



Metropolitan Transportation Authority

Finance Committee Meeting June 2023

Committee Members

N. Zuckerman, Chair
A. Albert
J. Barbas
N. Brown
S. Chu
D. Jones
B. Lopez
H. Mihaltzes
J. Samuelsen
S. Soliman
L. Sorin
V. Tessitore
E. Velez

Finance Committee Meeting

2 Broadway, 20th Floor Board Room

New York, NY 10004

Monday, 6/26/2023

2:00 - 3:00 PM ET

1. SUMMARY OF ACTIONS

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2. PUBLIC COMMENTS PERIOD

3. APPROVAL OF MINUTES – MAY 22, 2023

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4. 2023 COMMITTEE WORK PLAN (No Changes)

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5. BUDGETS/CAPITAL

BudgetWatch (Handout available in the Exhibit Book and MTA.Info)

Finance Watch

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6. MTA HEADQUARTERS & ALL-AGENCY ITEMS

Action Items

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Procurements

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MTAHQ Competitive Procurement - Page 25

7. METRO-NORTH RAILROAD & LONG ISLAND RAIL ROAD

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8. NEW YORK CITY TRANSIT, and MTA BUS OPERATIONS (No Items)

9. BRIDGES AND TUNNELS (No Items)

10. FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY (No Items)

11. MTA CONSOLIDATED REPORTS

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12. REAL ESTATE AGENDA

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Report and Information Items

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FINANCE COMMITTEE

JUNE 2023

<u>Action</u>		<u>Amount</u>	<u>Short Description</u>
PWEF Assessment			The MTA Office of Management & Budget, assisted by MTA Capital Program Funding, should prepare the usual annual staff summary authorizing the payment of this assessment to the State. The State levies an assessment of the value of construction-contract awards to cover its cost of enforcing prevailing-wage legislation.
<u>Agency</u>	<u>Vendor Name</u>	<u>Total Amount</u>	<u>Summary of Action</u>
MTAHQ	CUBIC Transportation	\$17.6M	BUS CIS Hardware Maintenance (Cubic Transportation) 11043-0200
<u>MTA Real Estate</u>	<u>Vendor Name</u>	<u>Amount</u>	<u>Short Description</u>
Lease amendment agreement with Premium Brands OPCO LLC for retail space at 2 Broadway, New York, NY	Premium Brands Opco LLC	\$360,000.00 for the five (5) year term, with three percent (3%) per annum increases	Authorization to enter into a lease amendment agreement
Modification to existing policy for licensing leasing, or acquisition of property rights in support of MTA capital projects or ongoing operations	N/A	N/A	A policy permitting MTA Real Estate ("MTARE") to license, lease or acquire property rights in support of MTA capital projects or ongoing operations when it is reasonably estimated that MTA's aggregate obligation to pay compensation or reimbursement to the licensor or grantor will be less than \$15,000 (on a present value basis) over the term was adopted September 21, 2015.
Amendment to the agreement with BP 347 Madison Associates LLC	BP 347 Madison Associates, LLC ("Project Manager"), an affiliate of Boston Properties ("BXP")	N/A	Amendment to project management agreement with BXP/Project Manager to include additional work related to the settlement of a dispute with the adjacent owner of property located at 52 Vanderbilt ("52 Vanderbilt Owner") and related settlement work and construction access license agreements with 52 Vanderbilt Owner wner
Modification to the Madison Avenue Development Agreement with Boston Properties	BP 347 Madison Associates, LLC ("Developer"), a special purpose entity owned by Boston Properties Limited Partnership ("BXP")	N/A	Modification of certain terms for the 347 Madison Avenue development transaction with
Agreements with Amtrak to permit the construction of its Hudson Tunnel Concrete Casing under the LIRR Western Rail Yard, New York, NY	AMTRAK	Fair Market Value for the Permanent Easement	Grant of construction license and permanent easement to construct within the Western Rail Yard ("WRY") portion of the John D. Caemmerer West Side Storage Yard
Authorization to acquire property interests by negotiated settlement or eminent domain for the Claremont Substation Project, Bronx, NY	1049 Ogden Realty Company, LLC	To be determined via negotiation or condemnation	BXP to address delays attributable to resolving dispute with adjacent property owner
Sale of development rights at 180 East 135 th Street, Port Morris, Bronx, NY	Waterfront Living II, LLC (the "Developer")	± \$2,483,300.00 (\$45 per zoning square foot of Excess TDR's)	Authorization to (i) conditionally designate the Developer as the successful proposer to the RFP described below, and (ii) enter into: a purchase and sale agreement with the Developer for the purchase and sale of the Excess TDR's (the "Purchase and Sale Agreement") for the compensation set forth below, and a declaration of zoning lot restrictions and zoning lot development agreement (collectively, the "ZLDA") to effectuate the merger of the Subject Property with the adjacent property owned by the Developer located at 188 East 135 Street (the "Development Site") into a single zoning lot and the transfer of the Excess TDR's to the Development Site.
Revised Staff Summary to facilitate acquisition of property in support of the Park Avenue Viaduct Replacement Project	City of New York (the "City")	None	Authorization to enter into various agreements in support of the replacement of the Park Avenue viaduct

**Minutes of the
Metropolitan Transportation Authority
Finance Committee Meeting
2 Broadway, 20th Floor Board Room
New York, NY 10004
Monday, May 22, 2023
12:00 PM**

The following Finance Committee Members were present (**Attended remotely*):

Hon. Neal Zuckerman, Chair
Hon. Andrew Albert
Hon. Jamey Barbas
Hon. Norman E. Brown*
Hon. Samuel Chu*
Hon. David R. Jones*
Hon. Blanca P. López
Hon. Haeda B. Mihaltses
Hon. Sherif Soliman
Hon. Lisa Sorin
Hon. Elizabeth Velez

The following Finance Committee Members were absent:

Hon. John Samuelsen
Hon. Vincent Tessitore, Jr.

The following Board Members were also present:

Hon. Gerard Bringmann
Hon. Midori Valdivia

The following staff members attended:

Kevin Willens, Chief Financial Officer
Lisette Camilo, Chief Administrative Officer
Olga Chernat, Deputy Chief, Financial Services
David Florio, Chief Real Estate Transactions and Operations Officer
Paige Graves, General Counsel
David Keller, Acting Co-Deputy Chief, Management & Budget, Consolidated Analysis
Nora Ostrovskaya, Director, Strategic Initiatives Analysis
Robert Paley, Senior Director, Transit-Oriented Development
Jaibala Patel, Deputy Chief Financial Officer
Laudwin Pemberton, Deputy Director of Risk and Insurance Management
Claudia Reuben, Deputy Director, Risk Assessment Claims Management
Steve Weiss, Acting Co-Deputy Chief, Management & Budget, Agency Analysis

To hear the content of public comments, details of Committee presentations, and Committee Members' comments and questions as well as any part of the Finance Committee meeting, please refer to the video recording of the meeting produced by the MTA, available and maintained on the MTA website:

<https://new.mta.info/transparency/board-and-committee-meetings/may-2023>

1. SUMMARY OF ACTIONS

Chair Zuckerman called to order the meeting of the Finance Committee.

2. PUBLIC COMMENTS

There were three public speakers (*remote):

Jack Nierenberg, Passengers United
Jason Anthony, Amazon Labor Union
Charlton D'Souza, Passengers United*

3. APPROVAL OF MINUTES

The minutes of the meeting held on April 24, 2023, were approved.

4. COMMITTEE WORK PLAN

There were no changes to the work plan.

5. BUDGETS/CAPITAL FINANCE

I. State Budget Funding

Chief Financial Officer Kevin Willens gave a presentation on New York State's fiscal year 2024 budget agreement. Mr. Willens began his presentation by going back to December 2022, when MTA's approved budget included a package of MTA actions to significantly reduce structural operating deficits. Despite these actions, the operating budget was short \$600 million to \$1.6 billion a year. In early May 2023, the State budget was passed with new revenues dedicated to MTA fully addressing MTA's remaining deficits. The State budget includes \$1.1 billion annually to MTA with an increase to the top rate of the Payroll Mobility Tax for the largest businesses in New York City from 0.34% to 0.60%. The State budget includes a provision which increases the City's contribution to 80% of the cost of providing paratransit services, estimated to be \$165 million annually above the City's current contribution, and includes a two-year sunset provision, reverting back to 50% if not extended. Also included is \$300 million of one-time State General Fund aid to MTA. Expected to start in 2026 is \$500-\$700 million per year is 100% of three downstate casino license fees (\$500 million each) and 40-50% of gaming tax revenue, depending on the location of the casinos. The State budget also includes \$150 million a year to offset additional service-related costs including \$65 million, reducing the proposed fare increase from 5.5% to 4%, \$35 million annually to add subway service on weekday middays, weekends, and weeknights, \$35 million annually for safety and fare enforcements investments and \$15 million annually for a pilot program providing five fare-free bus routes in each borough in New York City. New State and City funding, MTA operating savings, and a reasonable fare and toll change, provide a balanced solution to fully address MTA's fiscal cliff.

II. Fares and Tolls

Deputy Chief Financial Officer Jai Patel gave a presentation on MTA's proposed fare and toll change. Ms. Patel began by discussing what has changed since MTA's December financial plan. The MTA December 2022 Adopted Budget assumed a 5.5% increase in fare revenue would be necessary to balance the budget and avert a looming fiscal cliff. Thanks to Governor Hochul and the State legislature, the State budget agreement reached earlier in the month included \$65 million to avert a higher-than-predicted fare increase allowing MTA to go back to our regular schedule of biennial fare changes. This is in line with the standard 4% increase in fare revenue, rather than 5.5% previously proposed. The planned 5.5% toll revenue increase remains in place. Since 2010,

the MTA has risen fare and tolls to achieve a 4% revenue yield every two years. These small, frequent fare and toll adjustments avert radical fare and toll fluctuations and mitigate impacts on customers by offering a modest, predictable fare and toll increase schedule.

Ms. Patel discussed market research from the Spring 2022 customer survey. For New York City Transit, it shows unlimited pass customers are generally more low- and middle-income. This is particularly pronounced for 7-day pass users. Ms. Patel explained that Pay-Per-Ride MetroCard customers and weekly customers are converting to using OMNY. OMNY guarantees customers the best fare for the week. Next, Ms. Patel discussed market research from the Spring 2022 customer surveys on the Commuter Railroads, which shows the fare product with the largest share of high-income customers is the 20-trip package. 20-trip tickets and more monthly/weekly passes are being purchased by customers since MTA reinstated peak fares and launched new promotions.

The New York City Transit fare proposal results in a 4% revenue yield. For subways, local buses and paratransit, the base fare is proposed to go from \$2.75 to \$2.90, a 5% increase. The 7-Day pass is proposed to go from \$33 to \$34; a 3% increase and the 30-Day pass is proposed to go from \$127 to \$132, a 4% increase. Express Bus fares are proposed to go from \$6.75 to \$7, a 4% increase and a 7-Day Express Bus pass from \$62 to \$64, a 3% increase. LIRR and Metro-North fare proposals also result in a 4% revenue yield. Monthly tickets are proposed to average a 4.3% increase (with a \$500 cap), with weekly tickets averaging 4.3% increase, and One-Way Peak tickets averaging 4.6% increase. One-Way Off-Peak tickets are proposed to have standardized 26% discounts for both railroads, and the 10-Trip Off-Peak discount is proposed to be maintained at 15% off the one-way off peak fare.

Fare pilots under consideration or adjustment for the Railroads include introduction of Peak City Tickets for \$7, the Weekday Off-Peak City Ticket maintained at the current pilot price, Atlantic Ticket either kept as a pilot or eliminated, Far Rockaway Ticket introduced as a pilot as part of the City Ticket program, Combo Tickets kept as a pilot and 20-Trip Peak ticket at a 20% discount kept as a pilot or eliminated. For New York City Transit, OMNY Fare Capping pilot will be modified from a Monday to Sunday effective period to a rolling 7-day period.

There are two Bridges and Tunnels toll increase scenarios currently under analysis, with both resulting in a 5.5% revenue yield. For Scenario A, tolls paid by E-Z Pass are proposed to increase by 7% and Tolls by Mail by 7%. For Scenario B, tolls paid by E-Z Pass are proposed to increase by 6% and Tolls by Mail by 10%. Rockaways/Broad Channel and Staten Island residents, under each scenario, would be eligible for resident discounts on the Cross Bay Bridge and Verrazzano-Narrows Bridge, respectively.

Ms. Patel ended the presentation by discussing the next steps for the Fare and Toll Change process. The issue notice of public hearings is anticipated in May 2023, hybrid public hearings anticipated in June 2023, MTA Board vote on Fare and Toll changes anticipated for July 2023 and implementation of 2023 Fare and Toll changes no later than Labor Day 2023.

III. Budget Watch

David Keller, Acting Co-Deputy Chief, Management & Budget, Consolidated Analysis provided highlights of the BudgetWatch report. Mr. Keller reported operating results through April 2023 and subsidy results through May 2023 were favorable by \$123 million, or 6%, compared to the

Adopted Budget. Mr. Keller provided the following details: Farebox revenue was on budget in April, and favorable through April reflecting favorable ridership through March and higher than projected average through all four months, at \$36 million or 2.6% favorable YTD. Toll revenue was favorable in April, at \$9 million or 4.6%, and YTD at \$45 million or 6% favorable, reflecting higher than forecasted traffic. Operating expenses were favorable in April, by \$62 million or 4.9%, and YTD expenses were favorable by \$163 million or 3.2%. Of the YTD favorable, about 43%, or \$70 million, was attributable to favorable payroll, health and welfare costs, and related overtime, due to vacancies. That said, overtime was unfavorable in April by \$16 million or 23% and YTD at \$70 million or 43%; overruns were due to vacancy and absentee coverage, mostly at NYC Transit. Debt service was \$39 million, or 16%, unfavorable for April, and was slightly favorable YTD at \$3 million or less than 1% due to the timing related impact of pre-funding of interest payments through mid-May and partially offset by refunding and interest pre-payment savings. Finally, subsidies were \$124 or 6% unfavorable YTD reflecting unfavorable results for real estate transaction taxes and For-Hire Vehicle Surcharge. Those were offset by favorable results for the Payroll Mobility Tax, Petroleum Business Tax and MMTOA. The additional MMTOA reflects the May allotment of an additional \$75 million for 2024 included in the State's 2024 Enacted Budget.

IV. Finance Watch

Olga Chernat, Deputy Chief, Financial Services noted that the finance teams is still working on the structure of an approximately \$700 million Triborough Bridge and Tunnel Authority Payroll Mobility Tax Senior Lien Green Bond transaction, Series 2023B previously scheduled to price in June 2023 and will be bringing this transition to the market at a later point. Ms. Chernat also gave a presentation on MTA's variable rate debt portfolio. MTA's variable rate policy limits MTA's aggregate outstanding variable rate debt exposure to no more than 25% of outstanding debt. MTA is well within this limit with variable rate debt currently comprising 2% of the total portfolio. These bonds have several distinguishing characterizes; the interest rates change based on prevailing market rates and the bonds can be sold by investors back to the MTA before their scheduled maturity. Variable rate bonds have long nominal maturities but carry short-term rates and historically on average short-term rates have been lower than long-term rates, saving the MTA money. In 2022, the rate on the MTA variable rate bonds averaged approximately 1.7% and was 2.3% lower than the budgeted rate of 4%. 2.3% of budgetary rate savings on the outstanding portfolio of approximately \$1.1 billion of variable rate bonds equates to approximately \$25.4 million of annual savings. In the first quarter of 2023, the portfolio average rate increased to nearly 3.3%, but it was still below the budgeted rate of 4%. The right of investors to sell the bonds back to the issuer is referred to as optional tender or optional put. To deal with the optional tenders, MTA has contractual arrangements with a diversified portfolio of large banks for Letters of Credit.

6. MTA HEADQUARTERS AND ALL-AGENCY ITEMS

I. Action Items:

There was one action item for MTAHQ. Mr. Keller presented the item, the MTA 2022 Annual Investment Report, and the MTA all Agency Investment Guidelines.

The Committee voted to recommend the action item before the Board for approval.

II. Information Items:

There were two Information Items, the Annual Pension Fund Report, and the MTA Financial Statements for the Twelve Months Ending December 2022.

III. Procurements:

Chief Administrative Officer Lisette Camilo reported two procurements actions for MTAHQ for a total \$1.452 billion. The first was for TEOCO Corporation, for a one-year extension (June 1, 2023-May 31, 2024) of a non-competitive miscellaneous service contract to provide maintenance and support services for the Network management System for NYC Transit for a total cost of \$1,690,289. The 2nd procurement was for Sprague Operating Resources LLC and Global Montello Group Corporation for Transportation and Heating Fuels and related services awarded pursuant to a competitively negotiated All-Agency Request for Proposals. The contract term will be five years with two 12-month options for a total duration of seven years. The award of \$1,450,841,653 will be split as follows: Sprague \$1,084,951,441 and Global \$365,890,212.

The Committee voted to recommend both procurement items before the Board for approval.

7. METRO-NORTH RAILROAD/LIRR

There was one joint information item, which was considered and approved by the Metro-North Railroad Committee meeting earlier in the day, for the award of a noncompetitive miscellaneous service contract for a term of two years plus a one-year option to Laser Tribology BV for the lease of laser modules for both Metro North Railroad and Statement Island Rapid Transit Authority.

There were no information items for Long Island Rail Road.

8. NYCT/MTA BUS OPERATIONS

There was one information item which was considered and approved by the NYC Transit Committee earlier in the day, requesting the Board declare competitive bidding impractical or inappropriate pursuant to Public Authorities Law Section 1209, subsection 9(b) due to the existence of a single responsible source and approve the award of an estimated value contract to Plasser American Corporation for the upgrade of critical system on two NYC Transit-owned Track Geometry Cars.

9. BRIDGES AND TUNNELS

There were no items for Bridges and Tunnels.

10. FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY (FMTAC)

I. Action Items:

Mr. Keller presented two action items for FMTAC: To obtain approval of updates made to the Business Continuity Plan and Disaster Recovery Plan for FMTAC, as required by the NYS Department of Financial Services, and, to announce the FMTAC Annual Meeting, which was scheduled on May 24, 2023, during the MTA Board Meeting.

The Committee voted to recommend both action items before the Board for approval.

II. Presentation on FMTAC's 2022 activities and operations

Claudia Reuben, Deputy Director of Risk and Insurance Management as well as Vice President and Secretary of FMTAC provided a presentation on FMTAC's 2022 activities and operations. FMTAC's total assets are in excess of \$1.1 billion. The FMTAC Property Program, which renewed on May 1, 2023, is one of FMTAC's major programs. FMTAC was able to secure \$353 million of capacity which represents a reduction from \$414 million in 2022. Ms. Reuben stated the insurance

market is under pressure to obtain higher returns for deployment of catastrophe capacity due to losses resulting from extreme weather-related events. On a more positive side, FMTAC received favorable feedback on the measures MTA has put in place to protect its assets, as well as the steps the MTA is taking in anticipating future climate risks.

Laudwin Pemberton, Deputy Director of Risk and Insurance Management and Contract Manager for FMTAC's investments provided a presentation on FMTAC's Aggregate Portfolio. Mr. Pemberton noted they were providing a review only as of the first quarter of 2023. The Net Asset Value for this portfolio is approximately \$839 million and comprised of 8 investment trusts. Like other insurance captives, assets are conservatively invested in high quality fixed income securities. In aggregate, the largest allocations are to AAA rated U.S. Treasuries at 41% and Mortgage-Backed-Securities at 23%. The overall credit quality of the aggregate portfolio is AA rated with an average duration of 4.7 years. The portfolio returned 2.55% for the 1st quarter and have outperformed its associated benchmarks over Q1, thru since inception.

Nora Ostrovskaya, Acting Senior Director of Strategic Initiatives, reported on MetroCat Catastrophe Bond (Cat Bond) transactions, including the one closed most recently. The \$100 million MetroCat Re Ltd. (Series 2023-1) was the fourth MetroCat bond issuance for FMTAC. The reinsurance has a three-year term, and is collateralized, meaning it does not rely on the balance sheet of insurers the way traditional reinsurance does. It was a parametric transaction, so once the trigger event occurs, FMTAC immediately receives the funds, and does not have to wait for the claims to be adjusted. MetroCat CatBonds are issued to create more capacity for property reinsurance because every dollar placed in the Cat Bond market is a dollar not placed in the traditional insurance market where capacity is shrinking every year, so it creates a healthy tension with the traditional market and ultimately allows FMTAC to lower its reinsurance costs.

11. MTA CONSOLIDATED REPORTS

Chair Zuckerman stated MTA Consolidated Financial and Operational Reports were included in the Committee Book.

12. REAL ESTATE AGENDA

David Florio, Chief, Real Estate Transactions and Operations Officer reported there were six real estate action items: two items for MTAHQ, one for NYCT, and three for Metro-North. In addition, there were four information items. Robert Paley, Senior Director, Transit-Oriented Development briefed the Committee on the second item.

A. Action Items:

MTAHQ

1. Lease buyout agreement with Russell Cellular, Inc. for retail space at 2 Broadway.
2. Eminent domain procedures law determination and findings in connection with acquisitions for Second Avenue Subway Phase 2.

New York City Transit

3. Lease agreement with Khaled Hajahmed for a retail unit at 1581 Myrtle Avenue in Brooklyn, NY.

Metro-North

4. Eminent Domain Procedure Law Determination and Findings in connection with the acquisition of property for the Automotive Fuel System Project in North White Plains, NY.
5. Authorization to acquire property interests by negotiated settlement or eminent domain for ADA station improvements at the Williams Bridge Station in the Bronx, New York.
6. Grant of a permanent easement to the New York State Parks, Recreation & Historic Preservation and New York City Department of Environmental Protection for a recreational trail and bridge south of Breakneck Ridge station in Fishkill, NY

B. Information Items:

1. An amendment to an easement agreement with Benjamin Beechwood Retail, LLC for the installation of elevators at the Beach 67th Street Station in Queens
2. A license agreement with IQMA US LLC for a retail space at LIRR's Deer Park Station.
3. A report on agreements entered into directly by the Real Estate Department pursuant to Board policy.
4. A report on events in Vanderbilt Hall.

The Committee voted to recommend all the real estate action items before the Board for approval.

13. ADJOURNMENT

Upon motion duly made and seconded the Committee voted to adjourn the meeting.

Respectfully submitted,
Joanne S. Feld
Deputy Director, Finance

DRAFT 2023 Finance Committee Work Plan

I. RECURRING AGENDA ITEMS

	<u>Responsibility</u>
Approval of Minutes	Board Secretary
Finance Committee Work Plan	MTA CFO
BudgetWatch	MTA OMB
FinanceWatch	MTA Finance
Procurements (if any)	Procurement
Action Items (if any)	Agency
MTA Consolidated Reports	MTA OMB
Real Estate Agenda	MTA Real Estate

II. SPECIFIC AGENDA ITEMS

July 2023

2024 Preliminary Budget/July Financial Plan 2024-2027
(Joint Session with MTA Board)

MTA OMB

Other:

DRAFT MTA Financial Statements 1st Quarter for the
Three-Months Ended March 2023

MTA Comptroller

September 2023

2024 Preliminary Budget/July Financial Plan 2024-2027
(materials previously distributed)

MTA OMB

October 2023

2024 Preliminary Budget/July Financial Plan 2024-2027
(materials previously distributed)

MTA OMB

Other:

DRAFT MTA Financial Statements 2nd Quarter for the Six-Months
Ended June 2023

MTA Comptroller

Annual Review of MTA's Derivative Portfolio -
Including Fuel Hedge
MTA 2023 Semi-Annual Investment Report

MTA Finance

MTA Treasury

November 2023

2024 Final Proposed Budget/November Financial Plan 2024-2027
(Joint Session with MTA Board)

MTA OMB

Other:

Station Maintenance Billing Update
Review and Assessment of the Finance Committee Charter

MTA Comptroller

MTA CFO

December 2023

Adoption of 2024 Budget and 2024-2027 Financial Plan

MTA OMB

Action Items:

Authorization to Issue 2024 MTA and TBTA New Money Bonds,
Bond Anticipation Notes, and Refunding Obligations; Reimbursement
Resolutions for Federal Tax Purposes MTA Finance

Other:

Draft 2024 Finance Committee Work Plan MTA OMB

January 2024

Other:

Special Report: Finance Department 2023 Year-End Review MTA Finance

DRAFT MTA Financial Statements 3rd Quarter for the Nine-Months
Ended September 2023 MTA Comptroller

February 2024

Action Items:

2023 TBTA Operating Surplus B&T/MTA

Mortgage Recording Tax – Escalation Payments to Dutchess,
Orange and Rockland Counties MTA Treasury

Other:

February Financial Plan 2024-2027 MTA OMB

March 2024

Resolution to Authorize the Execution, Filing and Acceptance of
Federal Funds MTA Grants Mgmt.

