions since 2006 would result in any new or different significant adverse impacts to urban design and visual resources that were not previously identified in the 2006 FEIS. The regulatory context and methodology for this analysis are the same as described in the 2006 FEIS.

B. CHANGES IN BACKGROUND CONDITIONS

Changes in background conditions would not affect the conclusions of the FEIS related to urban design and visual resources. Development in the 400-foot study area would be similar to what was assessed in the 2006 FEIS and would increase the density of development around the Farley Complex.

C. PROJECT DESIGN CHANGES

FARLEY COMPLEX-PHASE 1

There would be no new significant adverse impacts to urban design and visual resources from the Project components that would be part of the Phase 1 development. Most of those components would affect below-grade infrastructure and would not affect any elements of the Farley Complex that contribute to it being a visual resource or that would be visible from the surrounding streets. Most of the Phase 1 components would, therefore, not affect the urban design of the Project site or study area.

Phase 1 would affect the Farley Complex with the creation of new at-grade entrances into the building from Eighth Avenue at the corners of West 33rd and West 31st Streets. These new entrances are not a new project element and would be the same as the Eighth Avenue entrances assessed in the 2006 FEIS. Therefore, these entrances would not result in new significant adverse impacts to urban design that were not identified in the 2006 FEIS. Further, as was concluded in the 2006 FEIS, these new entrances would not be expected to result in adverse impacts to the Farley Complex as a visual resource.

FARLEY COMPLEX-PHASE 2

The majority of Project modifications that have been made since publication of the 2006 FEIS are interior design changes to the Farley Complex related to the layout of Moynihan Station, the USPS facilities, and the non-station portions of the development. Therefore, the majority of Project modifications would not affect the urban design of the study area or visual resources, including the Farley Complex itself.

The most notable exterior design modification, which would occur under either the Amtrak Station or Open Station Options, would be the reduction in height of the new roofs over the Train Hall and the Intermodal Hall. As assessed in the 2006 FEIS, new metal and glass roofs would be created over those spaces, but those roofs have been lowered under the current Project design so that they would not be visible from the surrounding streets. In particular, the roof over the Intermodal Hall would be a vault that would no longer rise above the existing Farley Complex roofline. In addition, while the roof over the Train Hall would rise above the roofline, it would be lower than analyzed in the 2006 FEIS and would no longer be visible from surrounding streets. Whereas the FEIS concluded that the appearance of the Farley Building and Western Annex would change with the construction of the tall Intermodal Hall glass and metal skylight rising out of the middle of the complex, this analysis concludes that the appearance of the Farley Complex would not change, because the new roofs would not be visible from within the study area.

Other exterior changes to the Farley Complex—new entrances, reconfigured loading docks, glass enclosures within the moats adjacent to the Farley Building, and a new rooftop mechanical plant—would be the same as, or similar to, those Project features that were assessed in the 2006 FEIS. Therefore, the additional elements of the Project that would affect the appearance of the Farley Complex would not result in any new significant adverse impacts to urban design or visual resources that were not identified in the 2006 FEIS. ✳

A. INTRODUCTION

This section assesses whether changes in the Project and in background conditions since 2006 would result in any new or different significant adverse neighborhood character impacts that were not previously identified in the 2006 FEIS. The regulatory context and methodology for this analysis are the same as described in the 2006 FEIS.

B. CHANGES IN BACKGROUND CONDITIONS

As discussed in Section 2, "Analytical Framework," in connection with the preparation of this Technical Memorandum, background conditions and the status of development projects anticipated for completion through 2015 have been updated for the FEIS study area. Overall, the total development anticipated to be completed by the Project's 2015 Build year is similar to the total development anticipated to have been completed by 2010 (as analyzed in the 2006 FEIS) but with a smaller amount of office and community facility development and more hotel, residential, and retail development.

The 2006 FEIS examined neighborhood character within a ¼-mile study area. This radius encompasses portions of four districts and neighborhoods, including a superblock corridor that contains the Farley Complex, Hell's Kitchen, the Garment Center/Herald Square commercial district (in which the Development Transfer Site is located), and the residential neighborhood of Chelsea. A variety of conditions characterize these four distinct neighborhoods, and this would continue to be the case with the anticipated changes in background conditions through 2015. The development over the Penn Station Rail Yard on Ninth Avenue between West 31st and 33rd Streets would continue to diminish the visibility of transportation uses in the area, add density and height on Ninth Avenue, and greatly strengthen the commercial character of the corridor. Hell's Kitchen would be expected to strengthen as a cohesive residential and commercial neighborhood in the Future Without the Proposed Action. The character of the Chelsea neighborhood and the Garment Center/Herald Square commercial district still would not be expected to substantially change, although the Garment Center/Herald Square trend of replacement of some manufacturing uses with commercial and residential uses would be expected to continue.

