



**Testimony on the Adoption of Findings, Affirmations and Authorizations Relating to
the General Project Plan for the Pennsylvania Station Area Civic and Land Use
Improvement Project**

U.S. Representatives Jerrold Nadler & Carolyn Maloney
Manhattan Borough President Mark Levine
State Senators Brad Hoylman, Robert Jackson, & Liz Krueger
Assembly Member Richard Gottfried
Councilmember Erik Bottcher

July 20, 2022

We appreciate the opportunity to submit comments regarding the adoption of findings, affirmations and authorizations relating to the General Project Plan for the Pennsylvania Station Area Civic and Land Use Improvement Project.

Our districts, which cover Penn Station and the neighborhoods around it, including the proposed expansion and development areas, have seen enormous growth in residential and commercial development and the associated congestion in our transit system and on our streets over the last two decades. The increase in scale and density on Manhattan's West Side as a result of rezonings and development has led to a dramatic increase in the number of people who live and work around Penn Station and who rely on this transit hub.

The Empire Station Community Advisory Committee Working Group (CACWG) released its initial response to Empire State Development's proposed General Project Plan for Pennsylvania Station and its surrounding area in August of 2021. The report reflected input from two town halls, and a series of issue-focused meetings ranging from transportation to financing to public space, with significant engagement and support from ESD, the Metropolitan Transportation Authority, and Amtrak on technical details of the proposal.

We are thankful for the improvements that have been included as a result of the CACWG's work:

- Required residential use and community facility space, including significant increases in affordable and supportive housing.
- The guarantee of new affordable housing at site 4 which can be built before any potential southern expansion, ensuring new affordable housing for displaced tenants to relocate to.

- The creation of a Public Realm Task Force to continually engage the community who lives in and around Penn Station, along with 100% of the funding sources defined.
- The creation of a Development Corporation to oversee the public realm improvements, coordinate agencies, and audit all records related to the collection, distribution, accounting, and/or utilization of PILOT Revenue,
- Reductions in floor areas, bulk and massing, from 20 million gross square feet to 18 million, something that will greatly improve the sightlines and light in the area.
- Required fully electric buildings and equivalent LEED in effect at the time of design.
- Consideration of additional shared streets and protected bike lanes.
- Increased public space requirements on each GPP site and replacement of any loss of existing Privately Owned Public Space.
- More active, diversified street frontages.
- Reduction of allowable parking and increase of in-building bicycle parking.
- Preservation of the City's existing tax revenue in this district.
- An updated neighborhood conditions study including public realm conditions and conditions of study area properties.
- The protection of a key historic resource, the Gimbels Skybridge, by requiring a thorough alternatives study for any development at site 8 stating there must be no feasible alternative to preserving it.
- Safe Options Support teams to use evidence-based Critical Time Intervention approach to provide intensive outreach, engagement and care coordination services to street homeless individuals in the project area.
- Required project labor agreements on the construction of each site.

Our comments submitted on the FEIS raised outstanding questions and concerns. Additionally, as the communities most impacted by Penn Station and its operations, we request your thorough review of the testimonies submitted by Manhattan Community Boards 4 and 5.

Remaining Concerns

Governance

We are pleased to see that the City and State have agreed to create a Development Corporation to oversee the public realm improvements and ask that the Development Corporation oversee all aspects of the plan including above ground development and below ground infrastructure upgrades to maximize agency coordination and accountability.

We are grateful for the \$50 million commitment towards the public realm fund from early project revenues. Additionally, we recommend that a formula be established to ensure that revenue from the PILOTs is regularly and equitably dedicated towards the public realm improvements. There have been concerns raised that an undue share of the revenue will go towards the Transit Improvements and Penn Reconstruction and Expansion, and funding the public realm improvements beyond the initial \$50 million will not be prioritized.

Madison Square Garden

We maintain that moving Madison Square Garden is in the best long term interests of our city: the ability to provide for a grand above-ground train hall, enable the construction of wider platforms and realigned tracks, allow for track expansion without displacing residents, facilitate ease of public realm improvements, and provide for the addition of through running. We request that a group of stakeholders be convened to explore alternative locations for MSG and that design guidelines be left flexible to contend with the possibility of moving MSG.

Disclosure of Financial Information

We remain concerned that important questions regarding the financing of the project remain unanswered in the GPP. Some of the questions we raised in our comments on the FEIS have been answered with the release of the Letter of Mutual Agreement between New York City and New York State. However, we urge additional disclosure of financial information in the following areas.

- Fundamental questions related to the assumptions regarding projected revenue from PILOTs and the impact of changing work patterns on the need for office space in New York City still have not been shared with the public or with the ESD board.
- ESD should provide a detailed timeline for when revenues are expected, information on how those projections were developed, and how the analysis factored in changing work patterns
- The lack of clarity regarding the potential level of tax abatements that could be attached to developments authorized by this project is troubling, as outside analysis of the levels of potential abatements currently authorized by the agreement with the city suggest abatements could top \$2 billion. Any abatements issued to developers reduce the amount of revenue available to fund critical transportation and public realm improvements. Given the unique desirability of this location for commercial development, there is no justification for tax abatements.
- We urge ESD to provide specific details on these issues to the ESD Board before the vote. In addition, given that the role of the PACB is to evaluate the financing

of the project, it is essential that it has all financial information prior to this matter being brought before them for a vote.

CACWG and Community Concerns

It is worth noting that there is significant opposition to this project among our constituents as well as within the CACWG. While there is agreement on the need to improve Penn Station, there are many who feel that the GPP is not the right plan to do so. Some members of the CACWG believe that the most significant changes requested by the CACWG have not been incorporated. We appreciate ESD's prolonged engagement with the community and changes that have been made to the plan and look forward to continued engagement. As representatives, however, we want to ensure that we document and institutionalize the many concerns about ESD's approach to this project that have been brought to us.