All-Agency Real Property Disposition Guidelines and All-Agency
Personal Property Disposition Guidelines MTA Real Estate/MTA
Corporate Compliance

All-Agency Annual Procurement Report MTA Procurement

Other:

MTA Prompt Payment Annual Report 2023 MTA Financial Operations

April 2024

Other:

Annual Report on Variable Rate Debt MTA Finance

May 2024

Action Items:

MTA Annual Investment Report MTA Treasury

Other:

DRAFT MTA Financial Statements Fiscal Year-End Twelve-Months
Ended December 2023 MTA Comptroller

Station Maintenance Billings MTA Comptroller

Annual Pension Fund Report (Audit Committee Members to be invited) MTA CIO

Annual FMTAC Meeting MTA RIM

Annual FMTAC Report MTA RIM

June 2024

Action Item:

PWEF Assessment

MTA Capital Program Funding/
MTA OMB

III. DETAILS

July 2023

2024 Preliminary Budget/July Financial Plan 2024-2027 (JOINT Session with MTA Board)

The Chief Financial Officer and MTA Office of Management & Budget will present an updated forecast for 2023, a Preliminary Budget for 2024, and a Financial Plan for 2024-2027.

Other:

DRAFT MTA Financial Statements for the Three-Months Ended, March 2023

Included for information is a copy of the Independent Accountant's Review Report of MTA Financial Statements for the Three-Months ended, March 31, 2023.

September 2023

2024 Preliminary Budget/July Financial Plan 2024-2027

(materials previously distributed) Public comment will be accepted on the 2024 Preliminary Budget.

October 2023

2024 Preliminary Budget/July Financial Plan 2024-2027

(materials previously distributed) Public comment will be accepted on the 2024 Preliminary Budget.

Other:

DRAFT MTA Financial Statements for the Six-Months Ended, June 2023

Included for information is a copy of the Independent Accountant's Review Report of MTA Financial Statements for the Six-Months ended, June 30, 2023.

Annual Review of MTA's Derivative Portfolio – Including Fuel Hedge

The Finance Department will provide an update on MTA's portfolio of derivative contracts.

MTA 2023 Semi-Annual Investment Report

The MTA Treasury Division should be prepared to answer questions on this report.

November 2023

2024 Final Proposed Budget/November Financial Plan 2024-2027 (Joint Session with MTA Board)

The MTA Chief Financial Officer and MTA Office of Management & Budget will present an updated forecast for 2022, a Final Proposed Budget for 2023, and an updated Financial Plan for 2023-2026.

Other:

Station Maintenance Billing Update

The MTA Comptroller's Office will provide a report on the collection and audit status of station maintenance billings issued as of June 1, 2023.

Review and Assessment of the Finance Committee Charter

MTA Chief Financial Officer will present the most updated Finance Committee Charter to the Finance Committee members for them to review and assess its adequacy. The annual assessment is required under the current Committee Charter.

December 2023

Adoption of 2024 Budget and 2024-2027 Financial Plan

The Committee will recommend action to the Board on the Final Proposed Budget for 2023 and 2024-2027 Financial Plan.

Action Items:

Approval of Supplemental Resolutions Authorizing New Money Bonds, Refunding Bonds, Reimbursement for Federal Tax Purposes.

Board approval to allow for the issuance of new money bonds to fund existing approved bond financed capital projects under MTA and TBTA active bond resolutions; to allow for the refunding of fixed-rate bonds from time to time provided that such refundings comply with the Board approved refunding policy; and to allow for the reimbursement of capital expenditures at a later date from the proceeds of tax-exempt bond sales.

Other:

Draft 2024 Finance Committee Work Plan

The MTA Chief Financial Officer will present a proposed 2023 Finance Committee Work Plan that will address major issues, SBP and budget process issues, and reports required by statute.

January 2024

Other:

Special Report: Finance Department 2023 Year-End Review

The MTA Finance Department will present a report that summarizes financing activities for 2023.

DRAFT MTA Financial Statements for the Nine-Months Ended, September 2023

Included for information is a copy of the Independent Accountant's Review Report of MTA Financial Statements for the nine-months ended, September 30, 2023.

February 2024

Action Items:

2023 TBTA Operating Surplus

The MTA Comptroller should be prepared to answer questions on a staff summary requesting (1)

transfer of TBTA 2023 Operating Surplus and Investment Income, (2) advances of TBTA 2023 Operating Surplus, and (3) the deduction from 2023 TBTA Operating Revenue, funds which shall be paid into the Necessary Reconstruction Reserve.

Mortgage Recording Tax – Escalation Payments to Dutchess, Orange and Rockland Counties

By State statute, Dutchess, Orange and Rockland Counties are entitled to a share of MTA's MRT-1 and MRT-2 tax receipts collected in these counties during the prior year. The amount may be no less than \$1.5 million for Dutchess and Orange Counties, and no less than \$2.0 million for Rockland County. If the annual amounts collected exceed 1989 collection levels (the statutorily determined base period), proportional upward "escalation" adjustments are mandated by statute. MTA Treasury and MTA Office of Management & Budget will be prepared to answer questions on the related Staff Summary authorizing the payments.

Other:

February Financial Plan 2024-2027

The MTA Office of Management & Budget will present, for information purposes, a revised 2024-2027 Financial Plan reflecting any technical adjustments from the Adopted Budget and the incorporation of certain "below-the-line" policy actions into the baseline.

March 2024

Action Items:

Resolution to Authorize the Execution, Filing and Acceptance of Federal Funds

The MTA Office of Grants Management will hold a public hearing in accordance with Federal law and then request the Board's approval of a resolution that would authorize the Chairman or a designated officer to execute the applications and accept grants of financial assistance from the Federal government.

All-Agency Real Property Disposition Guidelines and All-Agency Personal Property Disposition Guidelines

Board approval of above guidelines as required annually by Public Authorities Law Sections 2895-2897. MTA Real Estate and MTA Corporate Compliance should be prepared to answer questions regarding these guidelines.

All-Agency Annual Procurement Report

The Agencies and the MTA Procurement Division should be prepared to answer questions on this State-required report.

Other:

MTA Annual Prompt Payment Status Report

The Deputy Chief of Financial Operations should be prepared to discuss a report, to be included in the Agenda materials, that reviews MTA-wide success in meeting mandated prompt-payment deadlines (including the interest penalties incurred as a result of late payment).

April 2024

Other:

Annual Report on Variable Rate Debt

The MTA Finance Department will present a report that summarizes the performance of the MTA's various variable-rate debt programs, including a discussion of the savings (compared to long-term rates) achieved through variable rate debt and a discussion on the current policy and limits on the use of variable rate debt.

May 2024

Action Item:

MTA Annual Investment Report

The MTA Treasury Division should be prepared to answer questions on this State-required report.

Other:

DRAFT MTA Financial Statements for the Twelve-Months Ended, December 2023

Included for information is a copy of the Independent Accountant's Audit Report of MTA Financial Statements for the Twelve-Months ended, December 31, 2023.

Station Maintenance Billings

Under the Public Authorities Law, the Board is required to certify to the City and the counties in the Metropolitan Transportation District the total costs to MTA for operating and maintaining Commuter Railroad passenger stations. The City and county assessments are both now determined through a formula.

Annual Pension Fund Report

The Chair of the MTA DB & MaBSTOA Pension & Deferred Compensation/Chief Investment Officer, representatives of the various pension fund boards, and their pension consultants should be prepared to answer questions on a report, to be included in the Agenda materials, that reviews the 2023 investment performance and other experience of the various MTA pension funds. Among other matters, this report should (i) make recommendations on appropriate investment-earnings assumptions in light of the experience of the past three years; (ii) discuss the implications for asset allocations in light of such recommendations; (iii) discuss the effect on (under) funding of the systems in light of such performance and recommendation; (iv) provide appropriate comparisons with other public pension systems; and (v) solicit the opinions of the Board Operating Committees on these recommendations in light of their effects on Agency budgets.

Annual Meeting of the First Mutual Transportation Assurance Company

The MTA's Captive Insurance Company will hold its statutorily required annual meeting in which it will review the prior year's operations as well as submit its financial statements and actuarial report for final approval. The MTA Risk and Insurance Management Divisions, along with the FMTAC's outside investment managers, should be prepared to answer questions on reports.

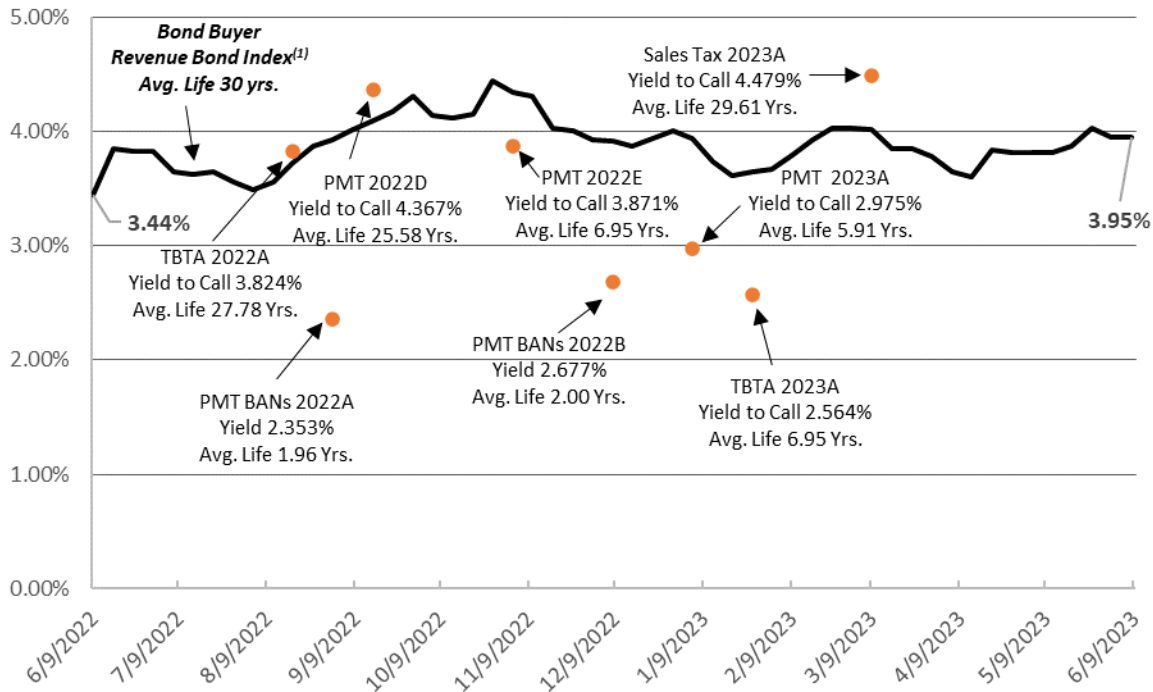
June 2024

Action Item:

PWEF Assessment

The MTA Office of Management & Budget, assisted by MTA Capital Program Funding, should prepare the usual annual staff summary authorizing the payment of this assessment to the State. The State levies an assessment of the value of construction-contract awards to cover its cost of enforcing prevailing-wage legislation.

MTA Fixed Rate Bond & Note Tracker



(1) Bond Buyer Revenue Bond Index (RBI) is the average yield on 25 revenue bonds with 30-year maturities and that have an average rating that is equivalent to A1 for Moody's and A+ for S&P.

Refunding and New Money Transaction

\$600,000,000 Triborough Bridge and Tunnel Authority Payroll Mobility Tax Senior Lien Green Bonds, Series 2023B (Climate Bond Certified)

Following the postponement in May 2023, MTA now expects to price approximately \$600 million of Triborough Bridge and Tunnel Authority Payroll Mobility Tax Senior Lien Green Bonds, Series 2023B (Climate Bond Certified) in late June 2023, with closing scheduled for early July 2023. Proceeds from the transaction will be used to refund certain outstanding MTA Transportation Revenue Bonds and to finance approved transit and commuter projects. This transaction's working group which was previously announced in May 2023 will remain the same.

Staff Summary

Subject 2023 State PWEF Assessment
Department Chief Financial Officer
Department Head Name Kevin Willens
Department Head Signature
Project Manager Name David E. Keller

Date June 27, 2023
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Comm.	6/26	X		
2	Board	6/27	X		

Internal Approvals			
Order	Approval	Order	Approval
2	Legal	3	Chief of Staff
1	Chief Financial Officer		

Purpose: To authorize actions relating to the payment of the State assessment on the MTA and its constituent agencies for the Public Work Enforcement Fund for calendar 2023.

Discussion: Chapter 511 of the Laws of 1995, as amended, requires State agencies and authorities to pay to the State Comptroller an assessment based upon 1/10 of 1% of the value of public work (construction) contracts entered into (excluding rolling stock contracts). The assessments are deposited in the State Public Work Enforcement Fund to reimburse the State Department of Labor for its costs in enforcing the State's prevailing-wage law. The State and the MTA have entered into a simple annual estimate-and-settlement procedure agreement. Payments are made each year based upon the estimated amount of public works contracts and are adjusted to reflect the actual experience from the prior year. The 2023 payment, therefore, is based upon a 2023 estimate and an adjustment for 2022.

Based on the actual average spending rates, it is assumed that in calendar year 2023, MTA's constituent agencies are projected to let \$5.192 billion worth of construction and design-build contracts.

In 2022, the estimated 2022 assessment of \$3,661,083 was less than the actual assessment of \$6,171,365 by \$2,510,282. This underpayment, when added to the estimated 2023 assessment of \$5,192,127 requires a total payment of \$7,702,409.

Financial Implications: The 2023 MTAHQ Budget contains sufficient funds for this payment.

Recommendation: The Board should authorize staff to remit the 2023 assessment, including the adjustment for the 2022 underpayment, to the State Department of Labor.



MTA Headquarters Procurements

Lisette Camilo, Chief Administrative Officer/Interim Chief Procurement Officer

PROCUREMENTS

The Procurement Agenda this month includes 1 action for a proposed estimated expenditure of \$17.6M.

Subject	Request for Authorization to Award Various Procurements				
Department	MTA Procurement				
Department Head Name	Lisette Camilo				
Department Head Signature					
Project Manager Name	Rose Davis				
Board Action					
Order	To	Date	Approval	Info	Other
1	Committee	06/26/23			
2	Board	06/27/23			

June 23, 2023			
Department			
Department Head Name			
Department Head Signature			
Internal Approvals			
	Approval		Approval
	CAO		
	Legal		
	CFO		

Internal Approvals (cont.)							
Order	Approval	Order	Approval	Order	Approval	Order	Approval

PURPOSE

To obtain approval of the Board to award various contracts and purchase orders, and to inform the MTA Headquarters Committee of these procurement actions.

DISCUSSION

MTA Headquarters proposes to award Noncompetitive procurements in the following categories: None

MTA Headquarters proposes to award Competitive procurements in the following categories:

Schedules Requiring Majority Vote:

Schedule H: Modifications to Personal/Miscellaneous Service Contracts	1	\$ 17.6 M
SUBTOTAL	1	\$ 17.6 M

MTA Headquarters proposes to award Ratifications in the following categories: None

TOTAL	1	\$ 17.6 M
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COMPETITIVE BIDDING REQUIREMENTS: The procurement actions in Schedules A, B, C, and D are subject to the competitive bidding requirements of PAL 1209 or 1265-a relating to contracts for the purchase of goods or public work. Procurement actions in the remaining Schedules are not subject to these requirements.

BUDGET IMPACT: The purchases/contracts will result in obligating funds in the amounts listed. Funds are available in the current operating/capital budgets for this purpose.

RECOMMENDATION: That the purchases/contracts be approved as proposed. (Items are included in the resolution of approval at the beginning of the Procurement Section.)

BOARD RESOLUTION

WHEREAS, in accordance with Sections 1265-a and 1209 of the Public Authorities Law and the All-Agency General Contract Procurement Guidelines, the Board authorizes the award of certain noncompetitive purchase and public work contracts, and the solicitation and award of requests for proposals regarding purchase and public work contracts; and

WHEREAS, in accordance with the All-Agency Service Contract Procurement Guidelines and General Contract Procurement Guidelines the Board authorizes the award of certain noncompetitive miscellaneous service and miscellaneous procurement contracts, certain change orders to purchase, public work, and miscellaneous service and miscellaneous procurement contracts, and

WHEREAS, in accordance with Section 2879 of the Public Authorities Law and the All-Agency Service Contract Procurement Guidelines, the Board authorizes the award of certain service contracts and certain change orders to service contracts.

NOW, the Board resolves as follows:

1. As to each purchase and public work contract set forth in annexed Schedule A, the Board declares competitive bidding to be impractical or inappropriate for the reasons specified therein and authorizes the execution of each such contract.
2. As to each request for proposals (for purchase and public work contracts) set forth in Schedule B for which authorization to solicit proposals is requested, for the reasons specified therein, the Board declares competitive bidding to be impractical or inappropriate, declares it is in the public interest to solicit competitive request for proposals, and authorizes the solicitation of such proposals.
3. As to each request for proposals (for purchase and public work contracts) set forth in Schedule C for which a recommendation is made to award the contract, the Board authorizes the execution of said contract.
4. As to each action set forth in Schedule D, the Board declares competitive bidding impractical or inappropriate for the reasons specified therein and ratifies each action for which ratification is requested.
5. The Board authorizes the execution of each of the following for which Board authorization is required: (i) the miscellaneous procurement contracts set forth in Schedule E; (ii) the personal service contracts set forth in Schedule F; (iii) the miscellaneous service contracts set forth in Schedule G; (iv) the modifications to personal/miscellaneous service contracts set forth in Schedule H; (v) the contract modifications to purchase and public work contracts set forth in Schedule I; and (vi) the modifications to miscellaneous procurement contracts set forth in Schedule J.
6. The Board ratifies each action taken set forth in Schedule K for which ratification is requested.

JUNE 2023

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

H. Modifications to Personal Service Contracts and Miscellaneous Service Contracts Awarded as Contracts for Services

(Staff Summaries required for items estimated to be greater than \$1,000,000.)

Cubic Transportation Systems, Inc.	\$17,619,309	<i>Staff Summary Attached</i>
Nine Years, 7 months		
Contract# 11043-0200 AWO 8		
Modification to extend the contract to provide in-depot maintenance services for the BusCIS Hardware Subsystem and add additional services for four years.		

Schedule H: Modifications to Personal Service & Miscellaneous Service Contracts
Item Number: 1

Vendor Name (Location) Cubic Transportation Systems, Inc. (New York, New York)
Description: Bus Customer Information System Hardware Subsystems (BHS) In-Depot Warranty and Maintenance Services
Contract Term (including Options, if any) February 19, 2013–July 31, 2023
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> n/a
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:
Requesting Department: Department of Buses, Sunil Nair

Contract Number 11043-0200	AWO/Mod. # 8
Original Amount:	\$ 26,930,747
Prior Modifications:	\$ 23,918,401
Current Amount:	\$ 50,849,147
This Request:	\$ 17,619,309
% of This Request to Current Amount:	35%
% of Modifications (including This Request) to Original Amount:	154%

Discussion:

MTA Headquarters is seeking Board approval to extend a competitively solicited miscellaneous service contract with Cubic Transportation Systems, Inc. (“Cubic”) to provide in-depot maintenance services for the BusCIS Hardware Subsystem (“BHS”) for four years (two years plus two 1-year options, August 1, 2023–July 31, 2027) for the estimated amount of \$17,619,309.

The BHS, located onboard the buses, is the hardware portion of the MTA’s vehicle location system that provides real-time bus locations critical to many bus information systems including Bus Time, Bus Trek, Fleetview, Transit Signal Priority, Digital Signs, Automatic Passenger Counting, and fleet performance analysis by Operations Planning. The BHS must therefore be diligently maintained to support these systems.

In July 2011, the MTA Board approved a competitively negotiated contract to design, deliver, and install BHS units on all MTA buses (today, more than 5,800). Two firms, Verifone Systems Inc. (“Verifone”) and Cubic, were selected to design, furnish, install, and service their distinct BHS designs for approximately one-third and two-thirds of the fleet, respectively. The MTA did not renew its service agreement with Verifone. Instead, in January 2019, the MTA obtained Board approval to modify Cubic’s contract to have Cubic maintain all BHS units, including VeriFone’s, and to add funds to extend these services through July 31, 2023. Cubic is the sole manufacturer of spare parts for its BHS units in need of repair or replacement. However, since 2019, new buses are delivered with the BHS+, an in-house designed unit manufactured by OnLogic Corp. Cubic handles on-bus replacement and product return for the BHS+, but the BHS+ does not rely on Cubic for parts. The MTA recently engaged Sintrones Technology Corp. (“Sintrones”) as a new competing BHS+ manufacturer, which Cubic will also maintain.

In February 2019, the BHS was implemented as support for the One Metro New York (“OMNY”) Project to transmit fare payment data to OMNY’s backend servers. OMNY has more stringent availability needs than BusCIS, therefore the DoB has requested additional services beginning with this period of performance.

This \$17.6 million modification will provide:

1. Continuous in-depot maintenance services of BHS plus decommissioning of retiring buses as requested by the MTA for up to four additional years (the prior scope), plus the additional services below.
2. Validation and integration of a BHS+ manufactured by Sintrones.
3. Diagnostic onboard holistic network health check.
4. Return Merchandising Agreement handling for OMNY-dedicated modems.
5. Improved service level agreement response time from 48 to 24 hours to support OMNY requirements.

Currently, the MTA relies on Cubic as the sole supplier of BHS spare parts for almost 5,000 of its 5,800+ bus fleet. However, as new buses are being delivered with the upgraded BHS+ units, older buses are being decommissioned, reducing this reliance going forward.

Schedule H: Modifications to Personal Service & Miscellaneous Service Contracts

The first two years of this extension will allow the MTA time to develop a longer-term strategy for a competitive procurement.

Cubic has agreed to continue offering the same labor rates as negotiated in the prior modification established in 2019. The total cost for this four-year extension is estimated at \$18,152,947. However, Cubic has provided a reduction of \$533,638, which yields a total estimate of \$17,619,309 for the four-year period. Procurement finds the price to be fair and reasonable.

Cubic has certified that pursuant to EO 16, it is not doing business in Russia.

The contract is being evaluated to determine the necessity and scope for applicable cybersecurity requirements, including any requirements under federal, state, and local law and regulations. The Authority is working with the contractor to negotiate the applicable cybersecurity requirements, which shall be included prior to issuance of the extension.

Impact on Funding

This extension is funded by NYC Transit and MTA Bus Company operating funds.

Schedule I: Modifications to Purchase and Public Work Contracts
Item Number:

Vendor Name (Location) Siemens Mobility, Inc. (Sacramento, California)	Contract Number 244941	AWO/Mod. # 7
Description Design, Manufacture, Test, and Delivery of New Dual-Mode Locomotives – Option Election	Original Amount:	\$ 252,768,764
Contract Term (including Options, if any) February 2021–February 2028	Prior Modifications:	\$ 82,770,284
Option(s) included in Total Amount? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> n/a	Prior Budgetary Increases:	\$ 0
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Noncompetitive	Current Amount:	\$ 335,539,048
Solicitation Type <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	This Request:	\$ 78,828,018
Funding Source <input type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input checked="" type="checkbox"/> Other: CDOT	% of This Request to Current Amount:	23.49%
Requesting Department: Maintenance of Equipment, Joseph E. Reynolds	% of Modifications (including This Request) to Original Amount:	63.93%

Discussion:

Metro-North Railroad (“Metro-North”), on behalf of the Connecticut Department of Transportation (“CDOT”), requests Board approval to exercise an option to a contract with Siemens Mobility, Inc. (“Siemens”) in the amount of \$78,828,018 for the design, manufacturing, testing, and delivery of six dual-mode locomotives and related equipment (“CDOT Option”). The Option is fully funded by CDOT.

The base contract, resulting from a competitive Request for Proposal (“RFP”) and approved by the Board in December 2020, is for the purchase of 19 dual-mode locomotives, as well as related equipment, and includes options for additional locomotives, including (1) up to 40 locomotives for Metro-North; (2) up to 20 locomotives in an alternate configuration for CDOT; (3) up to 66 locomotives in an alternate configuration for Long Island Rail Road; and (4) up to 26 locomotives in an alternate configuration for the New York State Department of Transportation. Immediately after award, Metro-North exercised its first option for eight additional dual-mode locomotives (“Option 1”), which was also approved by the December 2020 Board. Siemens is scheduled to complete delivery of the 27 locomotives (19 under the base contract and eight under Option 1) in the first quarter of 2027.

The six dual-mode locomotives under this CDOT Option will replace the CDOT locomotives that are beyond their 25-year service life. Based on the current contract schedule and continuous production, the delivery of the six dual-mode locomotives is scheduled to begin in the second quarter of 2027 and be completed in the fall of 2027 for an overall delivery period of 78 months from Notice of Award.