In summary, the character of the various neighborhoods within the study area would remain similar to what was described in the 2006 FEIS, even though there would be more of a trend toward residential, hotel, and retail development than office uses with the changes in background conditions and the addition of different No Build projects. Therefore, the changes in background conditions since 2006 and future conditions anticipated through 2015 would not substantially alter the conclusions presented in the FEIS for neighborhood character.

C. PROJECT DESIGN CHANGES

FARLEY COMPLEX—PHASE 1

The proposed below-grade changes to the Project do not include any changes to its proposed uses, and would not require any new structures or expansion of building floor area. The proposed changes would modify the Farley Building to accommodate the proposed passenger rail uses—as anticipated in the 2006 FEIS—although the configuration and design of these modifications would be somewhat different than previously analyzed. Therefore, the proposed below-grade changes would not change the FEIS conclusion that the Project would not result in significant adverse environmental impacts with respect to neighborhood character.

FARLEY COMPLEX—PHASE 2

AMTRAK STATION OPTION

The proposed changes under the Amtrak Station Option would not involve any alterations to the overall program of uses for the Project. Although the primary occupant of the station would change, as would some design elements, these changes would not require any new structures or expansion of building floor area. The Amtrak Station Option would be expected to improve the appearance and activity level of the Eighth and Ninth Avenue streetscapes and attract new office workers, residents, and visitors to the project site and surrounding area who would utilize the neighborhood streets. As in the 2006 FEIS, the proposed changes are anticipated to improve the neighborhood character of the area immediately surrounding the Farley Complex between West 31st and West 34th Streets and Eighth and Ninth Avenue. The Amtrak Station Option would not introduce any new economic activities to the study area or alter existing economic patterns, and it would not directly displace any uses or properties. All of the proposed uses are well established and present in the study area that is characterized by a dense and diverse amount of economic activity in and around Penn Station and the Farley Complex. The Amtrak Station Option also would have a beneficial effect on the neighborhood character of Hell's Kitchen as the proposed Moynihan Station would provide new transit uses to support the existing and emerging residential uses in the area. Although the Amtrak Station Option would be anticipated to result in a slight increase in traffic in the area immediately surrounding the Farley Complex, this would not result in a significant adverse impact on neighborhood character. Similarly, noise levels would continue to be at typically high levels associated with a midtown urban location.

In summary, while the Amtrak Station Option, like the Project assessed in the 2006 FEIS, would bring physical changes to the Farley Building, new uses to the site, and generate increased activity at and around the site (i.e., additional traffic and pedestrian movements), these changes would not adversely affect neighborhood character. Therefore, the proposed changes under the Amtrak Station Option would not change the FEIS conclusion that the Project would not result in significant adverse environmental impacts with respect to neighborhood character.

OPEN STATION OPTION

The Open Station Option would be more similar in terms of station layout to the station design examined in the 2006 FEIS than would be the Amtrak Station Option. The non-station development portion of the Open Station Option would also be similar to the Amtrak Station Option, but there would be some minor differences in the layout of retail spaces on the street and concourse levels, a slightly different configuration of the retail entrances on West 31st and West

33rd Streets, and a different configuration of elevators in the 32nd Street corridor between the Intermodal Hall and Ninth Avenue. In addition, the Open Station Option would include USPS space and a shared loading area on the main concourse level of the Western Annex in keeping with the design assessed in the 2006 FEIS.

The proposed changes under the Open Station Option would not involve any alterations to the overall program of uses for the Project and would not require any new structures or expansion of building floor area. The Open Station Option, like the Amtrak Station Option, would be expected to improve the appearance and activity level of the Eighth and Ninth Avenue streetscapes and attract new office workers, residents, and visitors to the project site and surrounding area who would utilize the neighborhood streets. As in the 2006 FEIS and as with the Amtrak Station Option, the proposed changes are anticipated to improve the neighborhood character of the area immediately surrounding the Farley Complex between West 31st and West 34th Streets and Eighth and Ninth Avenue. The Open Station Option would not introduce any new economic activities to the study area or alter existing economic patterns, and it would not directly displace any uses or properties. All of the proposed uses are well established and present in the study area that is characterized by a dense and diverse amount of economic activity in and around Penn Station and the Farley Complex. The Open Station Option, like the Amtrak Station Option, would also have a beneficial effect on the neighborhood character of Hell's Kitchen as the proposed Moynihan Station would provide new transit uses to support the existing and emerging residential uses in the area. Although the Open Station Option would be anticipated to result in a slight increase in traffic in the area immediately surrounding the Farley Complex, this would not result in a significant adverse impact on neighborhood character. Similarly, noise levels would continue to be at typically high levels associated with a midtown urban location.

In summary, while the Open Station Option, like the Amtrak Station Option and the project assessed in the 2006 FEIS, would bring physical changes to the Farley Building, new uses to the site, and generate increased activity at and around the site (i.e., additional traffic and pedestrian movements), these changes would not adversely affect neighborhood character. Therefore, the proposed changes under the Open Station Option would not change the FEIS conclusion that the Project would not result in significant adverse environmental impacts with respect to neighborhood character.

*

A. INTRODUCTION

This section assesses whether changes in the Project and in background conditions since 2006 would result in any new or different significant adverse impacts associated with hazardous materials that were not previously identified in the 2006 FEIS. The regulatory context and methodology for this analysis are the same as described in the 2006 FEIS.

B. CHANGES IN BACKGROUND CONDITIONS

The changes in background conditions, as described in Section 2, "Analytical Framework," do not affect the conclusions of the 2006 FEIS related to hazardous materials.

C. CHANGES RESULTING FROM THE PROJECT

FARLEY COMPLEX—PHASE 1

The revisions to the Project components included in Phase 1—the pedestrian circulation elements associated with the West End Concourse, the 33rd Street Connector, and the project's proposed vertical circulation elements—do not change the conclusion of the 2006 FEIS. As stated in the 2006 FEIS, with the implementation of appropriate measures including pre-construction surveys, implementation of Health and Safety Plans during excavation or subsurface disturbance, demolition, and construction, and implementation of procedures to properly handle and manage any hazardous materials including lead based paint and asbestos, no significant adverse impacts would be expected to occur as a result of Phase 1 of the Project.

FARLEY COMPLEX—PHASE 2

The majority of project modifications that have been made since publication of the 2006 FEIS are interior design changes to the Farley Complex related to the layout of Moynihan Station, the USPS facilities, and the non-station development; these modifications would not affect the potential for hazardous materials impacts as a result of the Project. A new component of the Project, which may require subsurface work, is the development of Platform 12 but, as stated above and in the 2006 FEIS, development of the Project will require the implementation of appropriate measures including pre-construction surveys, implementation of Health and Safety Plans during excavation or subsurface disturbance, demolition, and construction, and implementation of procedures to properly handle and manage any hazardous materials including lead based paint and asbestos. Therefore, the Phase 2 development of the Project, like the Project assessed in the 2006 FEIS, is not expected to result in significant adverse impacts.

SUBSEQUENT PHASE I ENVIRONMENTAL SITE ASSESSMENT

DEVELOPMENT TRANSFER SITE:

In addition to the Phase I Environmental Site Assessments (ESAs) referenced in the 2006 FEIS, an additional Phase I ESA was completed at the Development Transfer Site in March 2007. The results of this study, which are summarized below, do not alter the conclusions of the 2006 FEIS regarding hazardous materials.

Land-Use History

Prior to the construction of One Penn Plaza, historic Sanborn maps from 1905 through 1951 indicated that the property was primarily occupied by storefronted residential/hotel buildings. However, an auto yard occupied the eastern edge of the site fronting West 33rd Street.

Potential for Subsurface Contamination

Subsurface Contaminants

The auto yard mentioned above included underground storage tanks (gasoline). Similar installations were located further east on the block, associated with a bus garage. However, the 8-level underground parking garage excavated as part of the One Penn Plaza development would have removed any underground storage tanks or associated residual contamination in soil or bedrock.

Asbestos-Containing Materials (ACM)

Interviews with building management conducted during the ESA did not provide conclusive evidence of the presence or absence of ACM. Given the build year of 1966, it would be reasonable to assume that there may be some existing ACM. However, while subsequent renovations may have removed some or all of any original ACM, there is a possibility that ACM may exist within the structures of the parking garage. Appropriate procedures will be followed in removing ACM during demolition.

Lead-Based Paint

Based on interviews with building personnel, the building's structural steelwork is reportedly not coated with LBP. No other LBP issues were observed during the site inspection conducted for the ESA; however, there is a possibility that LBP may exist within the structures of the parking garage that were not accessible during the site inspection. If present, LBP will be removed in accordance with appropriate procedures.