Throughout the course of this contract, modifications were made, which in some instances impacted the cost of the option locomotives. The price for this modification is for the locomotives only and does not include spare parts, etc.

The price for the CDOT Option locomotives, established at the time of award, is subject to a price adjustment based on a formula that incorporates a number of price indices. Negotiations were conducted to potentially minimize the impact of projected escalation. Ultimately, a fixed price of \$78,828,018 was agreed upon, contingent upon award of the CDOT Option by July 31, 2023. The agreed-to fixed price is based on a review of historical and projected escalation in consultation with the Cost Price Analysis group as well as a review of projections provided by the MTA’s financial consultant. This approach provides a favorable price, price certainty, and a potential savings of between \$3 million and \$7 million as compared to the projection of the escalated pricing.

Siemens has the experience, technical capability, resources, and facilities to perform the work required. The Controller’s Office found that there is reasonable assurance Siemens can perform the work under this option.

This contract has been evaluated to determine the necessity and appropriate scope, if any, of cybersecurity requirements, including any requirements under federal, state, and local law and regulations. Any applicable cybersecurity requirements, to the extent required, have been included in the contract terms and conditions.

Siemens has certified that pursuant to EO 16, it is not doing business in Russia.

MBE/WBE/TVM

Because the base contract is FTA funded, federal terms and conditions apply. Therefore, the FTA Transit Vehicle Manufacturer program applies. Siemens complies with this FTA program.

Impact on Funding

This option will be fully funded by CDOT.

METROPOLITAN TRANSPORTATION AUTHORITY
February Financial Plan - 2023 Adopted Budget
Accrual Statement of Operations by Category
May 2023 Monthly
(\$ in millions)

	Non-Reimbursable			Reimbursable			Total		
	Adopted Budget	Actual	-Variance: Fav/(Unfav)- Dollars	Adopted Budget	Actual	-Variance: Fav/(Unfav)- Dollars	Adopted Budget	Actual	-Variance: Fav/(Unfav)- Dollars
Revenue									
Farebox Revenue	\$384.5	\$403.7	\$19.3	\$0.0	\$0.0	\$0.0	\$384.5	\$403.7	\$19.3
Toll Revenue	199.9	214.0	14.2	0.0	0.0	0.0	199.9	214.0	14.2
Other Revenue	62.2	62.5	0.3	0.0	0.0	0.0	62.2	62.5	0.3
Capital and Other Reimbursements	0.0	0.0	N/A	189.2	173.4	(15.8)	189.2	173.4	(15.8)
Total Revenues	\$646.5	\$680.2	\$33.7	\$189.2	\$173.4	(\$15.8)	\$835.7	\$853.6	\$18.0
Expenses									
Labor:									
Payroll	\$500.0	\$471.6	\$28.3	\$64.7	\$60.0	\$4.6	\$564.7	\$531.7	\$33.0
Overtime	75.2	104.6	(29.4)	17.3	18.7	(1.4)	92.5	123.3	(30.8)
Health and Welfare	138.6	143.7	(5.1)	8.0	6.1	1.9	146.6	149.8	(3.2)
OPeB Current Payments	67.7	39.1	28.6	1.3	1.2	0.1	69.0	40.3	28.7
Pension	109.5	113.5	(4.0)	9.7	8.6	1.1	119.2	122.1	(2.9)
Other Fringe Benefits	94.3	92.7	1.6	21.5	19.3	2.2	115.8	112.0	3.8
Reimbursable Overhead	(36.4)	(34.9)	(1.5)	36.4	34.9	1.5	0.0	0.0	(53.9)
Total Labor Expenses	\$948.8	\$930.3	\$18.4	\$158.9	\$148.8	\$10.1	\$1,107.7	\$1,079.2	\$28.5
Non-Labor:									
Electric Power	\$49.0	\$36.0	\$13.0	\$0.1	\$0.0	\$0.0	\$49.0	\$36.1	\$13.0
Fuel	22.4	16.9	5.4	0.0	0.3	(0.3)	22.4	17.2	5.1
Insurance	5.7	2.7	3.0	1.0	0.6	0.3	6.6	3.3	3.3
Claims	37.5	32.5	5.0	0.0	0.0	0.0	37.5	32.5	5.0
Paratransit Service Contracts	39.9	46.4	(6.5)	0.0	0.0	0.0	39.9	46.4	(6.5)
Maintenance and Other Operating Contracts	76.3	61.1	15.2	5.5	7.1	(1.6)	81.8	68.1	13.6
Professional Services Contracts	50.2	54.9	(4.7)	12.9	6.5	6.4	63.1	61.5	1.6
Materials and Supplies	58.6	50.3	8.3	10.5	9.9	0.6	69.1	60.2	8.9
Other Business Expenses	19.8	31.2	(11.4)	0.4	0.1	0.3	20.2	31.2	(11.1)
Total Non-Labor Expenses	\$359.4	\$332.1	\$27.3	\$30.3	\$24.6	\$5.7	\$389.6	\$356.6	\$33.0
Other Expense Adjustments									
Other	\$0.3	\$2.0	(\$1.6)	\$0.0	\$0.0	\$0.0	\$0.3	\$2.0	(\$1.6)
General Reserve	0.0	0.0	N/A	0.0	0.0	0.0	0.0	0.0	N/A
Total Other Expense Adjustments	\$0.3	\$2.0	(\$1.6)	\$0.0	\$0.0	\$0.0	\$0.3	\$2.0	(\$1.6)
Total Expenses Before Non-Cash Liability Adjs.	\$1,308.5	\$1,264.4	\$44.1	\$189.2	\$173.4	\$15.8	\$1,487.7	\$1,437.8	\$59.9
Depreciation	\$268.8	\$333.7	(\$64.9)	\$0.0	\$0.0	\$0.0	\$268.8	\$333.7	(\$64.9)
GASB 68 Pension Expense Adjustment	4.7	0.0	4.7	0.0	0.0	0.0	4.7	0.0	4.7
GASB 75 OPEB Expense Adjustment	7.8	0.0	7.8	0.0	0.0	0.0	7.8	0.0	7.8
GASB 87 Lease Adjustment	1.1	1.3	(0.2)	0.0	0.0	0.0	1.1	1.3	(0.2)
Environmental Remediation	0.5	0.2	0.3	0.0	0.0	0.0	0.5	0.2	0.3
Total Expenses After Non-Cash Liability Adjs.	\$1,591.4	\$1,599.6	(\$8.2)	\$189.2	\$173.4	\$15.8	\$1,780.6	\$1,773.0	\$7.6
Less: B&T Depreciation & GASB Adjustments	\$17.7	\$19.4	(\$1.7)	\$0.0	\$0.0	\$0.0	\$17.7	\$19.4	(\$1.7)
Adjusted Total Expenses	\$1,573.7	\$1,580.2	(\$6.6)	\$189.2	\$173.4	\$15.8	\$1,762.9	\$1,753.6	\$9.2
Net Surplus/(Deficit)	(\$927.2)	(\$900.0)	\$27.2	\$0.0	\$0.0	\$0.0	(\$927.2)	(\$900.0)	\$27.2
Total Subsidies	\$721.3	\$846.6	\$125.3	\$0.0	\$0.0	\$0.0	\$721.3	\$846.6	\$125.3
Debt Service	201.3	82.0	119.3	0.0	0.0	0.0	201.3	82.0	119.3

Notes: Totals may not add due to rounding

Results are based on the preliminary close of the general ledger and are subject to review and adjustment. Please note that the current month's actuals do not include post-close adjustments, which will be captured in the YTD results.

METROPOLITAN TRANSPORTATION AUTHORITY
February Financial Plan - 2023 Adopted Budget
Accrual Statement of Operations by Category
May 2023 Year-to-Date
(\$ in millions)

	Non-Reimbursable			Reimbursable			Total					
	Adopted Budget	Actual	-Variance: Fav/(Unfav)- Dollars	Fav/(Unfav)- Percent	Adopted Budget	Actual	-Variance: Fav/(Unfav)- Dollars	Fav/(Unfav)- Percent	Adopted Budget	Actual	-Variance: Fav/(Unfav)- Dollars	Fav/(Unfav)- Percent
Revenue												
Farebox Revenue	\$1,777.0	\$1,833.9	\$56.9	3.2	\$0.0	\$0.0	\$0.0	N/A	\$1,777.0	\$1,833.9	\$56.9	3.2
Toll Revenue	905.7	964.6	58.9	6.5	0.0	0.0	0.0	N/A	905.7	964.6	58.9	6.5
Other Revenue	335.0	326.9	(8.0)	(2.4)	0.0	0.0	0.0	N/A	335.0	326.9	(8.0)	(2.4)
Capital and Other Reimbursements	0.0	0.0	0.0	N/A	919.7	818.1	(101.7)	(11.1)	919.7	818.1	(101.7)	(11.1)
Total Revenues	\$3,017.6	\$3,125.4	\$107.8	3.6	\$919.7	\$818.1	(\$101.7)	(11.1)	\$3,937.4	\$3,943.5	\$6.1	0.2
Expenses												
Labor:												
Payroll	\$2,407.8	\$2,289.6	\$118.2	4.9	\$311.5	\$264.9	\$46.6	15.0	\$2,719.3	\$2,554.5	\$164.8	6.1
Overtime	367.1	459.2	(92.1)	(25.1)	88.5	96.9	(8.4)	(9.4)	455.6	556.1	(100.5)	(22.0)
Health and Welfare	690.5	650.7	39.7	5.8	35.9	31.7	4.2	11.6	726.3	682.4	43.9	6.0
OPeB Current Payments	343.8	310.0	33.8	9.8	6.7	6.2	0.5	8.0	350.5	316.2	34.4	9.8
Pension	554.5	566.0	(11.4)	(2.1)	43.7	41.3	2.3	5.4	598.2	607.3	(9.1)	(1.5)
Other Fringe Benefits	447.3	439.6	7.7	1.7	107.4	96.9	10.5	9.7	554.7	536.5	18.2	3.3
Reimbursable Overhead	(182.8)	(177.0)	(5.9)	(3.2)	182.6	178.0	4.6	2.5	(0.2)	1.0	(1.3)	<(100.0)
Total Labor Expenses	\$4,628.1	\$4,538.0	\$90.1	1.9	\$776.3	\$716.0	\$60.3	7.8	\$5,404.4	\$5,254.0	\$150.4	2.8
Non-Labor:												
Electric Power	\$268.3	\$230.0	\$38.3	14.3	\$0.3	\$0.2	\$0.0	9.6	\$268.6	\$230.2	\$38.3	14.3
Fuel	109.7	100.1	9.6	8.8	0.1	0.3	(0.2)	<(100.0)	109.7	100.4	9.4	8.5
Insurance	25.6	14.6	10.9	42.8	4.0	3.2	0.8	20.1	29.6	17.8	11.7	39.7
Claims	186.8	159.0	27.8	14.9	0.0	0.0	0.0	N/A	186.8	159.0	27.8	14.9
Paratransit Service Contracts	193.9	208.3	(14.4)	(7.4)	0.0	0.0	0.0	N/A	193.9	208.3	(14.4)	(7.4)
Maintenance and Other Operating Contracts	376.4	323.0	53.4	14.2	27.0	28.2	(1.1)	(4.1)	403.4	351.2	52.3	13.0
Professional Services Contracts	244.1	263.0	(18.9)	(7.7)	68.1	31.1	37.0	54.4	312.2	294.1	18.1	5.8
Materials and Supplies	284.4	261.2	23.2	8.2	44.5	38.8	5.7	12.7	328.9	300.0	28.9	8.8
Other Business Expenses	103.2	113.1	(9.9)	(9.6)	(0.5)	0.3	(0.8)	<(100.0)	102.7	113.4	(10.7)	(10.5)
Total Non-Labor Expenses	\$1,792.2	\$1,672.2	\$120.0	6.7	\$143.5	\$102.1	\$41.4	28.8	\$1,935.7	\$1,774.3	\$161.4	8.3
Other Expense Adjustments												
Other	\$1.2	\$3.3	(\$2.1)	<(100.0)	\$0.0	\$0.0	\$0.0	N/A	\$1.2	\$3.3	(\$2.1)	<(100.0)
General Reserve	0.0	0.0	0.0	N/A	0.0	0.0	0.0	N/A	0.0	0.0	0.0	N/A
Total Other Expense Adjustments	\$1.2	\$3.3	(\$2.1)	<(100.0)	\$0.0	\$0.0	\$0.0	N/A	\$1.2	\$3.3	(\$2.1)	<(100.0)
Total Expenses Before Non-Cash Liability Adjs.	\$6,421.6	\$6,213.6	\$208.0	3.2	\$919.7	\$818.1	\$101.7	11.1	\$7,341.3	\$7,031.7	\$309.7	4.2
Depreciation	\$1,342.8	\$1,444.3	(\$101.4)	(7.6)	\$0.0	\$0.0	\$0.0	N/A	\$1,342.8	\$1,444.3	(\$101.4)	(7.6)
GASB 68 Pension Expense Adjustment	22.4	0.0	22.4	100.0	0.0	0.0	0.0	N/A	22.4	0.0	22.4	100.0
GASB 75 OPEB Expense Adjustment	37.1	0.0	37.1	100.0	0.0	0.0	0.0	N/A	37.1	0.0	37.1	100.0
GASB 87 Lease Adjustment	5.6	8.2	(2.6)	(46.0)	0.0	0.0	0.0	N/A	5.6	8.2	(2.6)	(46.0)
Environmental Remediation	2.5	5.7	(3.2)	<(100.0)	0.0	0.0	0.0	N/A	2.5	5.7	(3.2)	<(100.0)
Total Expenses After Non-Cash Liability Adjs.	\$7,832.0	\$7,671.7	\$160.3	2.0	\$919.7	\$818.1	\$101.7	11.1	\$8,751.8	\$8,489.8	\$262.0	3.0
Less: B&T Depreciation & GASB Adjustments	\$88.6	\$85.4	\$3.2	3.6	\$0.0	\$0.0	\$0.0	0.0	\$88.6	\$85.4	\$3.2	3.6
Adjusted Total Expenses	\$7,743.4	\$7,586.3	\$157.1	2.0	\$919.7	\$818.1	\$101.7	11.1	\$8,663.2	\$8,404.4	\$258.8	3.0
Net Surplus/(Deficit)	(\$4,725.8)	(\$4,460.9)	\$264.9	5.6	\$0.0	\$0.0	\$0.0	0.1	(\$4,725.8)	(\$4,460.9)	\$264.9	5.6
Total Subsidies	\$2,429.9	\$2,315.0	\$115.0)	(4.7)	\$0.0	\$0.0	\$0.0	N/A	\$2,429.9	\$2,315.0	\$115.0)	(4.7)
Debt Service	1,260.5	1,138.5	121.9	9.7	0.0	0.0	0.0	N/A	1,260.5	1,138.5	121.9	9.7

Notes: Totals may not add due to rounding

Results are based on the preliminary close of the general ledger and are subject to review and adjustment. Please note that the current month's actuals do not include post-close adjustments, which will be captured in the YTD results.

METROPOLITAN TRANSPORTATION AUTHORITY
CONSOLIDATED ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY
EXPLANATION OF VARIANCES BETWEEN ADOPTED BUDGET AND ACTUAL - ACCRUAL BASIS
 May 2023
 (\$ in millions)

		May		May 2023 YEAR-TO-DATE	
Generic Revenue or Expense Category	Nonreimb or Reimb	Favorable (Unfavorable)	Reason for Variance	Favorable (Unfavorable)	Reason for Variance
	NR	\$ %		\$ %	
Farebox Revenue	NR	19.3 5.0	Passenger revenue was favorable at NYCT by \$8.8M, mainly due to higher Subway ridership and average fare, partially offset by lower Bus ridership. MNR and MTA Bus were favorable by \$5.8M and \$1.1M, respectively, due to higher ridership, and the LIRR was favorable by \$3.7M mainly due to higher ridership and average fare.	56.9 3.2	NYCT, MNR, the LIRR, and MTA Bus were favorable by \$30.9M, \$18.0M, \$6.1M, and \$2.2M, respectively, reflecting the continuation of drivers referenced for the month.
Vehicle Toll Revenue	NR	14.2 7.1	Traffic volume was above budgeted levels	58.9 6.5	Traffic volume was above budgeted levels
Other Operating Revenue	NR	0.3 0.5	MNR was favorable by \$4.3M mainly due to the timing of advertising revenue and the recognition of additional federal COVID aid. The timing of advertising, rental, and other miscellaneous revenue was responsible for the favorable result of \$2.8M at the LIRR. NYCT was favorable by \$2.7M mainly due to higher TAB (Transit Adjudication Bureau) revenue. These results were partially offset by unfavorable variances of (\$7.2M) at FMTAC driven by a negative shift in the market value of the invested asset portfolio, (\$1.2M) at MTA Bus mainly due to Student reimbursements and other contract services, and (\$1.2M) at MTA HQ mainly due to lower rental income and Transit Museum revenue.	(8.0) (2.4)	MNR was unfavorable by (\$19.6M) mainly due to the timing of the receipt of federal COVID aid funds; and (\$5.9M) at MTA HQ and (\$5.7M) at MTA Bus, both mainly due to factors noted for the month. These results were partially offset by favorable variances of \$16.8M at FMTAC mainly driven by a positive shift in the market value of the invested asset portfolio, \$3.0M at NYCT and \$1.8M at the LIRR, both due to factors noted for the month, and \$1.9M at B&T mainly due to the timing of E-ZPass administrative fees.
Payroll	NR	28.3 5.7	Vacancies contributed to the favorable outcomes of \$14.8M at NYCT, \$5.8M at the LIRR, \$5.7M at MTA Bus, \$2.4M at B&T, and \$0.8M at MNR. Partially offsetting these results was an unfavorable outcome due to the timing of RWA payments (\$1.5M) at MTA HQ.	118.2 4.9	Vacancies contributed to the favorable outcomes of \$55.1M at NYCT, \$30.4M at the LIRR, \$16.2M at MTA HQ, \$12.8M at B&T, \$3.1M at SIR, \$0.9M at MTA Bus, and \$0.6M at GCMOC. Partially offsetting these results was an unfavorable outcome of (\$1.4M) at MNR mainly due to higher retiree payouts
Overtime	NR	(29.4) (39.2)	Unfavorable outcomes resulted from overruns totaling (\$24.1M) at NYCT and (\$1.1M) at MNR, both due to higher vacancy/absentee coverage requirements; (\$3.0M) at the LIRR mainly due to vacancy/absentee coverage and programmatic/routine maintenance and scheduled service requirements; and (\$1.2M) at MTA HQ due to higher MTA PD deployment requirements.	(92.1) (25.1)	NYCT, MTA HQ, MNR, and the LIRR were unfavorable by (\$84.9M), (\$4.8M), (\$4.6M) and (\$2.2M), respectively, reflecting the continuation of drivers referenced for the month. B&T was unfavorable by (\$1.8M) mainly due to higher vacancy/absentee coverage requirements. These results were partially offset by a favorable variance of \$6.1M at MTA Bus mainly due to lower unscheduled service, and programmatic maintenance.
Health and Welfare	NR	(5.1) (3.7)	NYCT was unfavorable by (\$7.1M) mainly due to timing, and MNR was unfavorable by (\$1.7M) due to higher rates. Partially offsetting these results were favorable variances of \$1.6M at MTAHQ, \$0.8M at B&T, and \$0.5M at the LIRR, all mainly due to vacancies, and MTA Bus was favorable by \$0.7M mainly due to the timing of medical & hospitalization and OPEB, and lower dental plan expenses.	39.7 (5.8)	NYCT was favorable by \$24.6M mainly due to claims underruns and the timing of prescription rebate credits. MTA HQ, the LIRR, B&T, and MTA Bus are favorable by \$7.2M, \$5.7M, \$5.0M, and \$2.8M, respectively, reflecting the continuation of drivers referenced for the month. SIR was favorable by \$1.4M, mainly due to timing. Partially offsetting these results was an unfavorable variance of (\$7.3M) at MNR mostly due to higher rates.
OPEB - Current Payment	NR	28.6 42.2	NYCT was favorable by \$26.6M mainly due to the timing of claims underruns and favorable prescription rebate credits. The LIRR was favorable by \$1.4M mainly due to fewer retirees, and MTA Bus was favorable by \$0.5M mainly due to timing.	33.8 9.8	NYCT, the LIRR and MTA Bus were favorable by \$27.8M, \$6.4M and \$2.3M, respectively, reflecting the continuation of drivers referenced for the month. Partially offsetting these results were unfavorable variances of (\$1.2M) at B&T mainly due to timing, and (\$1.1M) at MNR and (\$0.5M) at MTA HQ, both mainly due to higher retirees.

METROPOLITAN TRANSPORTATION AUTHORITY
CONSOLIDATED ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY
EXPLANATION OF VARIANCES BETWEEN ADOPTED BUDGET AND ACTUAL - ACCRUAL BASIS

May 2023
(\$ in millions)

Generic Revenue or Expense Category	May		May 2023 YEAR-TO-DATE	
	Nonreimb or Reimb	Favorable (Unfavorable)	Reason for Variance	Favorable (Unfavorable)
Pensions	NR	\$ (4.0) %	Timing was responsible for unfavorable variances of (\$3.7M) at MTA HQ and (\$3.1M) at NYCT, and favorable variances of \$1.8M at B&T and \$0.5M at the LIRR.	\$ (11.4) (2.1)
Other Fringe Benefits	NR	1.6 1.7	B&T was favorable by \$2.2M mainly due to timing and vacancies. MTA Bus was favorable by \$2.0M mainly due to lower payroll-related expenses, worker's compensation, and interagency payments. MTA HQ was favorable by \$0.5M mainly due to vacancies and lower agency billings. These results were partially offset by unfavorable variances of (\$2.1M) at NYCT and (\$0.7M) at LIRR, mainly due to timing.	7.7 1.7
Reimbursable Overhead	NR	(1.5) (4.2)	MNR and MTA HQ were unfavorable by (\$2.8M) and (\$1.6M), respectively, mainly due to lower project activity. Partially offsetting these results were favorable results of \$1.7M NYCT and \$1.4M at the LIRR, mainly due to the timing of project activity.	(5.9) (3.2)
Electric Power	NR	13.0 26.5	NYCT was favorable by \$7.0M mainly due to lower consumption and timing. The LIRR and MNR were favorable by \$3.0M, and \$2.4M, respectively, due to lower rates and timing.	38.3 14.3
Fuel	NR	5.4 24.4	NYCT and MTA Bus were favorable by \$3.6M and \$0.9M, respectively, mainly due to timing. MNR and the LIRR were favorable by \$0.6M and \$0.4M, respectively, mainly due to lower usage.	9.6 8.8
Insurance	NR	3.0 52.3	Timing was responsible for the favorable variances of \$1.0M at FMTAC and \$0.6M at NYCT. Other Agency variances were minor.	10.9 42.8
Claims	NR	5.0 13.3	MTA Bus was \$2.9M favorable mainly due to timing. FMTAC was favorable by \$1.6M due to lower claims than projected. The LIRR was \$0.5M favorable due to lower reserves. Other Agency variances were minor.	27.8 14.9
Paratransit Service Contracts	NR	(6.5) (16.2)	Unfavorable (\$6.5M) at NYCT mainly due to higher support costs reflecting higher than projected supplemental service and call center expenses.	(14.4) (7.4)

METROPOLITAN TRANSPORTATION AUTHORITY
CONSOLIDATED ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY
EXPLANATION OF VARIANCES BETWEEN ADOPTED BUDGET AND ACTUAL - ACCRUAL BASIS
 May 2023
 (\$ in millions)

Generic Revenue or Expense Category	Nonreimb or Reimb	May		Reason for Variance	May 2023 YEAR-TO-DATE		
		Favorable (Unfavorable)	%		Favorable (Unfavorable)	%	
Maintenance and Other Operating Contracts	NR	\$ 15.2	20.0	The overall favorable outcome was mainly attributable to the timing of various expenses at the following agencies: MTA HQ, \$4.0M for Govanus and IT maintenance and repairs, construction services safety equipment supplies and homeless outreach; MNR, \$3.1M for miscellaneous maintenance and operating contracts and equipment leases; NYCT \$2.7M for facility expense charges; LIRR \$2.1M for JCC Building Assessment, janitorial & custodial service expenses, project reimbursement for work, locomotive usage, lower bussing and joint facility costs; GCMOC \$2.0M for maintenance activities at GOM; and MTA Bus \$1.8M for facility maintenance, bus technology, tires and tubes, and security services.	\$ 53.4	14.2	The overall favorable outcome was mainly attributable to the timing of various expenses at the following agencies: MTA HQ, MTA Bus, and MNR, were favorable by \$37.5M, \$6.4M, and \$4.3M, respectively, reflecting the continuation of drivers referenced for the month, the LIRR \$5.7M for JCC Building Assessment, maintenance & repair contracts, waste maintenance, refuse & recycling and joint facility expenses; and B&T \$2.0M for E-ZPass tags and equipment. These results were partially offset by an unfavorable variance mainly driven by the timing of the facility expense charges and Subways car cleaning contracts at NYCT (\$5.6M).
Professional Service Contracts	NR	(4.7)	(9.4)	The overall unfavorable outcome was mainly attributable to the timing of various expenses at the following agencies: MTA HQ (\$8.8M) mainly due to the 2022 accrual impact of MTA IT maintenance and repairs, and (\$1.1M) at NYCT for project payments. These results were partially offset by the favorable timing of various expenses at the following agencies: B&T \$2.5M mainly due to bond allocation costs; and \$1.4M at MTA Bus for interagency billing, bus technology, and service contracts.	(18.9)	(7.7)	MTA HQ and NYCT were unfavorable by (\$27.1M) and (\$4.0M), respectively, reflecting the continuation of drivers referenced for the month. MTAC&D was unfavorable by (\$2.3M) due to the timing of recoveries from agencies. These results were partially offset by favorable variances of \$6.9M at MTA Bus, \$2.4M at MNR, and \$2.1M at SIR, all due to factors noted for the month; and \$2.2M at B&T for the timing of professional service contracts, planning studies consultants, bond issuances costs, and engineering services.
Materials & Supplies	NR	8.3	14.2	The overall favorable variance was mainly attributable to the following agencies: \$7.3M at the LIRR, primarily due to the timing of modifications and RCM activity for the revenue fleet, and \$1.9M at MTA Bus, mainly due to lower usage of general maintenance material and the timing of the Shop Program.	23.2	8.2	LIRR and MTA Bus were favorable by \$14.4M and \$9.9M, respectively, reflecting the continuation of drivers referenced for the month. NYCT was favorable by \$4.5M mainly due to the timing of vehicle materials and switch materials expenses. These results were partially offset by an unfavorable variance of (\$5.0M) at MNR, primarily due to obsolete material reserves as well as the timing of infrastructure repairs.
Other Business Expenses	NR	(11.4)	(57.5)	MTA HQ was unfavorable by (\$6.9M) mainly due to the timing of the Staten Island resident toll rebate program. NYCT was unfavorable by (\$1.8M) mainly due to higher credit/debit card fees. MNR was unfavorable by (\$1.2M) mainly due to higher West-of-Hudson subsidy payments, lower Amtrak recoveries, and higher credit/debit card fees; and B&T was unfavorable by (\$1.0M) mainly due to the timing of credit/debit card fees.	(9.9)	(9.6)	NYCT and MTA HQ were unfavorable by (\$5.3M) and (\$3.6M), reflecting the continuation of drivers referenced for the month. MNR was unfavorable by (\$3.6M) mainly due to higher West-of-Hudson subsidy payments and lower recoveries for the operation and maintenance of M8 rail cars. These results were partially offset by a favorable variance of \$2.4M at B&T mainly due to the timing of credit/debit card fees.
Other Expense Adjustments	NR	(1.6)	*	Variance due to timing differences in project completions.	(2.1)	*	Variance due to timing differences in project completions.
Depreciation	NR	(64.9)	(24.2)	Timing differences in project completions and assets reaching beneficial use resulted in unfavorable variances of (\$35.9M) at the LIRR, (\$10.2M) at MTA HQ, (\$8.5M) at GCMOC, (\$4.3M) at NYCT, (\$4.0M) at MNR, (\$1.9M) at B&T, and (\$0.9M) at SIR and a favorable variance of \$0.7M at MTA Bus.	(101.4)	(7.6)	Timing differences in project completions and assets reaching beneficial use resulted in unfavorable variances of (\$42.6M) at GCMOC, (\$39.4M) at the LIRR, (\$9.8M) at MTA HQ, (\$8.1M) at NYCT, (\$3.4M) at MNR, and (\$1.2M) at SIR and favorable variances of \$2.2M at B&T, and \$1.0M at MTA Bus.
GASB 88 Pension Adjustment	NR	4.7	*	MTA Bus was favorable by \$4.7M due to timing.	22.4	*	MTA Bus was favorable by \$22.4M due to timing.
GASB 75 Pension Adjustment	NR	7.8	*	Reflects the impact of a Generally Accepted Accounting Principles (GAAP) change in OPEB liability (GASB 75). MTA Bus was favorable by \$7.8M due to timing.	37.1	*	Reflects the impact of a Generally Accepted Accounting Principles (GAAP) change in OPEB liability (GASB 75). MTA Bus was favorable by \$37.1M due to timing.

METROPOLITAN TRANSPORTATION AUTHORITY
CONSOLIDATED ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY
EXPLANATION OF VARIANCES BETWEEN ADOPTED BUDGET AND ACTUAL - ACCRUAL BASIS
 May 2023
 (\$ in millions)

Generic Revenue or Expense Category	Nonreimb or Reimb	May		May 2023 YEAR-TO-DATE	
		Favorable (Unfavorable)	%	Favorable (Unfavorable)	%
GASB 87 Lease Adjustment	NR	\$ (0.2)	(19.0)	\$ (2.6)	(46.0)
Environmental Remediation	NR	0.3	66.7	(3.2)	*
<p>Reimbursable revenue and expense activity are primarily influenced by the nature and timing of project activity. Accordingly, variances reflect the impact of the aforementioned influences as well as changes in reimbursement and vacancy assumptions, refinements to project scheduling, as well as project delays/accelerations. At MTAHQ, impacts reflect reimbursable directed patrol (police coverage) requirements. The following lists the major contributors of the variance by Agency.</p>					
Capital & Other Reimbursements	R	(15.8)	(8.3)	(101.7)	(11.1)
Payroll	R	4.6	7.2	46.6	15.0
Overtime	R	(1.4)	(8.1)	(8.4)	(9.4)
Health and Welfare	R	1.9	23.8	4.2	11.6
OPEB Current Payment	R	0.1	9.9	0.5	8.0
Pensions	R	1.1	11.7	2.3	5.4
Other Fringe Benefits	R	2.2	10.1	10.5	9.7
Reimbursable Overhead	R	1.5	4.1	4.6	2.5
Electric Power	R	0.0	2.4	0.0	9.6
Fuel	R	(0.3)	*	(0.2)	*
Insurance	R	0.3	35.5	0.8	20.1
Claims	R	0.0	-	0.0	-
Paratransit Service Contracts	R	0.0	-	0.0	-
Maintenance and Other Operating Contracts	R	(1.6)	(28.8)	(1.1)	(4.1)

METROPOLITAN TRANSPORTATION AUTHORITY
CONSOLIDATED ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY
EXPLANATION OF VARIANCES BETWEEN ADOPTED BUDGET AND ACTUAL - ACCRUAL BASIS
 May 2023
 (\$ in millions)

Generic Revenue or Expense Category	Nonreimb or Reimb	May		May 2023 YEAR-TO-DATE	
		Favorable (Unfavorable)	%	Favorable (Unfavorable)	%
Professional Service Contracts	R	\$ 6.4	49.3	\$ 37.0	54.4
					Favorable variances: \$20.3M at MNR, \$11.9M at MTAC&D, and \$7.7M at MTA HQ. Unfavorable variances: (\$1.5M) at NYCT, and (\$1.3M) at the LIRR.
Materials & Supplies	R	0.6	5.5	5.7	12.7
					Favorable variances: \$0.8M at NYCT, and \$0.6M at MNR. Unfavorable variance: (\$0.9M) at the LIRR. Other Agency variances were minor.
Other Business Expenses	R	0.3	78.0	(0.8)	*
					Unfavorable variance: (\$1.5M) at NYCT. Favorable variance: \$0.8M at MTAC&D. Other Agencies variances were minor.
Subsidies	NR	125.3	17.4	(115.0)	(4.7)
					The unfavorable variance mainly reflected unfavorable results for MRT receipts of \$119.0M due to weaker residential mortgage activity in the MCTD, and lower Urban Tax receipts of \$8.5M due to weaker than expected NYC commercial real estate activity. The unfavorable variance also reflected lower State Operating Assistance-18b of \$7.3M, and Local Operating Assistance-18b of \$5.5M, both due to timing. These were offset by favorable receipts for City Subsidy for MTA Bus of \$26.4M, City Subsidy for SIR of \$9.9M, and CDOT Subsidy of \$8.0M, all timing-related, and favorable MMTOA receipts of \$7.2M due to an additional appropriation in the NYS 2023-24 Enacted Budget that was not reflected in the MTA 2023 Adopted Budget.
Debt Service	NR	119.3	59.3	121.9	9.7
					Debt Service expenses were \$1,138.5 million, which was \$121.9 million or 9.7% favorable due to refunding and interest pre-payment savings. Unfavorable timing variance related to the pre-funding of interest through May 15, and current refunding and interest pre-payment savings. The positive variance was partially offset by timing related to the issuance of refunding bonds.

METROPOLITAN TRANSPORTATION AUTHORITY
February Financial Plan - 2023 Adopted Budget
Consolidated Subsidies - Accrual Basis
May 2023
(\$ in millions)

	Month			Year-to-Date		
	Adopted Budget	Actual	Variance	Adopted Budget	Actual	Variance
MMTOA, PBT, Real Estate Taxes and Other						
Metropolitan Mass Transportation Operating Assistance (MMTOA)	265.6	272.9	7.2	265.6	272.9	7.2
Petroleum Business Tax (PBT)	45.1	92.7	47.6	232.5	235.6	3.1
Mortgage Recording Tax (b)-1 (Gross)	33.5	19.3	(14.1)	167.3	97.6	(69.7)
Mortgage Recording Tax (b)-2 (Gross)	19.4	9.6	(9.7)	96.9	47.6	(49.3)
Other Mortgage Recording Tax (b) Adjustments	-	2.9	2.9	-	13.4	13.4
Urban Tax	41.7	30.6	(11.1)	208.4	149.8	(58.5)
	\$405.3	\$428.0	\$22.7	\$970.7	\$816.9	(\$153.9)
PMT and MTA Aid						
Payroll Mobility Tax (PMT)	144.8	158.0	13.2	709.6	705.5	(4.1)
Payroll Mobility Tax Replacement Funds	48.9	48.9	-	48.9	48.9	-
MTA Aid	-	37.1	37.1	70.7	70.7	0.0
	\$193.7	\$244.0	\$50.3	\$829.1	\$825.0	(\$4.1)
For-Hire Vehicle (FHV) Surcharge						
Subway Action Plan Account	28.3	30.4	2.1	141.3	144.2	2.9
Outerborough Transportation A/C (OBTA) Transfer to Operating Budget	-	-	-	-	-	-
General Transportation Account	-	-	-	-	-	-
	\$28.3	\$30.4	\$2.1	\$141.3	\$144.2	\$2.9
Automated Bus Lane Enforcement (ABLE) Violations						
	\$0.0	\$0.0	\$0.0	\$1.4	\$1.0	(\$0.4)
Peer-to-Peer Car Sharing Trip Tax						
	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Capital Program Funding from Lockbox Revenues						
Central Business District Tolling Program (CBDTP)	-	-	-	-	-	-
Real Property Transfer Tax Surcharge (Mansion)	26.0	27.1	1.1	129.9	130.7	0.8
Internet Marketplace Tax - State	12.9	12.9	(0.0)	64.0	63.9	(0.1)
Internet Marketplace Tax - City	14.6	14.6	(0.0)	72.5	72.5	(0.0)
Less: Debt Service on Lockbox Bonds	(10.9)	(14.6)	(3.7)	(54.4)	(49.1)	5.3
Less: Lockbox Allocated to PAYGO	(42.6)	(39.9)	2.6	(212.0)	(218.0)	(6.0)
	\$0.0	\$0.0	(\$0.0)	\$0.0	\$0.0	\$0.0
State and Local Subsidies						
State Operating Assistance	7.3	47.0	39.7	54.3	47.0	(7.3)
Local Operating Assistance	1.9	1.9	0.0	11.2	5.7	(5.5)
Station Maintenance	15.3	15.9	0.6	76.3	79.4	3.1
	\$24.5	\$64.8	\$40.3	\$141.8	\$132.1	(\$9.7)
Investment Income						
	\$0.0	(\$0.2)	(\$0.2)	\$0.1	\$6.1	\$6.0
Subtotal: Taxes & State and Local Subsidies						
	\$651.7	\$766.9	\$115.2	\$2,084.6	\$1,925.3	(\$159.3)
Other Funding Agreements						
City Subsidy for MTA Bus Company	43.2	54.0	10.8	215.9	242.3	26.4
City Subsidy for Staten Island Railway	5.5	4.7	(0.8)	22.8	32.7	9.9
CDOT Subsidy for Metro-North Railroad	20.9	21.0	0.1	106.6	114.6	8.0
	\$69.5	\$79.7	\$10.1	\$345.3	\$389.7	\$44.3
Subtotal, including Other Funding Agreements						
	\$721.3	\$846.6	\$125.3	\$2,429.9	\$2,315.0	(\$115.0)
Inter-agency Subsidy Transactions						
B&T Operating Surplus Transfer	94.9	127.2	32.3	370.3	503.9	133.6
	\$94.9	\$127.2	\$32.3	\$370.3	\$503.9	\$133.6
GROSS SUBSIDIES	816.2	973.8	157.6	2,800.2	2,818.8	18.6

METROPOLITAN TRANSPORTATION AUTHORITY
February Financial Plan - 2023 Adopted Budget
Consolidated Subsidies - Accrual Basis
May 2023

Variance Explanations

(\$ in millions)

Accrued Subsidies	Month		Year-to-Date		Explanations
	Variance \$	Variance %	Variance \$	Variance %	
Metropolitan Mass Transportation Operating Assistance (MIMTOA)	7.2	2.7%	7.2	2.7%	The favorable MIMTOA variance reflects the May allotment of an additional MIMTOA appropriation in NYS 2023-24 Enacted Budget. The Enacted Budget includes an additional \$75 million in MIMTOA for the year that was not reflected in the MTA 2023 Adopted Budget.
Petroleum Business Tax (PBT)	47.6	> 100%	3.1	1.3%	The accrual variances for the month and year-to-date were favorable to the budget primarily due to the timing of booking accruals by MTA Accounting.
Mortgage Recording Tax (b)-1 (Gross)	(14.1)	-42.2%	(69.7)	-41.7%	The variances were below the budget for the month and year-to-date due to lower-than-expected mortgage activity.
Mortgage Recording Tax (b)-2 (Gross)	(9.7)	-50.3%	(49.3)	-50.9%	The variances were below the budget for the month and year-to-date due to lower-than-expected mortgage activity.
Urban Tax	(11.1)	-26.6%	(58.5)	-28.1%	The unfavorable variances for the month and year-to-date were primarily due to lower-than-budgeted commercial real estate transactions in New York City.
Payroll Mobility Tax (PMT)	13.2	9.1%	(4.1)	-0.6%	The variance for the month was favorable to the budget, and year-to-date accrual variance was close to the budget.
Payroll Mobility Tax Replacement Funds	0.0	0.0%	0.0	0.0%	No PMT Replacement transactions were expected for the month. The year-to-date transactions were on target with the budget.
MTA Aid	37.1	0.0%	0.0	0.0%	The favorable accrual variance for the month was due to the timing of booking accruals by MTA Accounting. Year-to-date variance was on target.
For-Hire Vehicle Surcharge (FHV): Subway Action Plan Account	2.1	7.5%	2.9	2.0%	For-Hire Vehicle surcharge receipts for the month and year-to-date were above the budget.
Automated Bus Lane Enforcement (ABLE) Violations	0.0	0.0%	(0.4)	-28.9%	There were no Bus Lane Violation Transactions expected in May. The unfavorable year-to-date variance was due to the timing of receipts of payments.
Real Property Transfer Tax Surcharge (Mansion)	1.1	4.2%	0.8	0.6%	Real Property Transfer Tax Surcharge receipts for the month were slightly favorable, and year-to-date receipts were close to the budget.
Internet Marketplace Tax - State	(0.0)	0.0%	(0.1)	-0.2%	The transactions for the month and year-to-date were on target with the budget.
Internet Marketplace Tax - City	(0.0)	0.0%	(0.0)	0.0%	The transactions for the month and year-to-date were on target with the budget.
Less: Debt Service on Lockbox Bonds	(3.7)	34.1%	5.3	-9.7%	The variances were due to the timing of transfer of funds to pay debt service on lockbox bonds.
Less: Lockbox Allocated to PAYGO	2.6	-6.2%	(6.0)	2.8%	Transfer to Lockbox for PAYGO was lower than budgeted for the month, and year-to-date transfers were higher due to the amount of Real Property Transfer Tax Surcharge receipts in the operating account.
State Operating Assistance	39.7	> 100%	(7.3)	-13.5%	The variances for the month and year-to-date were due to timing of accruals by MTA Accounting.
Local Operating Assistance	0.0	1.9%	(5.5)	-49.4%	Variances for the month and year-to-date were due to the timing of transfers.
Station Maintenance	0.6	4.1%	3.1	4.1%	Station Maintenance transactions were favorable for the month and year-to-date due to timing of accruals.
Investment Income	(0.2)	> (100%)	6.0	> 100%	The variance was slightly unfavorable for the month, but year-to-date remain favorable due to better-than-expected investment returns due to higher rates.
City Subsidy for MTA Bus Company	10.8	25.1%	26.4	12.2%	Variance was mostly timing related. Drawdowns are related to the timing of cash obligations for MTA Bus.
City Subsidy for Staten Island Railway	(0.8)	-14.8%	9.9	43.6%	Variance was mostly timing related. Drawdowns are related to the timing of cash obligations for Staten Island Railway.
COOT Subsidy for Metro-North Railroad	0.1	0.4%	8.0	7.5%	The favorable variances for the month and year-to-date were favorable primarily due to timing.
B&T Operating Surplus Transfer	32.3	34.0%	133.6	36.1%	The favorable variances for the month and year-to-date variance were attributable to the timing of transfers.

METROPOLITAN TRANSPORTATION AUTHORITY
February Financial Plan - 2023 Adopted Budget
Consolidated Subsidies - Cash Basis
May 2023 Monthly
(\$ in millions)

	New York City Transit			Commuter Railroads			Staten Island Railway			MTA Bus Company			MTA Headquarters			TOTAL		
	Adopted Budget	Actual	Variance	Adopted Budget	Actual	Variance	Adopted Budget	Actual	Variance	Adopted Budget	Actual	Variance	Adopted Budget	Actual	Variance	Adopted Budget	Actual	Variance
MWTOA, PBT, Real Estate Taxes and Other																		
Metropolitan Mass Transportation Operating Assistance (MMTOA)	181.8	186.8	4.9	83.2	85.4	2.3	0.7	0.7	0.0	-	-	-	-	-	265.6	272.9	7.2	
Petroleum Business Tax (PBT)	38.3	36.7	(1.6)	6.8	6.5	(0.3)	-	-	-	-	-	-	-	-	45.0	43.2	(1.8)	
Mortgage Recording Tax (DJ-1 (Gross))	-	-	-	-	-	-	-	-	-	-	-	-	-	-	33.4	16.4	(17.0)	
Mortgage Recording Tax (DJ-2 (Gross))	-	-	-	-	-	-	-	-	-	-	-	-	-	-	19.4	8.8	(10.6)	
Other Mortgage Recording Tax (b) Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.9	2.9	-	
Urban Tax	41.7	21.4	(20.2)	-	-	-	-	-	-	-	-	-	-	-	41.7	21.4	(20.2)	
	\$261.8	\$244.9	(\$16.9)	\$89.9	\$91.9	\$2.0	\$0.7	\$0.7	\$0.0	-	-	-\$24.7	-\$28.0	-\$49.1	\$405.1	\$365.5	(\$39.6)	
PMT and MTA Aid																		
Payroll Mobility Tax (PMT)	76.8	86.7	9.9	23.0	22.2	(0.9)	-	-	-	-	-	-	-	-	45.0	49.1	4.1	
Payroll Mobility Tax Replacement Funds	34.2	34.2	-	14.7	14.7	-	-	-	-	-	-	-	-	-	48.9	48.9	-	
MTA Aid	\$111.0	\$120.9	\$9.9	\$37.7	\$36.8	(\$0.9)	-	-	-	-	-	-	-\$45.0	-\$49.1	\$193.7	\$206.9	\$13.2	
For-Hire Vehicle (FHV) Surcharge																		
Subway Action Plan Account	31.6	30.4	(1.2)	-	-	-	-	-	-	-	-	-	-	-	31.6	30.4	(1.2)	
Outerborough Transportation A/C (OBTA) Transfer to Operating Budget	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
General Transportation Account	\$31.6	\$30.4	(\$1.2)	-	-	-	-	-	-	-	-	-	-	-	\$31.6	\$30.4	(\$1.2)	
Automated Bus Lane Enforcement (ABLE) Violations																		
Peer-to-Peer Car Sharing Trip Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Capital Program Funding from Lockbox Revenues																		
Central Business District Tolling Program (CBDTP)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Real Property Transfer Tax Surcharge (Mansion)	20.8	21.6	0.9	5.2	5.4	0.2	-	-	-	-	-	-	-	-	26.0	27.1	1.1	
Internet Marketplace Tax - State	10.3	10.3	(0.0)	2.6	2.6	(0.0)	-	-	-	-	-	-	-	-	12.9	12.9	(0.0)	
Internet Marketplace Tax - City	11.7	11.7	(0.0)	2.9	2.9	0.0	-	-	-	-	-	-	-	-	14.6	14.6	(0.0)	
Less: Debt Service on Lockbox Bonds	(8.7)	(11.7)	(3.0)	(2.2)	(2.9)	(0.7)	-	-	-	-	-	-	-	-	(10.9)	(14.6)	(3.7)	
Less: Lockbox Allocated to PAYGO	(34.1)	(31.9)	2.1	(8.5)	(8.0)	0.5	-	-	-	-	-	-	-	-	(42.6)	(39.9)	2.6	
	\$0.0	-	(\$0.0)	(\$0.0)	-	\$0.0	-	-	-	-	-	-	-	-	\$0.0	-	(\$0.0)	
State and Local Subsidies																		
State Operating Assistance	39.5	39.5	(0.0)	7.3	7.3	0.0	0.1	0.2	0.0	-	-	-	-	-	47.0	47.0	(0.0)	
Local Operating Assistance	-	-	-	-	1.9	1.9	-	-	-	-	-	-	-	-	-	1.9	1.9	
Station Maintenance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	\$39.5	\$39.5	(\$0.0)	\$7.3	\$9.2	\$1.9	\$0.1	\$0.2	\$0.0	-	-	-	-	-	\$47.0	\$48.9	\$1.9	
Investment Income																		
Subsidy Adjustments	\$0.0	(\$0.5)	(\$0.5)	\$0.0	\$0.3	\$0.3	-	-	-	-	-	-	-	-	\$0.0	(\$0.2)	(\$0.2)	
Subtotal: Taxes & State and Local Subsidies	\$443.8	\$435.2	(\$8.6)	\$134.9	\$138.3	\$3.3	\$0.8	\$0.8	\$0.0	-	-	-\$97.8	\$77.2	(\$20.6)	\$677.3	\$651.5	(\$25.9)	
Other Funding Agreements																		
City Subsidy for MTA Bus Company	-	-	-	-	-	-	-	-	-	-	-	-	-	-	43.0	43.0	-	
City Subsidy for Staten Island Railway	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
CDOT Subsidy for Metro-North Railroad	-	-	-	21.7	0.5	(21.2)	-	-	-	-	-	-	-	-	21.7	0.5	(21.2)	
	\$443.8	\$435.2	(\$8.6)	\$156.6	\$138.8	(\$17.8)	\$0.8	\$0.8	\$0.0	-	-	-\$97.8	\$77.2	(\$20.6)	\$742.0	\$695.0	(\$47.0)	
Inter-agency Subsidy Transactions																		
B&T Operating Surplus Transfer	33.4	48.4	15.0	41.2	53.7	12.5	-	-	-	-	-	-	-	-	74.6	102.1	27.5	
	\$33.4	\$48.4	\$15.0	\$41.2	\$53.7	\$12.5	-	-	-	-	-	-	-	-	\$74.6	\$102.1	\$27.5	
GROSS SUBSIDIES	\$477.2	\$483.6	\$6.4	\$197.8	\$192.5	(\$5.4)	\$0.8	\$0.8	\$0.0	-	-	-\$97.8	\$77.2	(\$20.6)	\$816.6	\$797.1	(\$19.5)	

METROPOLITAN TRANSPORTATION AUTHORITY
February Financial Plan - 2023 Adopted Budget
 Consolidated Subsides - Cash Basis
 May 2023 Year-to-Date
 (\$ in millions)