PCB-Containing Equipment

Building management representatives were not aware of any PCB-containing equipment at the site. This is consistent with the findings of a previous Phase I ESA undertaken at One Penn Plaza by Warren & Panzer Engineers (2006).

Mercury-Containing Switching Devices

The steam station switches at One Penn Plaza contain mercury switches. No specific information was available for the Development Transfer Site; however, it is assumed that these materials may be present and will be removed in accordance with appropriate procedures.

Petroleum Storage Tanks

There are no petroleum storage tanks at the Development Transfer Site.

Other Hazardous Materials

There is no significant hazardous materials storage at the Development Transfer Site. ✳

Section 12: Infrastructure, Solid Waste and Sanitation Services, and Energy

A. INTRODUCTION

This section assesses whether changes in the Project and in background conditions since 2006 would result in any new or different significant adverse impacts to infrastructure (water supply and sanitary sewers), solid waste, and energy services that were not previously identified in the 2006 FEIS. The regulatory context and methodology for this analysis are the same as described in the 2006 FEIS.

B. CHANGES IN BACKGROUND CONDITIONS

Existing infrastructure resources and long term trends in terms of utility services and future demand forecasts have remained relatively unchanged or have been somewhat reduced compared to the findings of the 2006 FEIS, as noted below.

WATER SUPPLY

The existing water supply infrastructure serving the Farley Complex remains basically the same as analyzed in the 2006 FEIS. Overall water consumption in New York City continues to modestly decline with the introduction of additional water saving measures and as reported in the Western Rail Yards FEIS (October 2009). The annual water consumption in 2008 was at about 1.1 billion gallons per day (bgd) compared with 1.2 bgd in 2005, as reported in the 2006 FEIS. There are no background changes in water supply infrastructure that would result in new significant adverse impacts from the Project.

SANITARY SEWAGE

Like water supply, the sewage system serving the Farley Complex is unchanged from the 2006 FEIS. There has also been a stability or slight decline in overall flows to the North River Water Pollution Control Plant (WPCP) with a 2008 12-month average flow of 126 million gallons per day (mgd) compared with 127 mgd in 2005 as reported in the 2006 FEIS. The New York City Department of Environmental Protection (DEP) has approved and is committed to implementing a Hudson Yards Amended Drainage Plan that will further improve sewer flows from the west side towards the North River WPCP. There are no background changes in sanitary sewer services that would result in new significant adverse impacts from the Project.

SOLID WASTE

Solid waste and sanitation services remain basically the same as analyzed in the 2006 FEIS. Since completion of the 2006 FEIS, the City of New York adopted a new Solid Waste Management Plan (SWMP) in September 2006. The plan sets forth improvement efficiencies in handling solid waste and recycling programs and establishes long term forecasts that would be inclusive of potential demand generated by the Project.

ENERGY

New energy forecasts and energy policies continue to evolve and could affect the assessment of energy demand and ability to provide energy to the Project site compared with the 2006 FEIS. As noted in the Western Rail Yards FEIS, the New York Independent System Operator (NYISO), as the responsible body for overseeing the safe and reliable operation of the electric transmission system across the State of New York, performs an annual review of the electricity needs for the State, and monitors the system supply and distribution capabilities for adequacy to meet projected demand growth. NYISO in its *2009 Reliability Needs Assessment* for the period from 2009 through 2018 anticipates that the resources needed to meet the forecast electricity needs of New York will be adequate in 2018 and would therefore not alter the assessment of regional ability to provide energy to the proposed Project and, as in the 2006 FEIS, would not be expected to result in significant adverse impacts.

In addition, as noted in the 2006 FEIS, the project would comply with New York State Executive Order No. 111, which directs State agencies, State authorities, and other affected entities to be more energy efficient. Executive Order 111 states that a new building must improve energy efficiency by 20 per cent and major renovations must improve energy efficiency by 10 per cent relative to the State Energy Conservation Construction Code Requirements.

As a state entity, MSDC will also need to incorporate into the Project, as applicable, the requirements of the State Green Building Construction Act adopted in August 2009, which calls for the NYS Office of General Services (OGS) to issue regulations establishing green construction requirements and procedures for new state-owned buildings and substantial renovations of existing buildings. OGS has not promulgated new regulations as of this Technical Memorandum but future project planning and design would need to stay abreast of new requirements and their potential applicability to the Project.

In summary, changes in background conditions primarily further energy saving requirements or affirm the findings of the 2006 FEIS regarding the availability of energy infrastructure. Thus, there would be no new significant adverse impacts as a result of changes in background conditions.