	New York City Transit			Commuter Railroads			Staten Island Railway			MTA Bus Company			MTA Headquarters			TOTAL		
	Adopted Budget	Actual	Variance	Adopted Budget	Actual	Variance	Adopted Budget	Actual	Variance	Adopted Budget	Actual	Variance	Adopted Budget	Actual	Variance	Adopted Budget	Actual	Variance
MMTOA, PBT, Real Estate Taxes and Other																		
Metropolitan Mass Transportation Operating Assistance (MMTOA)	181.8	186.8	4.9	83.2	85.4	2.3	0.7	0.7	0.0	-	-	-	-	-	265.6	272.9	7.2	
Petroleum Business Tax (PBT)	210.6	216.0	5.4	37.2	38.1	0.9	-	-	-	-	-	-	-	-	247.8	254.1	6.3	
Mortgage Recording Tax (b)-1 (Gross)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	166.8	104.8	(62.0)	
Mortgage Recording Tax (b)-2 (Gross)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	96.9	48.7	(48.2)	
Other Mortgage Recording Tax (b) Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13.4	13.4	-	
Urban Tax	208.4	166.1	(42.3)	-	-	-	-	-	-	-	-	-	-	-	208.4	166.1	(42.3)	
	\$600.8	\$568.8	(\$32.0)	\$120.3	\$123.5	\$3.2	\$0.7	\$0.7	\$0.0	-	(\$96.8)	\$263.7	\$166.9	(\$96.8)	\$859.5	\$859.9	(\$125.6)	
PMT and MTA Aid																		
Payroll/Mobility Tax (PMT)	376.1	405.1	29.0	112.9	103.6	(9.2)	-	-	-	-	-	-	-	-	709.6	738.2	28.6	
Payroll/Mobility Tax Replacement Funds	34.2	34.2	-	14.7	14.7	-	-	-	-	-	-	-	-	-	48.9	48.9	-	
MTA Aid	45.1	45.1	(0.0)	19.3	19.3	(0.0)	-	-	-	-	-	-	-	-	64.4	64.4	(0.0)	
	\$455.4	\$484.3	\$28.9	\$146.8	\$137.6	(\$9.2)	-	-	-	-	(\$8.9)	\$220.6	\$229.5	(\$8.9)	\$822.8	\$851.4	\$28.6	
For-Hire Vehicle (FHV) Surcharge																		
Subway Action Plan Account	157.8	144.2	(13.6)	-	-	-	-	-	-	-	-	-	-	-	157.8	144.2	(13.6)	
Outerborough Transportation A/C (OBT) Transfer to Operating Budget	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
General Transportation Account	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	\$157.8	\$144.2	(\$13.6)	-	-	-	-	-	-	-	-	-	-	-	\$157.8	\$144.2	(\$13.6)	
Automated Bus Lane Enforcement (ABLE) Violations																		
ABLE Violations	\$1.4	\$1.0	(\$0.4)	-	-	-	-	-	-	-	-	-	-	-	\$1.4	\$1.0	(\$0.4)	
Peer-to-Peer Car Sharing Trip Tax																		
Peer-to-Peer Car Sharing Trip Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Capital Program Funding from Lockbox Revenues																		
Central Business District Tolling Program (CBDTP)	103.9	104.5	0.6	26.0	26.1	0.2	-	-	-	-	-	-	-	-	129.9	130.7	0.8	
Real Property Transfer Tax Surcharge (Mansion)	51.2	51.1	(0.1)	12.8	12.8	(0.0)	-	-	-	-	-	-	-	-	64.0	63.9	(0.1)	
Internet Marketplace Tax - State	58.0	58.0	(0.0)	14.5	14.5	(0.0)	-	-	-	-	-	-	-	-	72.5	72.5	(0.0)	
Internet Marketplace Tax - City	(43.5)	(39.3)	4.2	(10.9)	(9.8)	1.1	-	-	-	-	-	-	-	-	(54.4)	(49.1)	5.3	
Less: Debt Service on Lockbox Bonds	(169.6)	(174.4)	(4.8)	(42.4)	(43.6)	(1.2)	-	-	-	-	-	-	-	-	(212.0)	(218.0)	(6.0)	
Less: Lockbox Allocated to PAYGO	\$0.0	\$0.0	\$0.0	(\$0.0)	(\$0.0)	(\$0.0)	-	-	-	-	-	-	-	-	\$0.0	\$0.0	\$0.0	
State and Local Subsidies																		
State Operating Assistance	39.5	39.5	(0.0)	7.3	7.3	0.0	0.1	0.2	0.0	-	-	-	-	-	47.0	47.0	(0.0)	
Local Operating Assistance	-	-	-	7.3	15.3	8.0	-	-	-	-	-	-	-	-	7.3	15.3	8.0	
Station Maintenance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	\$39.5	\$39.5	(\$0.0)	\$14.6	\$22.6	\$8.0	\$0.1	\$0.2	\$0.0	-	-	-	-	-	\$54.3	\$62.3	\$8.0	
Investment Income																		
Investment Income	\$0.1	\$1.8	\$1.7	\$0.0	\$4.3	\$4.3	-	-	-	-	-	-	-	-	\$0.1	\$6.1	\$6.0	
Subsidy Adjustments																		
Subsidy Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	\$1,255.0	\$1,239.6	(\$15.4)	\$281.8	\$288.1	\$6.3	\$0.8	\$0.8	\$0.0	-	(\$87.9)	\$484.3	\$396.4	(\$87.9)	\$2,022.0	\$1,925.0	(\$97.0)	
Other Funding Agreements																		
City Subsidy for MTA Bus Company	-	-	-	-	-	-	-	-	-	-	-	215.0	223.8	8.8	215.0	223.8	8.8	
City Subsidy for Staten Island Railway	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
CDOT Subsidy for Metro-North Railroad	-	-	-	112.4	95.4	(16.9)	-	-	-	-	-	\$215.0	\$223.8	\$8.8	112.4	95.4	(16.9)	
	\$1,255.0	\$1,239.6	(\$15.4)	\$394.2	\$383.5	(\$10.7)	\$0.8	\$0.8	\$0.0	(\$87.9)	\$8.8	\$484.3	\$396.4	(\$87.9)	\$2,349.3	\$2,244.2	(\$105.1)	
Inter-agency Subsidy Transactions																		
B&T Operating Surplus Transfer	158.4	240.3	81.9	199.5	285.8	86.3	-	-	-	-	-	-	-	-	357.9	526.1	168.2	
	\$158.4	\$240.3	\$81.9	\$199.5	\$285.8	\$86.3	-	-	-	-	-	-	-	-	\$357.9	\$526.1	\$168.2	
GROSS SUBSIDIES	\$1,413.5	\$1,479.9	\$66.5	\$593.7	\$669.3	\$75.6	\$0.8	\$0.8	\$0.0	\$8.8	(\$87.9)	\$484.3	\$396.4	(\$87.9)	\$2,707.2	\$2,770.3	\$63.0	

METROPOLITAN TRANSPORTATION AUTHORITY
February Financial Plan - 2023 Adopted Budget
Consolidated Subsidies - Cash Basis

May 2023

Variance Explanations

(\$ in millions)

Cash Subsidies	Month		Year-to-Date		Explanations
	Variance \$	Variance %	Variance \$	Variance %	
Metropolitan Mass Transportation Operating Assistance (MMTOA)	7.2	2.7%	7.2	2.7%	The favorable MMTOA variances for the month and YTD reflect the May allocation of an additional appropriation in NYS 2023-24 Enacted Budget. The Enacted Budget includes an additional \$7.5 million in MMTOA for the year that was not reflected in the MTA 2023 Adopted Budget.
Petroleum Business Tax (PBT)	(1.8)	-4.1%	6.3	2.5%	The unfavorable cash variances for the month were primarily due to the timing. The year-to-date results were favorable to the budget.
Mortgage Recording Tax (b)-1 (Gross)	(17.0)	-50.9%	(62.0)	-37.1%	The variances were below the budget for the month and year-to-date due to lower-than-expected mortgage activity.
Mortgage Recording Tax (b)-2 (Gross)	(10.6)	-54.7%	(48.2)	-49.8%	The variances were below the budget for the month and year-to-date due to lower-than-expected mortgage activity.
Urban Tax	(20.2)	-48.6%	(42.3)	-20.3%	The unfavorable variances for the month and year-to-date were primarily due to lower-than-budgeted commercial real estate transactions in New York City.
Payroll Mobility Tax (PMT)	13.2	9.1%	28.6	4.0%	Payroll Mobility Tax cash receipts were better than the budget for the month and year-to-date.
Payroll Mobility Tax Replacement Funds	0.0	0.0%	0.0	0.0%	No PMT Replacement cash receipts were expected for the month, and year-to-date receipts were on target with the budget.
MTA Aid	0.0	0.0%	(0.0)	-0.1%	MTA Aid cash receipts for the year were on target with the budget.
For-Hire Vehicle Surcharge (FHV): Subway Action Plan Account	(1.2)	-3.7%	(13.6)	-8.6%	The cash variances for the month and YTD were unfavorable to the budget due to lower-than-expected surcharge receipts.
Automated Bus Lane Enforcement (ABLE) Violations	0.0	0.0%	(0.4)	-28.9%	There were no Bus Lane Violation transactions expected in May. The unfavorable year-to-date variance was due to the timing of receipts of payments.
Real Property Transfer Tax Surcharge (Mansion)	1.1	4.2%	0.8	0.6%	Real Property Transfer Tax Surcharge receipts for the month were favorable, and year-to-date receipts were on target with the budget.
Internet Marketplace Tax - State	(0.0)	0.0%	(0.1)	-0.2%	The cash receipts were on target with the budget for the month and year-to-date.
Internet Marketplace Tax - City	(0.0)	0.0%	(0.0)	0.0%	The cash receipts were on target with the budget for the month and year-to-date.
Less: Debt Service on Lockbox Bonds	(3.7)	34.1%	5.3	-9.7%	The variances were due to the timing of transfer of funds to pay debt service on lockbox bonds.
Less: Lockbox Allocated to PAYGO	2.6	-6.2%	(6.0)	2.8%	Transfer to Lockbox for PAYGO was lower than budgeted for the month, and year-to-date transfers were higher due to favorable Real Property Transfer Tax Surcharge revenues in the operating account.
State Operating Assistance	(0.0)	0.0%	(0.0)	0.0%	No State Operating Assistance-18b receipts were expected for the month, and year-to-date receipts were on target with the budget.
Local Operating Assistance	1.9	>100%	8.0	>100%	The favorable variance for the month and YTD were primarily due to timing of receipt of payments.
Station Maintenance	0.0	0.0%	0.0	0.0%	No receipts were expected in May or YTD.
Investment Income	(0.2)	>(100%)	6.0	>100%	The variance was slightly unfavorable for the month, but year-to-date was favorable due to better-than-expected investment returns due to higher rates.
City Subsidy for MTA Bus Company	0.0	0.0%	8.8	4.1%	Year-to-date variance was mostly timing related. Drawdowns are related to the timing of cash obligations for MTA Bus
City Subsidy for Staten Island Railway	0.0	0.0%	0.0	0.0%	No receipts were expected in April. YTD receipts were on target with the budget.
CDOT Subsidy for Metro-North Railroad	(21.2)	-97.6%	(16.9)	-15.1%	The unfavorable variances for the month and year-to-date were primarily due to timing.
B&T Operating Surplus Transfer	27.5	36.9%	168.2	47.0%	The favorable variances for the month and year-to-date variance were attributable to the timing of transfers.

**METROPOLITAN TRANSPORTATION AUTHORITY
FEBRUARY FINANCIAL PLAN - 2023 Adopted Budget**

Debt Service

May 2023 Year-to-Date

(\$ in millions)

	Adopted Budget	Actual	Variance	% Var	
<i>Dedicated Tax Fund:</i>					
NYC Transit	\$111.1	\$90.5	\$20.6		
Commuter Railroads	22.7	14.8	7.9		
Dedicated Tax Fund Subtotal	\$133.8	\$105.3	\$28.5	21.3%	Savings from interest pre-payment.
<i>MTA Transportation Revenue:</i>					
NYC Transit	\$375.2	\$345.8	\$29.5		
Commuter Railroads	267.1	250.0	17.1		
MTA Bus	8.8	0.5	8.2		
SIRTOA	2.5	0.1	2.4		
MTA Transportation Revenue Subtotal	\$653.7	\$596.4	\$57.2	8.8%	Savings from interest pre-payment and refundings.
<i>PMT Bonds:</i>					
NYC Transit	\$58.8	\$73.1	(\$14.3)		
Commuter Railroads	80.4	68.3	12.1		
MTA Bus Company	4.0	1.7	2.3		
SIRTOA	3.7	2.4	1.3		
PMT Bond Subtotal	\$146.8	\$145.4	\$1.4	0.9%	
<i>2 Broadway COPs:</i>					
NYC Transit	\$1.6	\$0.2	\$1.4		
Bridges & Tunnels	0.2	0.0	0.2		
MTA HQ	0.0	0.0	0.0		
Commuter Railroads	0.5	0.1	0.4		
2 Broadway COPs Subtotal	\$2.3	\$0.3	\$2.0	85.9%	
<i>TBTA General Resolution:</i>					
NYC Transit	\$75.2	\$69.3	\$5.9		
Commuter Railroads	33.5	30.8	2.6		
Bridges & Tunnels	166.4	157.2	9.2		
TBTA General Resolution Subtotal	\$275.0	\$257.3	\$17.7	6.4%	Refunding Savings.
<i>TBTA Subordinate:</i>					
NYC Transit	\$24.5	\$19.0	\$5.5		
Commuter Railroads	12.7	9.8	2.8		
Bridges & Tunnels	6.4	4.9	1.4		
TBTA Subordinate Subtotal	\$43.5	\$33.7	\$9.8	22.5%	Refunding savings.
TBTA 2nd Subordinate Subtotal	\$5.4	\$0.0	\$5.4	100.0%	
<i>Debt Service Secured by Lockbox Revenues:</i>					
NYC Transit	\$0.0	\$0.0	\$0.0		
Commuter Railroads	0.0	0.0	0.0		
MTA Bus	0.0	0.0	0.0		
SIRTOA	0.0	0.0	0.0		
Debt Service Secured by Lockbox Revs	\$0.0	\$0.0	\$0.0	0.0%	

Total Debt Service	\$1,260.5	\$1,138.5	\$121.9	9.7%	
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<i>Debt Service by Agency:</i>					
NYC Transit	\$646.4	\$597.8	\$48.5		
Commuter Railroads	416.8	373.8	43.0		
MTA Bus	12.8	2.2	10.5		
SIRTOA	6.2	2.5	3.6		
Bridges & Tunnels	178.4	162.1	16.2		
MTAHQ	0.0	0.0	0.0		
Total Debt Service	\$1,260.5	\$1,138.5	\$121.9	9.7%	

Notes:

(1) Forecasted debt service is calculated based upon projected monthly deposits from available pledged revenues into debt service accounts. Actual payments to bondholders are made from the debt service accounts when due as required for each series of bonds and do not conform to this schedule.

(2) Generally, the calendarization of monthly debt service deposits is calculated by dividing projected annual debt service by 12. Month to month variations ("timing differences") on the existing debt portfolio can occur based upon, among other things, (a) for all bonds, the date when income from the securities in which the debt service accounts are invested becomes available varies, (b) for variable rate financings, differences between (i) the budgeted interest rate and the actual interest rate, (ii) projected interest payment dates to bondholders and actual interest payment dates to bondholders, and (iii) projected monthly funding dates for accrued debt service and actual funding dates, (c) for transactions with swaps, the difference between when MTA/TBTA funds debt service and the receipt of the corresponding swap payment by the counterparty, and difference between rates received and rates paid and (d) for commercial paper, the interest payment date is the date of the maturity of the commercial paper and the dealers set the term of the commercial paper from 1 to 270 days, which is not foreseeable at the time the annual debt service budgets are prepared.

(3) Debt service is allocated among Transit, Commuter, MTA Bus, and TBTA categories based on actual spending of bond proceeds for approved capital projects. Allocation of 2 Broadway COPs is based on occupancy.

Totals may not add due to rounding

**METROPOLITAN TRANSPORTATION AUTHORITY
FEBRUARY FINANCIAL PLAN - 2023 Adopted Budget**

**Debt Service
May 2023 Monthly
(\$ in millions)**

	Adopted Budget	Actual	Variance	% Var	
<i>Dedicated Tax Fund:</i>					
NYC Transit	\$8.6	\$2.7	\$6.0		
Commuter Railroads	0.9	0.4	0.5		
Dedicated Tax Fund Subtotal	\$9.5	\$3.1	\$6.4	67.3%	Savings from interest pre-payment.
<i>MTA Transportation Revenue:</i>					
NYC Transit	\$61.2	\$16.8	\$44.4		Reversal of April timing variance related to pre-funding of interest through May 15, and savings from interest pre-payment and refundings.
Commuter Railroads	48.3	12.1	36.2		
MTA Bus	1.7	0.1	1.6		
SIRTOA	0.5	0.0	0.5		
MTA Transportation Revenue Subtotal	\$111.7	\$29.1	\$82.7	74.0%	
<i>PMT Bonds:</i>					
NYC Transit	\$7.4	\$9.4	(\$2.0)		Savings from interest pre-payment partially offset by timing of issuing refunding bonds.
Commuter Railroads	9.8	7.1	2.7		
MTA Bus Company	0.5	0.1	0.4		
SIRTOA	0.4	0.2	0.2		
PMT Bond Subtotal	\$18.1	\$16.8	\$1.3	7.0%	
<i>2 Broadway COPs:</i>					
NYC Transit	\$0.3	\$0.0	\$0.3		
Bridges & Tunnels	0.0	0.0	0.0		
MTA HQ	0.0	0.0	0.0		
Commuter Railroads	0.1	0.0	0.1		
2 Broadway COPs Subtotal	\$0.5	\$0.1	\$0.4	86.1%	
<i>TBTA General Resolution:</i>					
NYC Transit	\$15.0	\$7.1	\$8.0		Reversal of April timing variance related to pre-funding of interest through May 15 and refunding savings.
Commuter Railroads	6.7	3.1	3.6		
Bridges & Tunnels	30.0	16.0	14.0		
TBTA General Resolution Subtotal	\$51.7	\$26.2	\$25.5	49.3%	
<i>TBTA Subordinate:</i>					
NYC Transit	\$4.9	\$3.8	\$1.1		Reversal of April timing variance related to pre-funding of interest through May 15 and refunding savings.
Commuter Railroads	2.5	2.0	0.6		
Bridges & Tunnels	1.3	1.0	0.3		
TBTA Subordinate Subtotal	\$8.7	\$6.7	\$2.0	22.5%	
TBTA 2nd Subordinate Subtotal	\$1.1	\$0.0	\$1.1	100.0%	
<i>Debt Service Secured by Lockbox Revenues:</i>					
NYC Transit	\$0.0	\$0.0	\$0.0		
Commuter Railroads	0.0	0.0	0.0		
MTA Bus	0.0	0.0	0.0		
SIRTOA	0.0	0.0	0.0		
Debt Service Secured by Lockbox Revs	\$0.0	\$0.0	\$0.0	0.0%	
Total Debt Service	\$201.3	\$82.0	\$119.3	59.3%	

<i>Debt Service by Agency:</i>					
NYC Transit	\$97.5	\$39.8	\$57.7		
Commuter Railroads	68.3	24.8	43.6		
MTA Bus	2.2	0.2	2.0		
SIRTOA	0.9	0.2	0.7		
Bridges & Tunnels	32.3	17.0	15.4		
MTAHQ	0.0	0.0	0.0		
Total Debt Service	\$201.3	\$82.0	\$119.3	59.3%	

Notes:

(1) Forecasted debt service is calculated based upon projected monthly deposits from available pledged revenues into debt service accounts. Actual payments to bondholders are made from the debt service accounts when due as required for each series of bonds and do not conform to this schedule.

(2) Generally, the calendarization of monthly debt service deposits is calculated by dividing projected annual debt service by 12. Month to month variations ("timing differences") on the existing debt portfolio can occur based upon, among other things, (a) for all bonds, the date when income from the securities in which the debt service accounts are invested becomes available varies, (b) for variable rate financings, differences between (i) the budgeted interest rate and the actual interest rate, (ii) projected interest payment dates to bondholders and actual interest payment dates to bondholders, and (iii) projected monthly funding dates for accrued debt service and actual funding dates, (c) for transactions with swaps, the difference between when MTA/TBTA funds debt service and the receipt of the corresponding swap payment by the counterparty, and difference between rates received and rates paid and (d) for commercial paper, the interest payment date is the date of the maturity of the commercial paper and the dealers set the term of the commercial paper from 1 to 270 days, which is not foreseeable at the time the annual debt service budgets are prepared.

(3) Debt service is allocated among Transit, Commuter, MTA Bus, and TBTA categories based on actual spending of bond proceeds for approved capital projects. Allocation of 2 Broadway COPs is based on occupancy.

Totals may not add due to rounding.

METROPOLITAN TRANSPORTATION AUTHORITY
February Financial Plan - 2023 Adopted Budget
Total Positions by Function and Agency
May 2023

Function/Agency	Adopted Budget	Actual	Variance Favorable/ (Unfavorable)
Administration	4,374	3,605	769
NYC Transit	977	696	281
Long Island Rail Road	488	425	63
Grand Central Madison Operating Company	-	3	(3)
Metro-North Railroad	480	414	66
Bridges & Tunnels	77	47	30
Headquarters	2,148	1,838	310
Staten Island Railway	25	20	5
Construction & Development	66	85	(19)
Bus Company	113	77	36
Operations	31,449	30,444	1,006
NYC Transit	23,524	22,815	709
Long Island Rail Road	2,808	2,754	54
Grand Central Madison Operating Company	-	-	-
Metro-North Railroad	2,187	2,106	81
Bridges & Tunnels	167	97	70
Headquarters	-	-	-
Staten Island Railway	152	137	15
Construction & Development	-	-	-
Bus Company	2,611	2,534	77
Maintenance	33,384	31,564	1,820
NYC Transit	23,002	21,943	1,059
Long Island Rail Road	4,558	4,355	203
Grand Central Madison Operating Company	-	-	-
Metro-North Railroad	4,067	3,717	350
Bridges & Tunnels	388	333	55
Headquarters	-	-	-
Staten Island Railway	226	189	37
Construction & Development	-	-	-
Bus Company	1,143	1,027	116
Engineering/Capital	1,847	1,618	229
NYC Transit	1,240	917	323
Long Island Rail Road	208	157	51
Grand Central Madison Operating Company	-	-	-
Metro-North Railroad	63	62	1
Bridges & Tunnels	158	125	33
Headquarters	-	-	-
Staten Island Railway	6	6	-
Construction & Development	146	329	(183)
Bus Company	26	22	4
Public Safety	2,776	2,231	545
NYC Transit	732	583	149
Long Island Rail Road	-	-	-
Grand Central Madison Operating Company	-	-	-
Metro-North Railroad	-	-	-
Bridges & Tunnels	585	419	166
Headquarters	1,446	1,218	228
Staten Island Railway	-	-	-
Construction & Development	-	-	-
Bus Company	13	11	2
Total Positions	73,830	69,462	4,368

Note: Totals may differ due to rounding
Positions data as of June 14, 2023 and are subject to revision as well as adjustments warranted by annual audit review.

METROPOLITAN TRANSPORTATION AUTHORITY
February Financial Plan - 2023 Adopted Budget
Total Positions by Function and Agency
May 2023

Category	Adopted Budget	Actual	Variance Favorable/ (Unfavorable)
Total Positions	73,830	69,462	4,368
NYC Transit	49,475	46,954	2,521
Long Island Rail Road	8,062	7,691	371
Grand Central Madison Operating Company	-	3	(3)
Metro-North Railroad	6,797	6,300	497
Bridges & Tunnels	1,375	1,021	354
Headquarters	3,594	3,056	538
Staten Island Railway	409	352	57
Construction & Development	212	414	(202)
Bus Company	3,906	3,671	235
Non-reimbursable	66,522	63,606	2,916
NYC Transit	44,679	43,224	1,454
Long Island Rail Road	6,909	6,620	290
Grand Central Madison Operating Company	-	3	(3)
Metro-North Railroad	5,934	5,895	39
Bridges & Tunnels	1,244	890	354
Headquarters	3,501	2,986	515
Staten Island Railway	355	336	19
Construction & Development	32	15	17
Bus Company	3,868	3,637	231
Reimbursable	7,308	5,856	1,452
NYC Transit	4,796	3,730	1,066
Long Island Rail Road	1,153	1,072	81
Grand Central Madison Operating Company	-	-	-
Metro-North Railroad	863	405	458
Bridges & Tunnels	131	131	-
Headquarters	93	70	23
Staten Island Railway	54	16	38
Construction & Development	180	399	(219)
Bus Company	38	34	4
Total Full Time	73,643	69,289	4,354
NYC Transit	49,307	46,797	2,510
Long Island Rail Road	8,062	7,691	371
Grand Central Madison Operating Company	-	3	(3)
Metro-North Railroad	6,796	6,299	497
Bridges & Tunnels	1,375	1,021	354
Headquarters	3,594	3,056	538
Staten Island Railway	409	352	57
Construction & Development	212	414	(202)
Bus Company	3,888	3,656	232
Total Full-Time Equivalents	187	173	14
NYC Transit	168	157	11
Long Island Rail Road	-	-	-
Grand Central Madison Operating Company	-	-	-
Metro-North Railroad	1	1	-
Bridges & Tunnels	-	-	-
Headquarters	-	-	-
Staten Island Railway	-	-	-
Construction & Development	-	-	-
Bus Company	18	15	3

Note: Totals may differ due to rounding
Positions data as of June 14, 2023 and are subject to revision as well as adjustments
warranted by annual audit review.