C. PROJECT DESIGN CHANGES

With the development program remaining essentially the same as analyzed in the 2006 FEIS in terms of the overall station size, station retail, and non-station development, the estimated increases in demand for water and sanitary sewer services, solid waste, and energy would remain unchanged (or would be reduced with the introduction of new demand reduction requirements as noted above). There could be small and largely negligible variations in demand between the various station options. The Farley Complex Phase 1 effort would introduce certain underground improvements earlier than the entire Project but would not alter the basic energy demand forecast for the overall Project.

Therefore, as set forth in the environmental findings of the 2006 FEIS, the proposed Project would not result in significant adverse impacts on infrastructure (water and sewer), solid waste and sanitation services, or energy. *

A. INTRODUCTION

This section of the Technical Memorandum presents the findings of detailed station circulation analyses conducted for the proposed Project. Much of the information presented below relies upon new technical analyses completed since the 2006 FEIS. The 2006 FEIS document utilized the findings of prior environmental assessments for previous versions of the Project to reaffirm the findings that new station elements would operate satisfactorily and there were no identified significant adverse impacts on internal station circulation.

With the continued evolution of station planning since 2006 up to the current proposed plan, ESDC/MSDC determined that an update of the circulation analysis is warranted. The update reflects changes to the background condition since 2006, as noted in Section 2, "Analytical Framework" of this Technical Memorandum, and specific design changes resulting from project planning. However, since the analysis is new compared with the 2006 FEIS, this section varies from the format of the other environmental analyses presented in this Technical Memorandum and presents the methodology of the detailed analysis.

B. OVERVIEW

Rail passenger and pedestrian circulation conditions within the Penn Station complex, resulting from construction of the Project, were analyzed and compared with the results of prior analyses of pedestrian circulation conditions contained in the 2006 FEIS and the 1999 EA for the Project as contemplated at those times. The 1999 and 2006 documents determined that the respective designs of Moynihan Station studied in those analyses would not result in any significant adverse impacts to station pedestrian circulation conditions.

Both the 1999 EA and 2006 FEIS determined that the then-proposed Project would not generate significant adverse impacts to passenger circulation within the Penn Station complex. The Project, in both cases, was shown to deliver significant circulation benefits to rail passengers.

There are some differences in the plans for the Farley Complex under the current Project as compared to those on which the 2006 FEIS and 1999 EA were based. The program examined in the 1999 EA was based on Amtrak relocating to the Farley Building—similar to the Amtrak Station Option assessed in this Technical Memorandum. However, the physical configuration of public spaces at Level A and Level B of the proposed Moynihan Station was significantly different in 1999 from the current plans.

The 2006 FEIS analyses assumed that Amtrak would remain at its existing location in Penn Station and that the new passenger facilities at the Farley Complex would be used predominantly by commuters—similar to the Open Station Option assessed in this Technical Memorandum—though the configuration of the Moynihan Station Train Hall, West End Concourse, and interior vertical circulation elements were similar to the 1999 plans. The 2006 FEIS further concluded that the 1999 and 2006 plans were sufficiently similar that the findings of the 1999 EA—in

terms of the magnitude of transportation benefits for rail passengers and the lack of significant adverse impacts—would apply to the 2006 plan without the need for an independent analysis of interior station pedestrian circulation.

Given the passage of time, the differences in both existing and projected future railroad ridership from conditions examined in the 1999 EA, and the differences in the 2010 Moynihan Station physical plan as compared with previous versions of the plan, ESDC/MSDC determined that this assessment of the current Project should include an updated interior station pedestrian circulation analysis. However, the Project is not expected to significantly alter the patterns of pedestrian flows within the existing Penn Station between Eighth and Seventh Avenues. The number of rail passengers that are projected to be diverted to new Moynihan Station facilities in the Farley Complex is greater than the incremental volume of pedestrian trips that would be generated by development associated with the Project. Therefore, detailed analysis was limited to the portions of the Penn Station complex where new construction is planned—west of Eighth Avenue and in the vicinity of the Eighth Avenue Subway station. The previous data models of station-wide pedestrian circulation were updated to enable comparison of peak conditions at key points in the Penn Station complex for the current plan and projected rail traffic levels, as compared with the results of the previous analyses.

The Project features the reconstruction of the former mail-sorting room of the General Post Office at the Farley Building as a Train Hall for the use of rail passengers. Two options have been developed for the rail occupancy and use of the Moynihan Station Train Hall: the Amtrak Station Option and the Open Station Option. In both cases, the Train Hall would be used by both Amtrak and commuter passengers, though the most prominent use and the nature of associated facilities surrounding the train hall is different in the two options.

AMTRAK STATION OPTION

All Amtrak boarding passengers would be served at the Train Hall, which would include ticketing, seated waiting areas, customer service facilities, comprehensive train information and escalators and elevators that lead directly to the train platforms. Amtrak passengers would board trains using the Train Hall escalators and elevators. The Train Hall would be a public open space; however, its western portion would be used primarily by Amtrak passengers for waiting and queuing, while the eastern portion would be available for commuters to wait for their trains and the posting of train departure information.

A large public space would be located immediately to the west of the Train Hall, containing a secure seated waiting room for Amtrak passengers, the Amtrak ticket office, ticket vending machines, customer service office and baggage check/claim facilities. A two-level corridor flanked by retail stores would lead westward towards Ninth Avenue through the Western Annex along the alignment of West 32nd Street. Amtrak support facilities and back-of-house functions would occupy the remainder of the space within the Western Annex basement, at the Train Hall level.

OPEN STATION OPTION

The configuration of the Train Hall would be the same in this option, though there would be no special facilities provided for Amtrak passengers at Moynihan Station. On the Train Hall level, the public space and retail corridor to the west of the Train Hall would not be provided in this option, although a corridor would be located on the street level above as in the Amtrak Station Option. The Western Annex basement would be configured for the ongoing use of the U.S.

Postal Service, with truck loading and back-of-house functions located at this level to the west of the Train Hall.

The Train Hall would be usable by the passengers of any railroad operating at Penn Station. Train information boards would display comprehensive, up-to-date train information. Commuter and Amtrak tickets would be available from ticket vending machines.

COMMON ELEMENTS

Most elements of the Project would be the same under both options. The Project includes refurbishment of the Diagonal Platform (Platform 12), previously used for mail handling, as a platform to serve Amtrak's Empire Line to upstate New York and, potentially, future Metro-North Hudson Line service, with direct escalator and elevator connections from the Train Hall. The Project includes the construction of an emergency egress concourse at the far west end of the station; under the Amtrak Station Option, this concourse would be larger to also facilitate baggage handling for Amtrak. The Project also would widen and extend the lower level West End Concourse, so that it runs the entire breadth of the station in the north-south direction and provides stairway access and direct subway connections for commuters using Platforms 3 through 11 (serving Tracks 5 through 21), and for Empire Line passengers using Platform 12. The West End Concourse extension would allow for future construction of pedestrian connections to Platforms 1 and 2 (serving Tracks 1 though 4) that are not contemplated as part of the Project. The 33rd Street mezzanine of the Eighth Avenue Subway 34th Street station would be reconstructed to improve pedestrian flows to and from the subway and to enhance the 33rd Street Connector passageway linking the Train Hall and West End Concourse with the other existing Penn Station concourses located between Eighth and Seventh Avenues.

The Project would provide a major increase in the number of stairs, escalators, and elevators serving the Penn Station platforms and a corresponding increase in the circulation capacity available to move passengers onto and off of the platforms. The Project would bring into balance the vertical circulation capacity at each of the station platforms, specifically addressing existing deficiencies on the western ends of Platforms 3 through 6 (serving Tracks 5 through 12). **Table 13-1** summarizes the extent of these platform access improvements, comparing existing conditions with the proposed facility following completion of the Project.

Table 13-1
Vertical Circulation and Egress Capacity Improvements

	Existing	With the Project
Platform Vertical Circulation – Overall		
Platform Stairs and Escalators to West End Concourse	8	17
Platform Escalators to Farley Train Hall	0	14
Platform Stairs and Escalators; Rest of Station	74	74
Platform Escalators, total	30	44
Platform Stairs, total	52	61
Platform Stairs and Escalators, total	82	105
Emergency Egress Stairs (not included in above)	0	6
Passenger Elevators	17	24
Service Elevators	6	13
Average Egress Capacity per platform, entire station (peds/min)	670	853
Platform Vertical Circulation – Platforms 3-6*		
Platform Stairs and Escalators, Platforms 3-6**	22	38
Average Egress Capacity per platform, Platforms 3-6** (peds/min)	452	832

Table 13-1 (cont'd)
Vertical Circulation and Egress Capacity Improvements

	Existing	With the Project
Level A-to-Level B Circulation		
No. of escalators	5	9
No. of stairways (6 ft. width equivalent)	11	17
Passenger Elevators	2	4
Vertical circulation capacity (peds/min)	1,530	2,470
Egress Capacity to Street Level		
Number of station street level entrances	7	12
Egress capacity (peds/min)	2,200	3,100

Note: *These are the platforms with the greatest existing deficiencies in platform access.
**Platforms 3-6 serve Tracks 5 – 12.