METROPOLITAN TRANSPORTATION AUTHORITY
February Financial Plan - 2023 Adopted Budget
Total Positions by Function and Occupational Group
May 2023

FUNCTION/OCCUPATIONAL GROUP	Adopted Budget	Actual	Variance Favorable/ (Unfavorable)
Administration	4,374	3,605	769
Managers/Supervisors	1,586	1,334	252
Professional, Technical, Clerical	2,736	2,227	508
Operational Hourlies	52	44	8
Operations	31,449	30,444	1,006
Managers/Supervisors	4,017	3,626	391
Professional, Technical, Clerical	997	837	160
Operational Hourlies	26,435	25,980	455
Maintenance	33,384	31,564	1,820
Managers/Supervisors	6,084	5,680	404
Professional, Technical, Clerical	1,927	1,563	364
Operational Hourlies	25,373	24,321	1,052
Engineering/Capital	1,847	1,618	229
Managers/Supervisors	534	584	(50)
Professional, Technical, Clerical	1,311	1,032	279
Operational Hourlies	2	2	-
Public Safety	2,776	2,231	545
Managers/Supervisors	783	510	273
Professional, Technical, Clerical	149	180	(31)
Operational Hourlies	1,844	1,541	303
Total Positions	73,830	69,462	4,368
Managers/Supervisors	13,004	11,734	1,270
Professional, Technical, Clerical	7,119	5,839	1,280
Operational Hourlies	53,706	51,889	1,818

Note: Totals may differ due to rounding
Positions data as of June 14, 2023 and are subject to revision as well as adjustments
warranted by annual audit review.

METROPOLITAN TRANSPORTATION AUTHORITY
Farebox Recovery and Operating Ratios
2023 Adopted Budget and Actuals

FAREBOX RECOVERY RATIOS

	2023 Adopted Budget Full Year	2023 Actual May YTD
New York City Transit	23.7%	25.8%
Staten Island Railway	4.6%	4.2%
Long Island Rail Road	15.4%	16.4%
Metro-North Railroad	23.3%	25.0%
MTA Bus Company	15.9%	18.6%
MTA Total Agency Average	21.7%	23.7%

FAREBOX OPERATING RATIOS

	2023 Adopted Budget Full Year	2023 Actual May YTD
New York City Transit	34.7%	35.2%
Staten Island Railway	7.6%	7.9%
Long Island Rail Road	24.9%	28.2%
Metro-North Railroad	33.5%	35.0%
MTA Bus Company	20.4%	21.1%
MTA Total Agency Average	32.0%	33.3%

Farebox recovery ratio has a long-term focus. It includes costs that are not funded in the current year, except in an accounting-ledger sense, but are, in effect, passed on to future years. Those costs include depreciation and interest on long-term debt. Approximately 20% (and sometimes more) of MTA costs are not recovered in the current year from farebox revenues, other operating revenues or subsidies. That is why MTA operating statements generally show deficits. In addition, the recovery ratio allocates centralized MTA services to the Agencies, such as Security, the costs of the Inspector General, Civil Rights, Audit, Risk Management, Legal and Shared Services.

Farebox operating ratio focuses on Agency operating financial performance. It reflects the way MTA meets its statutory and bond-covenant budget-balancing requirements, and it excludes certain costs that are not subject to Agency control, but are provided centrally by the MTA.

In the agenda materials for the Meeting of the Metro-North and Long Island Committees, the calculations of the farebox operating and recovery ratios for the LIRR and MNR use a revised methodology to put the railroads on a more comparable basis. Those statistics, which are included in the respective financial and ridership reports of both Agencies, differ from the statistics presented in this table.



Metropolitan Transportation Authority

State of New York

New York City Transit
Long Island Rail Road
Metro-North Railroad
Bridges and Tunnels
Bus Company

Report on Revenue Passengers and Vehicles Ridership Data Through April, 2023

NOTE: Ridership data are preliminary and subject to revision as well as adjustments warranted by annual audit review.

Prepared by:
MTA Division of Management & Budget

Monday, June 5, 2023

Revenue Passengers in April

	2021	2022	% Change	2023	% Change
MTA New York City Transit					
MTA New York City Subway	78,246,327	112,422,887	43.68%	122,920,479	9.34%
MTA New York City Bus	53,236,649	83,458,044	56.77%	94,256,987	12.94%
	25,009,678	28,964,843	15.81%	28,663,492	-1.04%
MTA Staten Island Railway	108,921	160,878	47.70%	172,131	6.99%
MTA Long Island Rail Road	2,199,648	4,170,715	89.61%	4,988,126	19.60%
MTA Metro-North Railroad					
East of Hudson	1,887,715	3,941,431	108.79%	4,744,572	20.38%
Harlem Line	1,853,507	3,846,458	107.52%	4,664,348	21.26%
Hudson Line	604,696	1,223,332	102.31%	1,457,423	19.14%
New Haven Line	405,149	806,510	99.06%	959,531	18.97%
West of Hudson	843,662	1,816,615	115.32%	2,247,394	23.71%
Port Jervis Line	34,208	94,973	177.63%	80,224	-15.53%
Pascack Valley Line	20,955	51,912	147.73%	42,713	-17.72%
	13,253	43,061	224.92%	37,511	-12.89%
MTA Bus Company	5,470,547	6,927,147	26.63%	6,971,041	0.63%
MTA Bridges & Tunnels	24,896,449	27,396,543	10.04%	27,430,634	0.12%
Total All Agencies	87,913,158	127,623,057	45.17%	139,796,349	9.54%
(Excludes Bridges & Tunnels)					
Weekdays:	22	21		20	
Holidays:	0	0		0	
Weekend Days:	8	9		10	
Days	30	30		30	

Revenue Passengers Year-to-Date Through April

	2021	2022	% Change	2023	% Change
MTA New York City Transit					
MTA New York City Subway	274,060,743	412,063,079	50.35%	484,198,934	17.51%
MTA New York City Bus	184,925,929	304,330,168	64.57%	368,766,676	21.17%
	89,134,814	107,732,911	20.87%	115,432,258	7.15%
MTA Staten Island Railway	358,836	638,282	77.88%	724,130	13.45%
MTA Long Island Rail Road	7,608,659	14,472,345	90.21%	19,152,773	32.34%
MTA Metro-North Railroad					
East of Hudson					
Harlem Line	6,314,677	13,079,067	107.12%	18,033,236	37.88%
Hudson Line	6,184,475	12,857,250	107.90%	17,727,376	37.88%
New Haven Line	2,043,135	4,172,639	104.23%	5,595,641	34.10%
West of Hudson					
Port Jervis Line	1,337,602	2,629,314	96.57%	3,566,359	35.64%
Pascack Valley Line	2,803,738	6,055,297	115.97%	8,565,376	41.45%
	130,202	221,817	70.36%	305,860	37.89%
	83,972	130,169	55.01%	162,806	25.07%
	46,230	91,648	98.24%	143,054	56.09%
MTA Bus Company	19,492,520	25,887,699	32.81%	28,311,671	9.36%
MTA Bridges & Tunnels	88,502,358	100,238,891	13.26%	105,043,023	4.79%
Total All Agencies	307,835,434	466,140,471	51.43%	550,420,744	18.08%
(Excludes Bridges & Tunnels)					
Weekdays:	83	83		83	
Holidays:	3	2		2	
Weekend Days:	34	35		35	
Days	120	120		120	

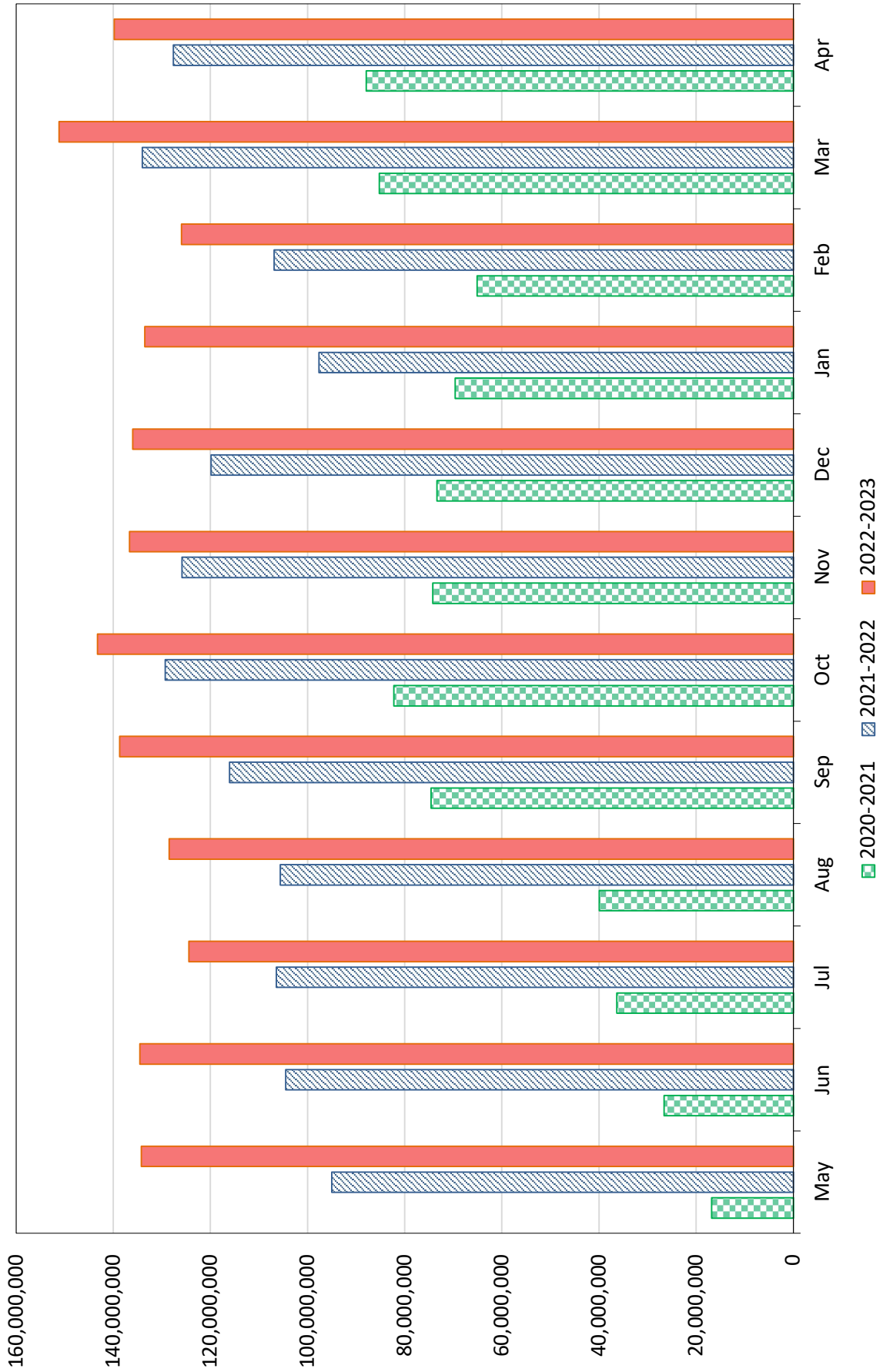
12 Month Average Revenue Passengers in April

	2021	2022	% Change	2023	% Change
MTA New York City Transit					
MTA New York City Subway	54,406,349	100,822,721	85.31%	119,052,388	18.08%
MTA New York City Bus	39,140,317	73,281,747	87.23%	89,820,889	22.57%
	15,266,032	27,540,974	80.41%	29,231,500	6.14%
MTA Staten Island Railway	73,497	145,598	98.10%	174,583	19.91%
MTA Long Island Rail Road	1,714,957	3,490,371	103.53%	4,768,413	36.62%
MTA Metro-North Railroad					
East of Hudson					
Harlem Line	1,415,074	3,123,867	120.76%	4,483,954	43.54%
Hudson Line	1,384,072	3,064,571	121.42%	4,402,465	43.66%
New Haven Line	460,931	973,821	111.27%	1,367,893	40.47%
West of Hudson	305,331	639,737	109.52%	912,571	42.65%
Port Jervis Line	617,810	1,451,013	134.86%	2,122,001	46.24%
Pascack Valley Line	31,002	59,295	91.26%	81,489	37.43%
	20,257	36,646	80.91%	46,893	27.96%
	10,745	22,649	110.78%	34,597	52.75%
MTA Bus Company	3,373,280	6,485,554	92.26%	7,085,423	9.25%
MTA Bridges & Tunnels	21,926,001	26,586,555	21.26%	27,592,329	3.78%
Total All Agencies	60,983,157	114,068,110	87.05%	135,564,761	18.85%
(Excludes Bridges & Tunnels)					
Weekdays:	22	21		20	
Holidays:	0	0		0	
Weekend Days:	8	9		10	
Days	30	30		30	

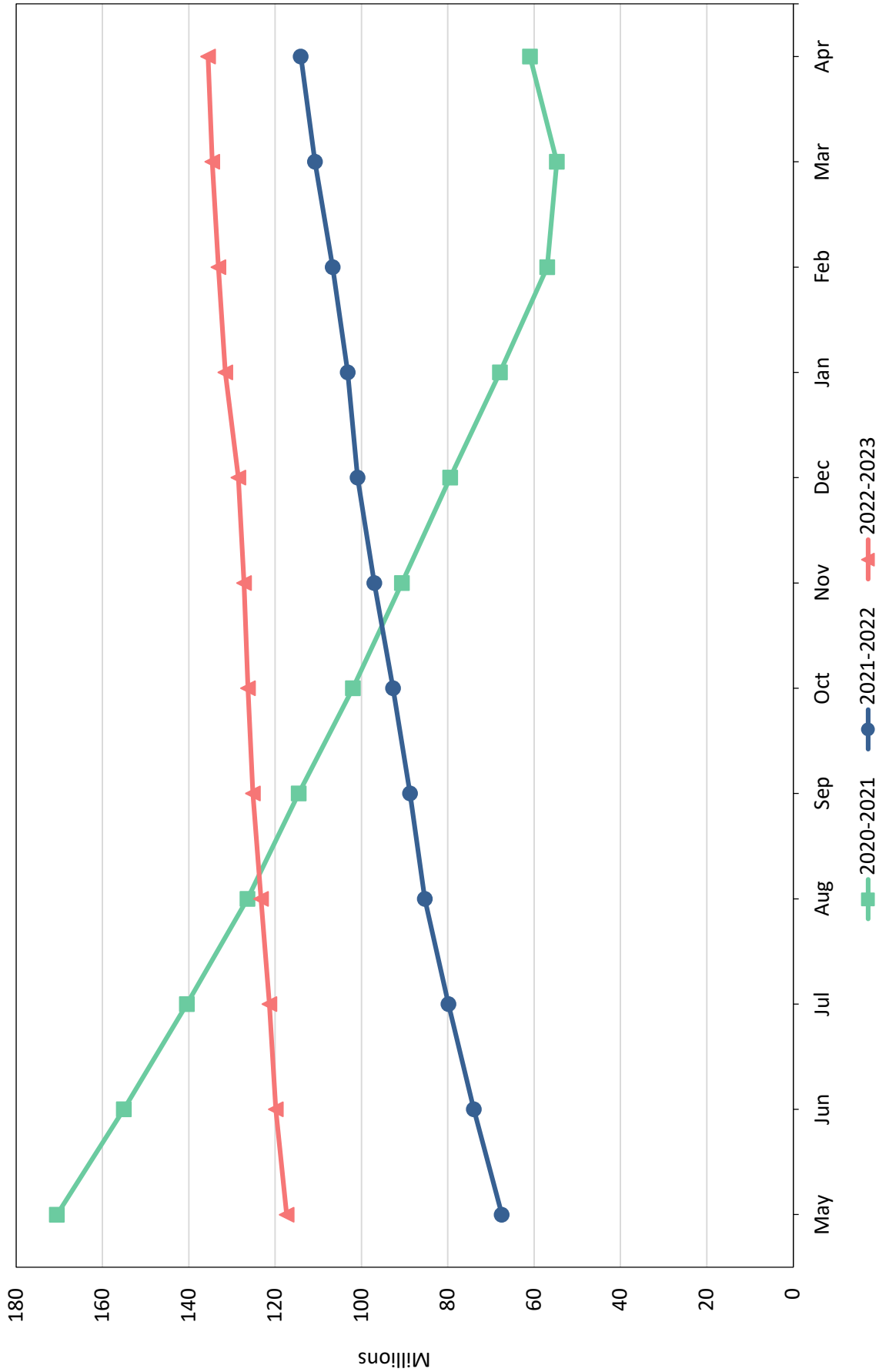
Average Weekday Revenue Passengers in April

	2021	2022	% Change	2023	% Change
MTA New York City Transit					
MTA New York City Subway	2,921,908	4,281,949	46.55%	4,784,174	11.73%
MTA New York City Bus	1,984,839 937,069	3,169,427 1,112,522	59.68% 18.72%	3,659,136 1,125,038	15.45% 1.13%
MTA Staten Island Railway	4,715	7,181	52.28%	7,772	8.23%
MTA Long Island Rail Road	80,959	173,210	113.95%	215,797	24.59%
MTA Metro-North Railroad East of Hudson					
Harlem Line	69,792	151,442	116.99%	186,985	23.47%
Hudson Line	67,931	147,983	117.84%	182,675	23.44%
New Haven Line	22,470	47,736	112.44%	57,940	21.37%
West of Hudson	14,759	30,807	108.74%	37,214	20.80%
Port Jervis Line	30,702	69,439	126.17%	87,522	26.04%
Pascack Valley Line	1,861 1,189 672	3,459 1,996 1,464	85.89% 67.88% 117.73%	4,309 2,471 1,838	24.57% 23.84% 25.57%
MTA Bus Company	207,195	270,867	30.73%	280,251	3.46%
MTA Bridges & Tunnels	853,935	927,646	8.63%	939,270	1.25%
Total All Agencies	3,284,570	4,884,649	48.72%	5,474,978	12.09%
<small>(Excludes Bridges & Tunnels)</small>					
Weekdays:	22	21		20	
Holidays:	0	0		0	
Weekend Days:	8	9		10	
Days	30	30		30	

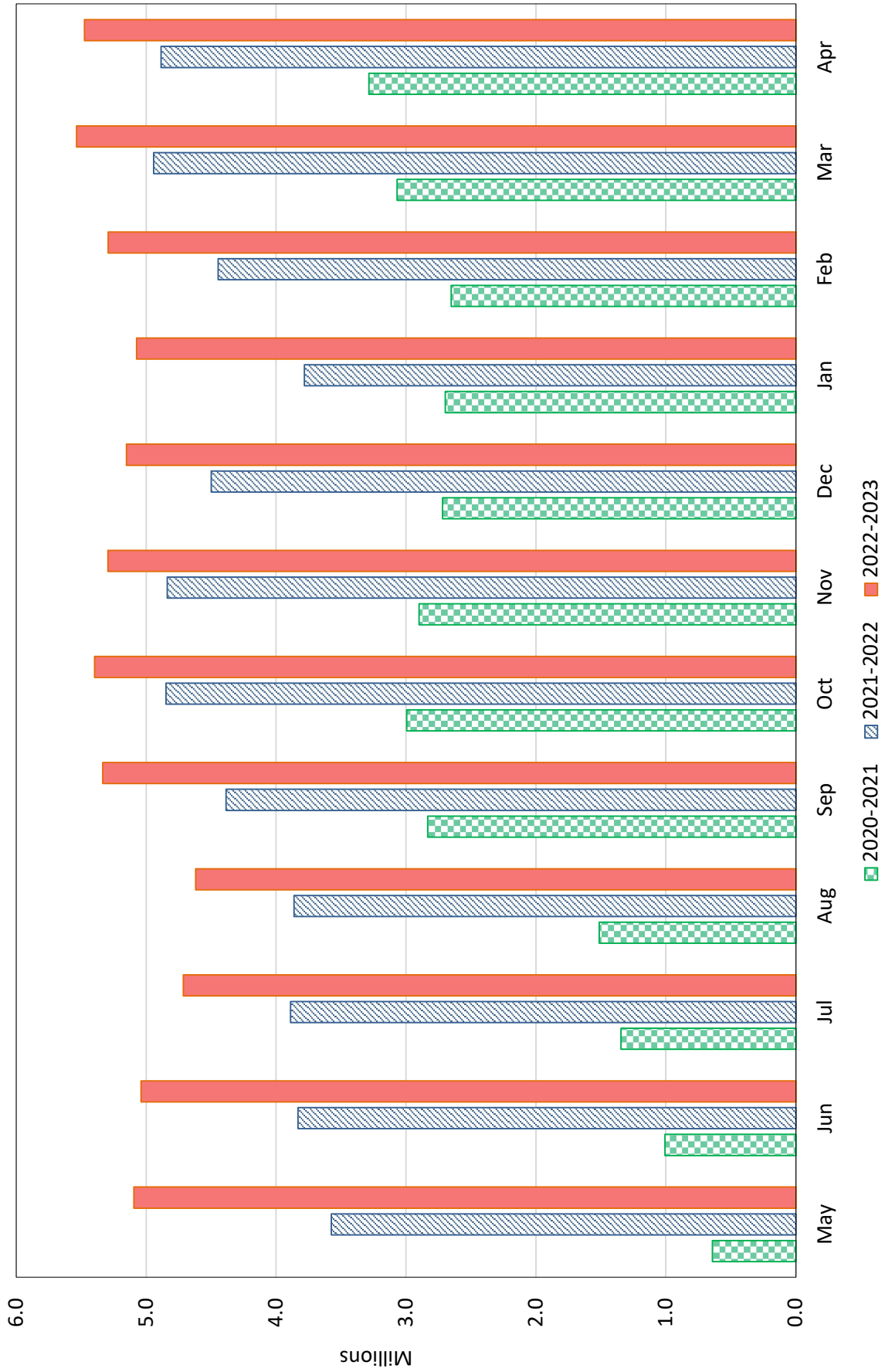
Metropolitan Transportation Authority Revenue Passengers



Metropolitan Transportation Authority Revenue Passengers - 12 Month Averages



Metropolitan Transportation Authority Average Weekday Passengers



Metropolitan Transportation Authority

Revenue Passengers	2020-2021	2021-2022	% Change	2022-2023	% Change
May	16,775,123	94,999,393	466.31%	134,241,949	41.31%
June	26,571,727	104,488,753	293.23%	134,511,524	28.73%
July	36,325,814	106,438,208	193.01%	124,433,842	16.91%
August	39,944,116	105,598,284	164.37%	128,501,419	21.69%
September	74,555,203	116,061,968	55.67%	138,714,118	19.52%
October	82,209,881	129,326,346	57.31%	143,274,073	10.78%
November	74,207,489	125,875,991	69.63%	136,654,259	8.56%
December	73,373,096	119,887,907	63.39%	136,025,200	13.46%
January	69,603,982	97,645,173	40.29%	133,497,500	36.72%
February	65,104,040	106,863,235	64.14%	125,937,459	17.85%
March	85,214,253	134,009,005	57.26%	151,189,435	12.82%
April	87,913,158	127,623,057	45.17%	139,796,349	9.54%
Year-to-Date	307,835,434	466,140,471	51.43%	550,420,744	18.08%
12 Month Averages					
May	170,551,592	67,501,846	-60.42%	117,338,323	73.83%
June	155,074,189	73,994,932	-52.28%	119,840,221	61.96%
July	140,450,999	79,837,631	-43.16%	121,339,857	51.98%
August	126,408,968	85,308,812	-32.51%	123,248,451	44.47%
September	114,553,137	88,767,709	-22.51%	125,136,131	40.97%
October	101,978,938	92,694,081	-9.10%	126,298,441	36.25%
November	90,630,371	96,999,790	7.03%	127,196,630	31.13%
December	79,435,522	100,876,024	26.99%	128,541,404	27.43%
January	67,918,666	103,212,790	51.97%	131,529,098	27.43%
February	56,960,856	106,692,723	87.31%	133,118,617	24.77%
March	54,739,649	110,758,952	102.34%	134,550,320	21.48%
April	60,983,157	114,068,110	87.05%	135,564,761	18.85%
Average Weekday Passengers					
May	641,295	3,575,423	457.53%	5,094,325	42.48%
June	1,005,715	3,831,691	280.99%	5,038,644	31.50%
July	1,344,345	3,888,439	189.24%	4,713,737	21.22%
August	1,511,885	3,861,251	155.39%	4,618,275	19.61%
September	2,831,789	4,384,131	54.82%	5,334,636	21.68%
October	2,994,330	4,846,551	61.86%	5,395,890	11.33%
November	2,899,036	4,837,335	66.86%	5,293,356	9.43%
December	2,717,961	4,498,893	65.52%	5,151,718	14.51%
January	2,697,273	3,782,700	40.24%	5,073,703	34.13%
February	2,652,934	4,445,537	67.57%	5,293,064	19.06%
March	3,068,087	4,941,511	61.06%	5,535,099	12.01%
April	3,284,570	4,884,649	48.72%	5,474,978	12.09%