C. METHODOLOGY AND RAILROAD RIDERSHIP

For this Technical Memorandum, the analysis of pedestrian circulation conditions within the Penn Station complex followed the general methodology and approach used to prepare the 1999 EA.

LEVEL OF SERVICE FOR STATION PEDESTRIAN CIRCULATION

The primary performance measure that was used to determine the adequacy of pedestrian circulation facilities within the station was peak Level of Service (LOS), as defined by Fruin[1], which describes the peak degree of congestion at key locations within the train station. The general characteristics of the six levels of service defined by Fruin for stairways, corridors, and passageways are described below. The difference between each of the six levels is the freedom to choose walking speed, the ability to bypass slower moving pedestrians, and ease of counterflow movements at pedestrian traffic concentrations. Brief descriptions of each LOS are provided below, and the quantitative LOS thresholds are presented in **Table 13-2**:

- At LOS A and B, there is sufficient area to allow pedestrians to freely select walking speed and bypass slower moving pedestrians. When cross flow and reverse flow movement exists, minor conflicts may occur. There are no severe peak concentrations. Volume-to-capacity (V/C) ratios for LOS A range from 0.00 to 0.45, while for LOS B they range from 0.45 to 0.70.
- At LOS C, pedestrian movement is fluid although somewhat restricted. It provides sufficient room for standing without personal contact. Circulation through queuing areas, however, would require adjustment to walking speed. V/C ratios range from 0.70 to 1.00.
- At LOS D, walking speed is restricted and reduced. Reverse flow and cross flow movement is severely restricted due to congestion and difficulty in bypassing slower moving pedestrians. These conditions are common in many Manhattan locations during peak periods and represent somewhat congested conditions with V/C ratios ranging from 1.00 to 1.33.
- LOS E and F represent severe congestion with LOS E V/C ratios ranging from 1.33 to 1.67. Walking speed is restricted and there is insufficient area to bypass others and contraflow movement is difficult. LOS F is "bumper to bumper" pedestrian flow, with forward progress achievable only through shuffling, and with pedestrian queues forming.

[1] John J. Fruin, Pedestrian Planning and Design, Revised Edition, Elevator World, Inc., 1987

The flow conditions used to measure level of service differ slightly between the environmental analyses to estimate the extent of any significant adverse impact, and the design analyses that are intended to achieve a desired level of service under estimated future peak conditions. These criteria are summarized in **Table 13-3**. For purposes of this Technical Memorandum, the average condition over the peak 15 minute period within the 8:00 to 9:00 am and 5:00 to 6:00 pm weekday peak hours was used to estimate level of service.

Table 13-4 summarizes the LOS thresholds that will be used to determine the significance of any adverse impacts.

Table 13-2
Pedestrian Level of Service Standards

	Flow Rates/ Occupancies	Volume/ Capacity Ratio
Corridors and Ramps		
LOS A (Unrestricted)	≤7 p/m/ft	≤0.47
LOS B (Slightly restricted)	7-10 p/m/ft	0.47 – 0.67
LOS C (Restricted, but fluid)	10-15 p/m/ft	0.67 – 1.00
LOS D (Restricted, necessary to continually alter walking speed)	15-20 p/m/ft	1.00 – 1.33
LOS E (Severely restricted)	20-25 p/m/ft	1.33 – 1.67
LOS F (Forward progress only by shuffling, no reverse movement possible)	≥25 p/m/ft	≥1.67
Stairways		
LOS A (Unrestricted)	≤5 p/m/ft	≤0.50
LOS B (Slightly restricted, no impact on speed)	5-7 p/m/ft	0.50 – 0.70
LOS C (Speeds reduced, difficult to pass)	7-10 p/m/ft	0.70 – 1.00
LOS D (Restricted, reverse flow conflicts)	10-13 p/m/ft	1.00 – 1.30
LOS E (Severely restricted)	13-17 p/m/ft	1.30 – 1.70
LOS F (Many stoppages, no discernable flow)	≥17 p/m/ft	≥1.70
Queuing		
LOS A (Free circulation)	≤8 p/100sf	≤0.57
LOS B (Restricted circulation without affecting queues)	8 -10 p/100sf	0.57 – 0.70
LOS C (Restricted circulation affecting people in queue)	10 - 14 p/100sf	0.70 – 1.00
LOS D (Severely restricted circulation, no personal contact)	14 - 33 p/100sf	1.00 – 2.36
LOS E (No circulation, personal contact unavoidable)	33 - 50 p/100sf	2.36 – 3.57
LOS F (Close physical contact, unsustainable)	≥50 p/100sf	≥3.57