MTA New York City Transit

Revenue Passengers	2020-2021	2021-2022	% Change	2022-2023	% Change
May	15,606,118	84,358,496	440.55%	118,261,521	40.19%
June	24,368,767	92,401,189	279.18%	117,873,531	27.57%
July	33,040,655	93,878,423	184.13%	108,926,685	16.03%
August	36,328,385	93,100,697	156.28%	112,306,498	20.63%
September	65,707,256	102,392,081	55.83%	121,506,387	18.67%
October	72,674,353	114,290,430	57.26%	125,914,521	10.17%
November	65,842,026	111,235,816	68.94%	119,967,603	7.85%
December	65,247,880	106,152,436	62.69%	119,672,981	12.74%
January	61,892,663	86,802,782	40.25%	117,310,572	35.15%
February	57,993,365	94,808,725	63.48%	110,985,228	17.06%
March	75,928,387	118,028,684	55.45%	132,982,654	12.67%
April	78,246,327	112,422,887	43.68%	122,920,479	9.34%
Year-to-Date	274,060,743	412,063,079	50.35%	484,198,934	17.51%

12 Month Averages	2020-2021	2021-2022	% Change	2022-2023	% Change
May	150,611,635	60,135,714	-60.07%	103,647,973	72.36%
June	137,042,589	65,805,082	-51.98%	105,770,668	60.73%
July	124,313,763	70,874,896	-42.99%	107,024,690	51.01%
August	112,099,966	75,605,922	-32.55%	108,625,173	43.67%
September	101,627,052	78,662,991	-22.60%	110,218,032	40.11%
October	90,535,861	82,130,997	-9.28%	111,186,706	35.38%
November	80,516,520	85,913,813	6.70%	111,914,355	30.26%
December	70,699,006	89,322,526	26.34%	113,041,067	26.55%
January	60,557,421	91,398,369	50.93%	115,583,383	26.46%
February	50,887,588	94,466,316	85.64%	116,931,425	23.78%
March	48,898,960	97,974,674	100.36%	118,177,589	20.62%
April	54,406,349	100,822,721	85.31%	119,052,388	18.08%

Average Weekday Passengers	2020-2021	2021-2022	% Change	2022-2023	% Change
May	594,527	3,165,895	432.51%	4,463,694	40.99%
June	923,380	3,386,752	266.78%	4,397,250	29.84%
July	1,222,307	3,424,738	180.19%	4,098,977	19.69%
August	1,373,409	3,405,541	147.96%	4,022,285	18.11%
September	2,493,661	3,863,062	54.92%	4,653,538	20.46%
October	2,644,941	4,278,064	61.75%	4,713,183	10.17%
November	2,564,129	4,266,081	66.38%	4,616,607	8.22%
December	2,416,159	3,986,751	65.00%	4,510,539	13.14%
January	2,390,997	3,349,128	40.07%	4,422,662	32.05%
February	2,358,321	3,938,640	67.01%	4,636,841	17.73%
March	2,732,281	4,337,640	58.76%	4,850,471	11.82%
April	2,921,908	4,281,949	46.55%	4,784,174	11.73%

MTA New York City Subway

Revenue Passengers	2020-2021	2021-2022	% Change	2022-2023	% Change
May	15,316,407	58,397,777	281.28%	87,807,398	50.36%
June	23,911,163	65,475,928	173.83%	88,064,005	34.50%
July	32,482,176	66,973,313	106.18%	80,700,784	20.50%
August	35,153,119	66,418,585	88.94%	83,116,207	25.14%
September	42,660,693	73,405,353	72.07%	91,067,002	24.06%
October	47,957,127	83,415,225	73.94%	95,228,073	14.16%
November	43,618,698	82,331,344	88.75%	90,951,945	10.47%
December	43,658,492	78,633,267	80.11%	92,148,577	17.19%
January	41,123,531	63,547,386	54.53%	88,997,973	40.05%
February	39,170,408	70,027,806	78.78%	84,364,006	20.47%
March	51,395,341	87,296,932	69.85%	101,147,710	15.87%
April	53,236,649	83,458,044	56.77%	94,256,987	12.94%
Year-to-Date	184,925,929	304,330,168	64.57%	368,766,676	21.17%
12 Month Averages					
May	113,945,545	42,730,431	-62.50%	75,732,548	77.23%
June	104,156,116	46,194,162	-55.65%	77,614,888	68.02%
July	95,237,470	49,068,423	-48.48%	78,758,844	60.51%
August	86,732,705	51,673,879	-40.42%	80,150,313	55.11%
September	78,348,697	54,235,934	-30.78%	81,622,117	50.49%
October	69,402,146	57,190,775	-17.60%	82,606,521	44.44%
November	61,309,977	60,416,829	-1.46%	83,324,904	37.92%
December	53,295,086	63,331,393	18.83%	84,451,180	33.35%
January	45,184,855	65,200,048	44.30%	86,572,062	32.78%
February	37,540,546	67,771,498	80.53%	87,766,746	29.50%
March	35,686,879	70,763,297	98.29%	88,920,977	25.66%
April	39,140,317	73,281,747	87.23%	89,820,889	22.57%
Average Weekday Passengers					
May	583,124	2,180,084	273.86%	3,302,051	51.46%
June	905,259	2,389,882	164.00%	3,275,343	37.05%
July	1,200,426	2,435,057	102.85%	3,035,863	24.67%
August	1,321,811	2,422,270	83.25%	2,975,213	22.83%
September	1,627,244	2,751,895	69.11%	3,477,313	26.36%
October	1,752,938	3,099,704	76.83%	3,553,053	14.63%
November	1,706,826	3,135,765	83.72%	3,487,594	11.22%
December	1,623,017	2,937,813	81.01%	3,455,889	17.63%
January	1,595,200	2,430,017	52.33%	3,345,640	37.68%
February	1,598,244	2,900,121	81.46%	3,520,889	21.40%
March	1,850,071	3,197,206	72.82%	3,685,405	15.27%
April	1,984,839	3,169,427	59.68%	3,659,136	15.45%

MTA New York City Bus

Revenue Passengers	2020-2021	2021-2022	% Change	2022-2023	% Change
May	289,711	25,960,719	8860.91%	30,454,123	17.31%
June	457,604	26,925,261	5783.97%	29,809,526	10.71%
July	558,479	26,905,110	4717.57%	28,225,901	4.91%
August	1,175,266	26,682,112	2170.30%	29,190,291	9.40%
September	23,046,563	28,986,728	25.77%	30,439,385	5.01%
October	24,717,226	30,875,205	24.91%	30,686,448	-0.61%
November	22,223,328	28,904,472	30.06%	29,015,658	0.38%
December	21,589,388	27,519,169	27.47%	27,524,404	0.02%
January	20,769,132	23,255,396	11.97%	28,312,599	21.75%
February	18,822,957	24,780,919	31.65%	26,621,222	7.43%
March	24,533,046	30,731,752	25.27%	31,834,944	3.59%
April	25,009,678	28,964,843	15.81%	28,663,492	-1.04%
Year-to-Date	89,134,814	107,732,911	20.87%	115,432,258	7.15%
12 Month Averages	2020-2021	2021-2022	% Change	2022-2023	% Change
May	36,666,090	17,405,282	-52.53%	27,915,424	60.38%
June	32,886,473	19,610,920	-40.37%	28,155,780	43.57%
July	29,076,293	21,806,473	-25.00%	28,265,846	29.62%
August	25,367,262	23,932,044	-5.66%	28,474,860	18.98%
September	23,278,355	24,427,057	4.93%	28,595,915	17.07%
October	21,133,715	24,940,222	18.01%	28,580,185	14.59%
November	19,206,543	25,496,984	32.75%	28,589,451	12.13%
December	17,403,921	25,991,133	49.34%	28,589,887	10.00%
January	15,372,565	26,198,321	70.42%	29,011,321	10.74%
February	13,347,043	26,694,818	100.01%	29,164,679	9.25%
March	13,212,081	27,211,377	105.96%	29,256,612	7.52%
April	15,266,032	27,540,974	80.41%	29,231,500	6.14%
Average Weekday Passengers	2020-2021	2021-2022	% Change	2022-2023	% Change
May	11,403	985,811	8544.92%	1,161,643	17.84%
June	18,121	996,870	5401.14%	1,121,907	12.54%
July	21,881	989,680	4423.07%	1,063,114	7.42%
August	51,598	983,271	1805.63%	1,047,072	6.49%
September	866,417	1,111,167	28.25%	1,176,226	5.85%
October	892,003	1,178,360	32.10%	1,160,130	-1.55%
November	857,303	1,130,316	31.85%	1,129,013	-0.12%
December	793,142	1,048,938	32.25%	1,054,651	0.54%
January	795,797	919,111	15.50%	1,077,022	17.18%
February	760,077	1,038,520	36.63%	1,115,953	7.46%
March	882,210	1,140,434	29.27%	1,165,066	2.16%
April	937,069	1,112,522	18.72%	1,125,038	1.13%

MTA Bus

Revenue Passengers	2020-2021	2021-2022	% Change	2022-2023	% Change
May	120,995	5,769,080	4668.03%	7,217,396	25.10%
June	200,771	6,114,454	2945.49%	7,154,058	17.00%
July	269,628	6,195,930	2197.96%	6,722,847	8.50%
August	433,843	6,238,307	1337.92%	7,011,540	12.39%
September	5,020,533	6,776,694	34.98%	7,339,892	8.31%
October	5,397,034	7,297,676	35.22%	7,399,768	1.40%
November	4,826,314	6,891,506	42.79%	7,065,112	2.52%
December	4,717,722	6,655,299	41.07%	6,802,786	2.22%
January	4,513,258	5,589,772	23.85%	6,895,416	23.36%
February	4,144,587	5,935,627	43.21%	6,548,294	10.32%
March	5,364,129	7,435,153	38.61%	7,896,919	6.21%
April	5,470,547	6,927,147	26.63%	6,971,041	0.63%
Year-to-Date	19,492,520	25,887,699	32.81%	28,311,671	9.36%

12 Month Averages	2020-2021	2021-2022	% Change	2022-2023	% Change
May	7,950,384	3,843,954	-51.65%	6,606,247	71.86%
June	7,164,949	4,336,761	-39.47%	6,692,880	54.33%
July	6,339,893	4,830,619	-23.81%	6,736,790	39.46%
August	5,542,292	5,314,324	-4.11%	6,801,226	27.98%
September	5,094,485	5,460,671	7.19%	6,848,159	25.41%
October	4,631,521	5,619,058	21.32%	6,856,667	22.03%
November	4,215,819	5,791,157	37.37%	6,871,134	18.65%
December	3,826,733	5,952,622	55.55%	6,883,425	15.64%
January	3,384,936	6,042,332	78.51%	6,992,229	15.72%
February	2,956,094	6,191,585	109.45%	7,043,284	13.76%
March	2,926,505	6,364,170	117.47%	7,081,765	11.28%
April	3,373,280	6,485,554	92.26%	7,085,423	9.25%

Average Weekday Passengers	2020-2021	2021-2022	% Change	2022-2023	% Change
May	5,023	222,226	4324.36%	280,548	26.24%
June	8,104	228,302	2717.10%	273,165	19.65%
July	10,762	230,396	2040.84%	258,612	12.25%
August	18,825	232,450	1134.81%	255,424	9.88%
September	191,813	263,162	37.20%	288,065	9.46%
October	197,739	282,129	42.68%	286,146	1.42%
November	189,644	272,727	43.81%	280,123	2.71%
December	176,015	256,577	45.77%	266,040	3.69%
January	176,149	223,575	26.92%	267,085	19.46%
February	170,318	253,557	48.87%	280,778	10.74%
March	195,148	279,099	43.02%	294,719	5.60%
April	207,195	270,867	30.73%	280,251	3.46%

MTA Staten Island Railway

Revenue Passengers	2020-2021	2021-2022	% Change	2022-2023	% Change
May	23,457	98,984	321.98%	180,045	81.89%
June	41,174	112,775	173.90%	176,302	56.33%
July	62,304	115,520	85.41%	136,617	18.26%
August	64,780	117,585	81.51%	145,975	24.14%
September	77,710	148,918	91.63%	184,153	23.66%
October	97,118	167,411	72.38%	185,090	10.56%
November	77,847	182,918	134.97%	188,105	2.84%
December	78,744	164,787	109.27%	174,579	5.94%
January	81,492	137,590	68.84%	184,342	33.98%
February	77,293	145,316	88.01%	161,777	11.33%
March	91,130	194,498	113.43%	205,880	5.85%
April	108,921	160,878	47.70%	172,131	6.99%
Year-to-Date	358,836	638,282	77.88%	724,130	13.45%

12 Month Averages	2020-2021	2021-2022	% Change	2022-2023	% Change
May	280,141	79,791	-71.52%	152,353	90.94%
June	254,578	85,758	-66.31%	157,647	83.83%
July	232,085	90,193	-61.14%	159,405	76.74%
August	211,410	94,593	-55.26%	161,771	71.02%
September	187,534	100,527	-46.40%	164,707	63.84%
October	162,037	106,385	-34.35%	166,181	56.21%
November	140,268	115,141	-17.91%	166,613	44.70%
December	118,803	122,311	2.95%	167,429	36.89%
January	95,515	126,986	32.95%	171,325	34.92%
February	75,182	132,655	76.45%	172,697	30.19%
March	66,060	141,269	113.85%	173,645	22.92%
April	73,497	145,598	98.10%	174,583	19.91%

Average Weekday Passengers	2020-2021	2021-2022	% Change	2022-2023	% Change
May	984	4,545	361.97%	7,760	70.74%
June	1,807	4,969	175.03%	7,487	50.67%
July	2,535	5,028	98.32%	6,281	24.93%
August	2,739	5,049	84.34%	5,900	16.86%
September	3,542	6,173	74.27%	7,914	28.19%
October	4,137	7,144	72.69%	8,295	16.11%
November	3,661	7,769	112.21%	8,087	4.09%
December	3,334	7,105	113.13%	7,558	6.38%
January	3,590	5,911	64.62%	7,843	32.69%
February	3,450	6,752	95.71%	7,864	16.47%
March	3,958	7,815	97.44%	8,388	7.34%
April	4,715	7,181	52.28%	7,772	8.23%

MTA Long Island Rail Road

Revenue Passengers	2020-2021	2021-2022	% Change	2022-2023	% Change
May	515,918	2,511,071	386.72%	4,468,670	77.96%
June	1,113,087	3,107,640	179.19%	4,847,814	56.00%
July	1,621,375	3,309,454	104.11%	4,511,503	36.32%
August	1,747,284	3,294,846	88.57%	4,760,161	44.47%
September	2,041,823	3,630,469	77.81%	4,997,251	37.65%
October	2,174,853	3,940,612	81.19%	4,943,908	25.46%
November	1,896,355	3,949,969	108.29%	4,778,906	20.99%
December	1,860,130	3,668,045	97.19%	4,759,965	29.77%
January	1,730,014	2,750,138	58.97%	4,632,771	68.46%
February	1,586,865	3,180,253	100.41%	4,296,380	35.10%
March	2,092,132	4,371,239	108.94%	5,235,497	19.77%
April	2,199,648	4,170,715	89.61%	4,988,126	19.60%
Year-to-Date	7,608,659	14,472,345	90.21%	19,152,773	32.34%

12 Month Averages	2020-2021	2021-2022	% Change	2022-2023	% Change
May	6,002,940	1,881,220	-68.66%	3,653,504	94.21%
June	5,451,002	2,047,432	-62.44%	3,798,519	85.53%
July	4,920,209	2,188,106	-55.53%	3,898,689	78.18%
August	4,405,699	2,317,069	-47.41%	4,020,799	73.53%
September	3,947,514	2,449,457	-37.95%	4,134,697	68.80%
October	3,453,066	2,596,603	-24.80%	4,218,305	62.45%
November	3,009,772	2,767,738	-8.04%	4,287,384	54.91%
December	2,525,849	2,918,397	15.54%	4,378,377	50.03%
January	2,072,374	3,003,407	44.93%	4,535,263	51.00%
February	1,651,279	3,136,190	89.92%	4,628,273	47.58%
March	1,552,784	3,326,115	114.20%	4,700,295	41.31%
April	1,714,957	3,490,371	103.53%	4,768,413	36.62%

Average Weekday Passengers	2020-2021	2021-2022	% Change	2022-2023	% Change
May	21,012	99,149	371.87%	184,591	86.18%
June	41,528	111,901	169.46%	191,380	71.03%
July	60,288	123,086	104.16%	191,102	55.26%
August	66,889	117,645	75.88%	179,336	52.44%
September	78,788	136,128	72.78%	207,020	52.08%
October	80,530	148,316	84.17%	205,368	38.47%
November	80,008	154,992	93.72%	208,025	34.22%
December	69,004	132,186	91.56%	195,044	47.55%
January	73,051	114,792	57.14%	202,433	76.35%
February	67,318	132,216	96.41%	197,744	49.56%
March	74,271	169,106	127.69%	201,614	19.22%
April	80,959	173,210	113.95%	215,797	24.59%

MTA Metro-North Rail Road

Revenue Passengers	2020-2021	2021-2022	% Change	2022-2023	% Change
May	508,635	2,261,761	344.67%	4,114,317	81.91%
June	847,928	2,752,694	224.64%	4,459,818	62.02%
July	1,331,852	2,938,882	120.66%	4,136,190	40.74%
August	1,369,824	2,846,849	107.83%	4,277,245	50.24%
September	1,707,881	3,113,806	82.32%	4,686,435	50.51%
October	1,866,523	3,630,217	94.49%	4,830,785	33.07%
November	1,564,947	3,615,783	131.05%	4,654,532	28.73%
December	1,468,620	3,247,340	121.12%	4,614,889	42.11%
January	1,386,555	2,364,891	70.56%	4,474,399	89.20%
February	1,301,932	2,793,315	114.55%	3,945,780	41.26%
March	1,738,475	3,979,431	128.90%	4,868,485	22.34%
April	1,887,715	3,941,431	108.79%	4,744,572	20.38%
Year-to-Date	6,314,677	13,079,067	107.12%	18,033,236	37.88%

12 Month Averages	2020-2021	2021-2022	% Change	2022-2023	% Change
May	5,706,492	1,561,168	-72.64%	3,278,246	109.99%
June	5,161,071	1,719,898	-66.68%	3,420,506	98.88%
July	4,645,049	1,853,817	-60.09%	3,520,282	89.89%
August	4,149,600	1,976,903	-52.36%	3,639,482	84.10%
September	3,696,553	2,094,063	-43.35%	3,770,534	80.06%
October	3,196,453	2,241,038	-29.89%	3,870,582	72.71%
November	2,747,993	2,411,941	-12.23%	3,957,144	64.06%
December	2,265,131	2,560,167	13.03%	4,071,107	59.02%
January	1,808,421	2,641,695	46.08%	4,246,899	60.76%
February	1,390,714	2,765,977	98.89%	4,342,938	57.01%
March	1,295,340	2,952,724	127.95%	4,417,026	49.59%
April	1,415,074	3,123,867	120.76%	4,483,954	43.54%

Average Weekday Passengers	2020-2021	2021-2022	% Change	2022-2023	% Change
May	19,749	83,609	323.36%	157,731	88.65%
June	30,896	99,767	222.91%	169,362	69.76%
July	48,453	105,192	117.10%	158,765	50.93%
August	50,024	100,566	101.04%	155,330	54.46%
September	63,985	115,606	80.68%	178,099	54.06%
October	66,984	130,898	95.42%	182,899	39.73%
November	61,595	135,767	120.42%	180,514	32.96%
December	53,449	116,274	117.54%	172,537	48.39%
January	53,485	89,295	66.95%	173,681	94.50%
February	53,527	114,372	113.67%	169,836	48.49%
March	62,429	147,852	136.83%	179,908	21.68%
April	69,792	151,442	116.99%	186,985	23.47%

MTA Metro-North East-of-Hudson

Revenue Passengers	2020-2021	2021-2022	% Change	2022-2023	% Change
May	497,247	2,226,822	347.83%	4,065,577	82.57%
June	826,483	2,696,800	226.30%	4,401,347	63.21%
July	1,301,424	2,883,706	121.58%	4,072,030	41.21%
August	1,336,837	2,773,378	107.46%	4,204,671	51.61%
September	1,670,821	3,044,981	82.24%	4,540,176	49.10%
October	1,825,627	3,550,860	94.50%	4,745,515	33.64%
November	1,531,148	3,554,300	132.13%	4,546,269	27.91%
December	1,434,801	3,186,759	122.10%	4,526,614	42.04%
January	1,354,158	2,309,184	70.53%	4,401,682	90.62%
February	1,271,204	2,762,416	117.31%	3,872,227	40.18%
March	1,705,606	3,939,193	130.96%	4,789,119	21.58%
April	1,853,507	3,846,458	107.52%	4,664,348	21.26%
Year-to-Date	6,184,475	12,857,250	107.90%	17,727,376	37.88%

12 Month Averages	2020-2021	2021-2022	% Change	2022-2023	% Change
May	5,594,761	1,528,203	-72.69%	3,217,801	110.56%
June	5,059,309	1,684,063	-66.71%	3,359,846	99.51%
July	4,552,845	1,815,920	-60.11%	3,458,873	90.48%
August	4,066,132	1,935,631	-52.40%	3,578,148	84.86%
September	3,621,119	2,050,145	-43.38%	3,702,747	80.61%
October	3,129,912	2,193,914	-29.90%	3,802,302	73.31%
November	2,689,393	2,362,510	-12.15%	3,884,966	64.44%
December	2,214,712	2,508,507	13.27%	3,996,621	59.32%
January	1,766,160	2,588,092	46.54%	4,170,996	61.16%
February	1,355,656	2,712,360	100.08%	4,263,480	57.19%
March	1,265,844	2,898,492	128.98%	4,334,307	49.54%
April	1,384,072	3,064,571	121.42%	4,402,465	43.66%

Average Weekday Passengers	2020-2021	2021-2022	% Change	2022-2023	% Change
May	19,180	81,246	323.59%	154,196	89.79%
June	29,921	97,152	224.70%	165,782	70.64%
July	47,066	102,165	117.07%	154,776	51.50%
August	48,455	97,864	101.97%	151,724	55.04%
September	62,220	112,320	80.52%	174,468	55.33%
October	65,124	127,128	95.21%	178,841	40.68%
November	59,818	132,689	121.82%	174,648	31.62%
December	52,049	113,516	118.09%	168,578	48.51%
January	51,942	86,950	67.40%	169,790	95.27%
February	52,115	111,522	113.99%	165,866	48.73%
March	60,725	144,552	138.04%	175,649	21.51%
April	67,931	147,983	117.84%	182,675	23.44%