Note: For purposes of calculating the volume-to-capacity ratio, capacity (V/C=1.0) is defined to be the threshold between Levels of Service C and D; the ratio is calculated by dividing the flow rate or occupancy level by the corresponding Level of Service C/D threshold value.
Source: John J. Fruin, *Pedestrian Planning and Design, Revised Edition*, Elevator World, Inc., 1987

Table 13-3
Pedestrian Loading Assumptions

Level of Traffic, AM and PM peak hour – Rail passengers	Existing (2008) and projected 2015 passenger volumes
Level of Traffic, AM and PM peak hour – Other pedestrians within Station	Existing (2008) and projected 2015 traffic, based on site-specific development projections and general background growth assumptions
Peak loading condition	Average over peak 15 minutes, AM and PM weekday peaks
Train operating conditions	Normal operations with trains on or close to schedule*

Note: * With normal operating conditions as defined by the railroads, based on historical Penn Station operating data.

Table 13-4
Level of Service Standards for Environmental Impact Assessment

	Absolute Condition for No Significant Impact	Build Condition Relative to No Build Condition, if No Build Condition Generates Significant Impact
Corridors, ramps and stairs within station concourse areas, station entrances/exits at street level	LOS C/D ≤ 15.5 p/m/ft.* corridor/ramp ≤ 10.5 p/m/ft.* stair/doorway	No significant impact if LOS remains within same LOS grade (e.g., both No Build and Build are at LOS D)
Train Halls and areas of passenger accumulation Portion used for queuing: (e.g., waiting and boarding zones) Portion used for circulation:	LOS C/D ≥ 6.5 sf/p** for queuing *Same as corridor standard*	No significant impact if LOS remains within same LOS grade (e.g., both No Build and Build are at LOS D)
Escalators within station concourse areas	Operate during peak 15 minutes without queues (i.e., LOS E or better) ≤ 75 p/m commuter, 70 p/m Amtrak*** *2-lane escalator at 90 ft/min.*	No significant impact if LOS for Build condition is better than LOS F

Notes:
* Based on effective width, which is assumed to be equal to actual width, minus the width of any interior obstructions, minus an allowance for edge conditions, which vary depending upon the type and configuration of facility. On corridors/ramps, an edge deduction of one to two feet of effective width typically is taken into account for the propensity of pedestrians to avoid walking adjacent to corridor walls; on stairways, the edge deduction depends upon the number and location of handrails and typically is on the order of one foot.
** Based on effective area, net of interior obstructions.
*** Maximum escalator processing rates for the sizes and speeds of escalators at Penn Station as verified by field survey during weekday peak periods.

When computing the width of a corridor or stairway for purposes of calculating peak level of service, it is necessary to consider the effective width, which is less than the full measured width. Deductions are made for obstructions within the space, such as structural columns, signs or handrails. Additional deductions are made to reflect the observed behavior of pedestrians, who typically leave a buffer between themselves and a wall or obstruction when walking. The effective width of a walkway is based on the narrowest point minus 2 feet, in addition to any deductions for intermediate columns or obstructions. Effective widths of stairwells are assumed to be 1 foot less than the actual width, to account for handrails and similar obstructions.

In addition, the effective widths of circulation elements are adjusted to reflect the reduced capacity available when pedestrians are moving in opposite directions. Counterflow traffic tends to generate pedestrian "friction" within such corridors and on stairways, which can reduce the overall level of service. When one-half to two-thirds of the pedestrian flow is in one direction, capacity is reduced by 10 percent. When more than two-thirds of the pedestrian flow is in one direction, a 20 percent reduction in capacity is assumed. No deduction is made for facilities where flow is entirely in one direction of travel. These friction factors were derived from empirical observations of pedestrian flows in congested transit station environments within New York City and have been adopted by NYC Transit in its station planning guidelines.

PLATFORM VERTICAL CIRCULATION

Platform stairs and escalators are subjected to different loading conditions than stairs and escalators at the concourse levels of the station. Demand occurs in "pulses" as the trains arrive and depart. Immediately following a train arrival or the posting and announcement of a departing train's track assignment, the stairs and escalators at that platform would operate at their