MTA Metro-North Harlem Line

Revenue Passengers	2020-2021	2021-2022	% Change	2022-2023	% Change
May	173,611	701,869	304.28%	1,284,892	83.07%
June	273,887	828,393	202.46%	1,363,666	64.62%
July	430,221	870,467	102.33%	1,233,632	41.72%
August	426,425	834,378	95.67%	1,269,182	52.11%
September	559,731	995,604	77.87%	1,398,649	40.48%
October	600,349	1,136,140	89.25%	1,453,884	27.97%
November	530,307	1,121,485	111.48%	1,407,914	25.54%
December	493,511	1,024,878	107.67%	1,407,252	37.31%
January	447,475	765,723	71.12%	1,385,823	80.98%
February	425,370	896,586	110.78%	1,224,763	36.60%
March	565,594	1,286,998	127.55%	1,527,632	18.70%
April	604,696	1,223,332	102.31%	1,457,423	19.14%
Year-to-Date	2,043,135	4,172,639	104.23%	5,595,641	34.10%
12 Month Averages					
May	1,803,865	504,953	-72.01%	1,022,406	102.48%
June	1,634,453	551,162	-66.28%	1,067,012	93.59%
July	1,475,196	587,849	-60.15%	1,097,276	86.66%
August	1,322,436	621,845	-52.98%	1,133,510	82.28%
September	1,181,495	658,168	-44.29%	1,167,097	77.33%
October	1,023,378	702,817	-31.32%	1,193,575	69.83%
November	884,085	752,082	-14.93%	1,217,445	61.88%
December	734,331	796,362	8.45%	1,249,309	56.88%
January	587,535	822,883	40.06%	1,300,984	58.10%
February	453,716	862,151	90.02%	1,328,332	54.07%
March	424,047	922,268	117.49%	1,348,385	46.20%
April	460,931	973,821	111.27%	1,367,893	40.47%
Average Weekday Passengers					
May	6,829	26,041	281.34%	49,478	90.00%
June	10,065	30,182	199.88%	52,039	72.42%
July	15,804	31,313	98.14%	47,817	52.71%
August	15,702	29,800	89.78%	46,367	55.60%
September	21,195	37,068	74.89%	54,556	47.18%
October	21,722	41,202	89.68%	55,739	35.28%
November	21,248	42,450	99.78%	56,248	32.51%
December	18,162	36,968	103.54%	52,193	41.18%
January	17,502	29,218	66.94%	54,194	85.48%
February	17,683	36,663	107.33%	53,297	45.37%
March	20,392	47,680	133.82%	56,607	18.72%
April	22,470	47,736	112.44%	57,940	21.37%

MTA Metro-North Hudson Line

Revenue Passengers	2020-2021	2021-2022	% Change	2022-2023	% Change
May	108,831	484,263	344.97%	843,628	74.21%
June	189,227	577,791	205.34%	929,489	60.87%
July	292,573	628,627	114.86%	868,194	38.11%
August	314,183	623,154	98.34%	908,463	45.78%
September	373,730	590,561	58.02%	949,810	60.83%
October	421,834	762,036	80.65%	1,041,426	36.66%
November	325,266	731,988	125.04%	937,914	28.13%
December	300,724	649,113	115.85%	905,574	39.51%
January	290,986	476,897	63.89%	878,779	84.27%
February	272,080	563,886	107.25%	777,399	37.86%
March	369,388	782,021	111.71%	950,650	21.56%
April	405,149	806,510	99.06%	959,531	18.97%
Year-to-Date	1,337,602	2,629,314	96.57%	3,566,359	35.64%

12 Month Averages	2020-2021	2021-2022	% Change	2022-2023	% Change
May	1,147,412	336,617	-70.66%	669,684	98.95%
June	1,040,015	368,997	-64.52%	698,993	89.43%
July	936,714	397,002	-57.62%	718,956	81.10%
August	837,588	422,749	-49.53%	742,732	75.69%
September	747,116	440,819	-41.00%	772,670	75.28%
October	647,425	469,169	-27.53%	795,952	69.65%
November	559,044	503,062	-10.01%	813,113	61.63%
December	464,860	532,095	14.46%	834,484	56.83%
January	376,885	547,587	45.29%	867,974	58.51%
February	295,352	571,905	93.64%	885,767	54.88%
March	279,124	606,291	117.21%	899,820	48.41%
April	305,331	639,737	109.52%	912,571	42.65%

Average Weekday Passengers	2020-2021	2021-2022	% Change	2022-2023	% Change
May	4,113	17,479	324.98%	31,699	81.36%
June	6,835	20,700	202.84%	34,689	67.57%
July	10,518	22,107	110.19%	32,596	47.44%
August	11,275	21,861	93.89%	32,529	48.80%
September	13,779	21,746	57.82%	36,160	66.28%
October	14,803	27,071	82.87%	38,610	42.62%
November	12,327	27,185	120.53%	32,529	19.66%
December	10,847	23,057	112.57%	36,160	56.83%
January	11,076	17,886	61.49%	33,698	88.41%
February	11,104	22,687	104.31%	33,122	46.00%
March	13,074	28,662	119.23%	34,751	21.24%
April	14,759	30,807	108.74%	37,214	20.80%

MTA Metro-North New Haven Line

Revenue Passengers	2020-2021	2021-2022	% Change	2022-2023	% Change
May	214,805	1,040,690	384.48%	1,937,057	86.13%
June	363,369	1,290,616	255.18%	2,108,192	63.35%
July	578,630	1,384,612	139.29%	1,970,205	42.29%
August	596,229	1,315,845	120.69%	2,027,026	54.05%
September	737,360	1,458,817	97.84%	2,191,716	50.24%
October	803,444	1,652,684	105.70%	2,250,205	36.15%
November	675,575	1,700,827	151.76%	2,200,442	29.37%
December	640,566	1,512,769	136.16%	2,213,788	46.34%
January	615,698	1,066,563	73.23%	2,137,080	100.37%
February	573,754	1,301,944	126.92%	1,870,065	43.64%
March	770,624	1,870,174	142.68%	2,310,837	23.56%
April	843,662	1,816,615	115.32%	2,247,394	23.71%
Year-to-Date	2,803,738	6,055,297	115.97%	8,565,376	41.45%

12 Month Averages	2020-2021	2021-2022	% Change	2022-2023	% Change
May	2,643,484	686,633	-74.03%	1,525,710	122.20%
June	2,384,841	763,904	-67.97%	1,593,842	108.64%
July	2,140,935	831,069	-61.18%	1,642,641	97.65%
August	1,906,109	891,037	-53.25%	1,701,906	91.00%
September	1,692,509	951,158	-43.80%	1,762,981	85.35%
October	1,459,110	1,021,928	-29.96%	1,812,774	77.39%
November	1,246,265	1,107,366	-11.15%	1,854,409	67.46%
December	1,015,521	1,180,050	16.20%	1,912,827	62.10%
January	801,740	1,217,622	51.87%	2,002,037	64.42%
February	606,588	1,278,304	110.74%	2,049,380	60.32%
March	562,673	1,369,933	143.47%	2,086,102	52.28%
April	617,810	1,451,013	134.86%	2,122,001	46.24%

Average Weekday Passengers	2020-2021	2021-2022	% Change	2022-2023	% Change
May	8,239	37,726	357.91%	73,019	93.55%
June	13,021	46,270	255.36%	79,055	70.85%
July	20,745	48,745	134.98%	74,364	52.56%
August	21,478	46,204	115.13%	72,828	57.62%
September	27,246	53,507	96.38%	83,752	56.53%
October	28,598	58,856	105.80%	84,492	43.56%
November	26,243	63,055	140.28%	85,871	36.18%
December	23,040	53,491	132.17%	80,225	49.98%
January	23,364	39,846	70.54%	81,898	105.54%
February	23,328	52,172	123.65%	79,446	52.28%
March	27,259	68,210	150.22%	84,292	23.58%
April	30,702	69,439	126.17%	87,522	26.04%

MTA Metro-North West-of-Hudson

Revenue Passengers	2020-2021	2021-2022	% Change	2022-2023	% Change
May	11,388	34,939	206.81%	48,740	39.50%
June	21,445	55,894	160.64%	58,471	4.61%
July	30,428	55,176	81.33%	64,160	16.28%
August	32,987	73,471	122.73%	72,574	-1.22%
September	37,060	68,825	85.71%	146,259	112.51%
October	40,896	79,357	94.05%	85,270	7.45%
November	33,799	61,483	81.91%	108,263	76.09%
December	33,819	60,581	79.13%	88,275	45.71%
January	32,397	55,707	71.95%	72,717	30.53%
February	30,728	30,899	0.56%	73,553	138.04%
March	32,869	40,238	22.42%	79,366	97.24%
April	34,208	94,973	177.63%	80,224	-15.53%
Year-to-Date	130,202	221,817	70.36%	305,860	37.89%

12 Month Averages	2020-2021	2021-2022	% Change	2022-2023	% Change
May	111,731	32,965	-70.50%	60,445	83.36%
June	101,762	35,835	-64.79%	60,660	69.27%
July	92,204	37,898	-58.90%	61,409	62.04%
August	83,468	41,271	-50.55%	61,334	48.61%
September	75,434	43,918	-41.78%	67,787	54.35%
October	66,541	47,124	-29.18%	68,280	44.89%
November	58,599	49,431	-15.65%	72,178	46.02%
December	50,419	51,661	2.46%	74,486	44.18%
January	42,261	53,603	26.84%	75,903	41.60%
February	35,058	53,617	52.94%	79,458	48.19%
March	29,497	54,232	83.86%	82,718	52.53%
April	31,002	59,295	91.26%	81,489	37.43%

Average Weekday Passengers	2020-2021	2021-2022	% Change	2022-2023	% Change
May	569	2,364	315.63%	3,535	49.56%
June	975	2,614	168.04%	3,579	36.90%
July	1,387	3,027	118.25%	3,989	31.80%
August	1,569	2,702	72.22%	3,606	33.46%
September	1,766	3,286	86.12%	3,631	10.50%
October	1,860	3,770	102.71%	4,058	7.62%
November	1,777	3,078	73.20%	5,866	90.59%
December	1,400	2,758	97.05%	3,959	43.52%
January	1,543	2,345	52.02%	3,891	65.89%
February	1,412	2,850	101.85%	3,971	39.31%
March	1,704	3,300	93.73%	4,259	29.04%
April	1,861	3,459	85.89%	4,309	24.57%

MTA Metro-North Port Jervis Line

Revenue Passengers	2020-2021	2021-2022	% Change	2022-2023	% Change
May	7,326	22,216	203.25%	31,455	41.59%
June	14,076	35,310	150.85%	36,500	3.37%
July	20,169	35,426	75.65%	42,394	19.67%
August	22,064	40,004	81.31%	43,139	7.84%
September	24,445	40,395	65.25%	82,665	104.64%
October	26,753	55,159	106.18%	49,676	-9.94%
November	22,298	40,504	81.65%	62,195	53.55%
December	21,976	40,571	84.62%	51,884	27.88%
January	21,415	33,150	54.80%	36,957	11.48%
February	20,442	19,487	-4.67%	41,371	112.30%
March	21,160	25,620	21.08%	41,765	63.02%
April	20,955	51,912	147.73%	42,713	-17.72%
Year-to-Date	83,972	130,169	55.01%	162,806	25.07%

12 Month Averages	2020-2021	2021-2022	% Change	2022-2023	% Change
May	66,196	21,497	-67.52%	37,416	74.05%
June	60,516	23,267	-61.55%	37,515	61.24%
July	54,781	24,538	-55.21%	38,096	55.25%
August	49,425	26,033	-47.33%	38,357	47.34%
September	44,869	27,363	-39.02%	41,880	53.05%
October	39,864	29,730	-25.42%	41,423	39.33%
November	35,480	31,247	-11.93%	43,230	38.35%
December	30,926	32,796	6.05%	44,173	34.69%
January	26,427	33,774	27.80%	44,490	31.73%
February	22,450	33,695	50.09%	46,314	37.45%
March	19,318	34,066	76.35%	47,659	39.90%
April	20,257	36,646	80.91%	46,893	27.96%

Average Weekday Passengers	2020-2021	2021-2022	% Change	2022-2023	% Change
May	366	1,500	310.14%	2,170	44.70%
June	640	1,620	152.96%	2,186	34.92%
July	920	1,923	109.06%	2,410	25.35%
August	1,049	1,628	55.23%	2,145	31.77%
September	1,165	1,930	65.71%	1,994	3.31%
October	1,217	2,618	115.16%	2,363	-9.73%
November	1,172	2,028	73.08%	3,099	52.79%
December	903	1,848	104.57%	2,275	23.10%
January	994	1,359	36.75%	2,138	57.38%
February	901	1,654	83.56%	2,394	44.70%
March	1,089	1,874	72.08%	2,416	28.94%
April	1,189	1,996	67.88%	2,471	23.84%

MTA Metro-North Pasack Valley Line

Revenue Passengers	2020-2021	2021-2022	% Change	2022-2023	% Change
May	4,062	12,723	213.22%	17,285	35.86%
June	7,369	20,584	179.33%	21,971	6.74%
July	10,259	19,750	92.51%	21,766	10.21%
August	10,923	33,467	206.39%	29,435	-12.05%
September	12,615	28,430	125.37%	63,594	123.69%
October	14,143	24,198	71.10%	35,594	47.09%
November	11,501	20,979	82.41%	46,068	119.59%
December	11,843	20,010	68.96%	36,391	81.86%
January	10,982	22,557	105.40%	35,760	58.53%
February	10,286	11,412	10.95%	32,182	182.00%
March	11,709	14,618	24.84%	37,601	157.22%
April	13,253	43,061	224.92%	37,511	-12.89%
Year-to-Date	46,230	91,648	98.24%	143,054	56.09%

12 Month Averages	2020-2021	2021-2022	% Change	2022-2023	% Change
May	45,535	11,467	-74.82%	23,029	100.83%
June	41,246	12,568	-69.53%	23,145	84.15%
July	37,423	13,359	-64.30%	23,313	74.51%
August	34,043	15,238	-55.24%	22,977	50.79%
September	30,565	16,556	-45.83%	25,907	56.48%
October	26,676	17,394	-34.80%	26,857	54.40%
November	23,119	18,184	-21.35%	28,948	59.20%
December	19,493	18,864	-3.23%	30,313	60.69%
January	15,834	19,829	25.23%	31,413	58.42%
February	12,608	19,923	58.01%	33,144	66.36%
March	10,179	20,165	98.11%	35,059	73.86%
April	10,745	22,649	110.78%	34,597	52.75%

Average Weekday Passengers	2020-2021	2021-2022	% Change	2022-2023	% Change
May	203	864	325.52%	1,365	58.02%
June	335	995	196.86%	1,394	40.12%
July	467	1,104	136.35%	1,579	43.02%
August	520	1,074	106.51%	1,460	36.03%
September	601	1,356	125.69%	1,637	20.73%
October	643	1,152	79.17%	1,694	47.05%
November	605	1,049	73.43%	2,766	163.66%
December	497	910	83.37%	1,684	84.96%
January	549	987	79.64%	1,752	77.61%
February	511	1,196	134.11%	1,577	31.84%
March	615	1,426	132.09%	1,842	29.19%
April	672	1,464	117.73%	1,838	25.57%

MTA Bridges & Tunnels

Revenue Passengers	2020-2021	2021-2022	% Change	2022-2023	% Change
May	14,953,991	26,848,127	79.54%	28,870,275	7.53%
June	20,001,850	27,835,062	39.16%	28,850,283	3.65%
July	23,322,086	28,032,603	20.20%	28,709,393	2.41%
August	24,423,978	28,090,238	15.01%	29,193,767	3.93%
September	24,002,326	27,057,244	12.73%	28,141,660	4.01%
October	24,436,257	28,079,713	14.91%	28,333,321	0.90%
November	21,889,990	26,841,772	22.62%	26,910,144	0.25%
December	21,579,179	26,015,011	20.56%	27,056,085	4.00%
January	21,014,716	22,027,385	4.82%	25,742,653	16.87%
February	18,255,564	23,453,884	28.48%	23,942,800	2.08%
March	24,335,629	27,361,079	12.43%	27,926,936	2.07%
April	24,896,449	27,396,543	10.04%	27,430,634	0.12%
Year-to-Date	88,502,358	100,238,891	13.26%	105,043,023	4.79%

12 Month Averages	2020-2021	2021-2022	% Change	2022-2023	% Change
May	24,198,802	22,917,179	-5.30%	26,755,067	16.75%
June	23,466,269	23,569,947	0.44%	26,839,669	13.87%
July	23,004,994	23,962,490	4.16%	26,896,068	12.24%
August	22,586,764	24,268,012	7.44%	26,988,029	11.21%
September	22,271,489	24,522,588	10.11%	27,078,397	10.42%
October	21,965,346	24,826,210	13.02%	27,099,531	9.16%
November	21,546,717	25,238,858	17.14%	27,105,229	7.39%
December	21,098,671	25,608,511	21.37%	27,191,985	6.18%
January	20,735,856	25,692,900	23.91%	27,501,591	7.04%
February	20,212,097	26,126,093	29.26%	27,542,334	5.42%
March	20,662,163	26,378,214	27.66%	27,589,488	4.59%
April	21,926,001	26,586,555	21.26%	27,592,329	3.78%

Average Weekday Passengers	2020-2021	2021-2022	% Change	2022-2023	% Change
May	514,300	891,508	73.34%	952,430	6.83%
June	691,531	928,054	34.20%	967,507	4.25%
July	782,983	923,759	17.98%	943,405	2.13%
August	817,733	928,945	13.60%	943,677	1.59%
September	826,609	905,971	9.60%	952,441	5.13%
October	809,244	920,747	13.78%	928,697	0.86%
November	770,755	916,787	18.95%	916,878	0.01%
December	734,181	876,946	19.45%	902,319	2.89%
January	733,895	781,842	6.53%	860,825	10.10%
February	674,620	862,009	27.78%	881,376	2.25%
March	806,159	905,293	12.30%	916,128	1.20%
April	853,935	927,646	8.63%	939,270	1.25%

Fuel Hedge Program

Fuel Hedging Program: Active Ultra-Low Sulfur Diesel (ULSD) Hedges

Date	Gallons Hedged	Percent of Expected Gallons Purchased*	Weighted Average Hedge Price for Each Month	2023 Adopted Budget (February Plan) Forecasted Commodity Price
June-23	2,852,867	53	2.43	3.06
July-23	3,141,480	62	2.50	3.06
August-23	3,009,763	53	2.58	3.06
September-23	2,854,250	54	2.62	3.06
October-23	2,854,323	53	2.66	3.06
November-23	2,659,407	52	2.72	3.06
December-23	2,479,089	47	2.76	3.06
January-24	2,756,162	56	2.79	2.72
February-24	2,703,685	53	2.80	2.72
March-24	2,798,962	50	2.78	2.72
April-24	2,576,170	50	2.76	2.72
May-24	2,644,233	50	2.71	2.72
June-24	2,472,057	46	2.66	2.72
July-24	2,126,095	42	2.67	2.72
August-24	2,118,205	37	2.60	2.72
September-24	1,764,368	33	2.59	2.72
October-24	1,556,875	29	2.56	2.72
November-24	1,281,888	25	2.52	2.72
December-24	1,101,447	21	2.47	2.72
January-25	821,270	17	2.43	2.57
February-25	640,081	12	2.37	2.57
March-25	466,307	8	2.34	2.57
April-25	214,491	4	2.25	2.57

*MTA's fuel hedging program mitigates budget risk by dollar cost averaging approximately 50% of projected fuel expenses. The goal of the program is to be 50% hedged for the next 12 months. Monthly hedges are equal to approximately 4% of the projected fuel purchases expected to occur 13-24 months from each hedge execution date. The actual percentage hedged could be higher or lower than the 50% target depending on the actual levels of fuel consumption. While the fuel hedging program includes compressed natural gas, there are currently no active hedges.

Annual Impact as of Jun 8, 2023

	<u>(\$ in millions)</u>		
	<u>2023</u>	<u>2024</u>	<u>2025</u>
<u>Ultra Low Sulfur Diesel</u>			
Current Prices vs. 2023 Adopted Budget	\$38.481	\$32.552	\$19.678
Impact of Hedge	<u>1.025</u>	<u>(11.007)</u>	<u>(0.255)</u>
Net Impact: Fav/(Unfav)	\$39.506	\$21.545	\$19.423
<u>Compressed Natural Gas</u>			
Current Prices vs. 2023 Adopted Budget	\$31.210	(\$12.924)	(\$26.178)
Impact of Hedge	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>
Net Impact: Fav/(Unfav)	\$31.210	(\$12.924)	(\$26.178)
<u>Summary</u>			
Current Prices vs. 2023 Adopted Budget	\$69.691	\$19.628	(\$6.500)
Impact of Hedge	<u>1.025</u>	<u>(11.007)</u>	<u>(0.255)</u>
Net Impact: Fav/(Unfav)	\$70.716	\$8.622	(\$6.754)

JUNE 2023
MTA REAL ESTATE
FINANCE COMMITTEE AGENDA ITEMS

1. ACTION ITEMS

METROPOLITAN TRANSPORTATION AUTHORITY

- a. Lease amendment with Premium Brands OPCO LLC for retail space at 2 Broadway, New York, NY
- b. Modification to existing policy for licensing, leasing or acquisition of property right in support of MTA capital projects or ongoing operations
- c. Amendment to the agreement with BP 347 Madison Associates LLC
- d. Modification to the Madison Avenue development agreement with Boston Properties
- e. Agreements with Amtrak to permit the construction of its Hudson Tunnel Concrete Casing under the LIRR Western Rail Yard, New York, NY

MTA METRO-NORTH RAILROAD

- f. Authorization to acquire property interests by negotiated settlement or eminent domain for the Claremont Substation Project, Bronx, NY
- g. Sale of development rights at 180 East 135th Street, Port Morris, Bronx, NY
- h. Revised Staff Summary authorizing the acquisition of permanent and temporary property interests in support of the Park Avenue Viaduct Replacement Project

2. INFORMATION ITEMS

- a. Lease agreement between NYCT and 2558 Grand Concourse, LLC for an employee swing space in support of bus operations at 2558 Grand Concourse, Bronx, NY
- b. Amendment to the agreement between NYCT and A and H Laundry of Brooklyn, LLC for restroom access at 9814 4th Avenue, Brooklyn, NY

- c. Permit agreement between NYCT and New York City Economic Development Corporation for utility removal work at 65 Commercial Street, Brooklyn, NY
- d. Access agreement between NYCT and Woodside Landmark Realty, LLC for property required in connection with the Rehabilitation of Substation Roofs and Enclosures Project, Queens, NY
- e. Access agreements between NYCT and Beige Family Realty Company, LLC for property required in connection with the Rehabilitation of Substation Roofs and Enclosures Project, Queens, NY
- f. License agreement between the LIRR and JPA Consolidated for three retail units at the Manhasset Station, Manhasset NY
- g. License agreement between the LIRR and JPA Consolidated for a retail unit at the Port Washington Station, Port Washington, NY
- h. License agreement between the LIRR and JPA Consolidated for a retail unit at the Lynbrook Station, Lynbrook, NY
- i. Access agreement between the LIRR and Rose-Breslin Associates, LLC to facilitate site survey and other preliminary work in connection with the Yaphank Station Relocation Project, Brookhaven, NY
- j. Short term permit agreement between MNR and Dia Art Foundation for access and parking at the Beacon Station, Beacon, NY
- k. License agreement between SIR and Staten Island Chamber of Commerce for banner placement at 293 Bay Street, Staten Island, NY

<u>Legal Name</u>	<u>Popular Name</u>	<u>Abbreviation</u>
<u>New York City Transit Authority</u>	<u>MTA New York City Transit</u>	<u>NYC Transit</u>
<u>The Long Island Rail Road Company</u>	<u>MTA Long Island Rail Road</u>	<u>LIRR</u>
<u>Metro-North Commuter Railroad Company</u>	<u>MTA Metro-North Railroad</u>	<u>MNR</u>
<u>Triborough Bridge and Tunnel Authority</u>	<u>MTA Bridges and Tunnels</u>	<u>MTA B&T</u>
<u>MTA Construction and Development Company</u>	<u>MTA Construction and Development</u>	<u>MTA C&D</u>
<u>MTA Bus Company</u>	<u>MTA Bus Company</u>	<u>MTA Bus</u>

Staten Island Rapid Transit Operating Authority is a subsidiary of the Metropolitan Transportation Authority. Its popular name is MTA Staten Island Railway (abbreviated as SIR).

Manhattan and Bronx Surface Transit Operating Authority is a subsidiary of the New York City Transit Authority (abbreviated as MaBSTOA).

Staff Summary

Subject LEASE AMENDMENT WITH PREMIUM BRANDS OPCO LLC FOR RETAIL SPACE AT 2 BROADWAY, NEW YORK, NEW YORK
Department REAL ESTATE
Department Head Name DAVID FLORIO
Department Head Signature
Project Manager Name JASON ORTIZ

Date JUNE 27, 2023
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	06/26/23	X		
2	Board	06/27/23	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Legal		
2	Chief Administrative Officer		
3	Chief Financial Officer		

AGENCY: Metropolitan Transportation Authority ("MTA")
LESSEE: Premium Brands OPCO LLC
LOCATION: 2 Broadway, New York, New York
ACTIVITY: Continued operation of an Ann Taylor Loft retail store
ACTION REQUESTED: Authorization to enter into a lease amendment
SPACE: 6,310± square feet; Retail Space B
RENT: \$360,000.00 per annum for the additional first lease year, with three percent (3%) per annum increases compounded annually for the remainder of the additional five (5) year lease term
COMMENTS:

MTA Real Estate issued a Request for Proposals ("RFP") dated January 11, 2023, covering three (3) street level retail units at 2 Broadway in Manhattan. One of the retail units ("Retail Space B"), is currently operated by Ann Taylor Loft who has been a tenant since 12/15/2001. The only proposal received for Retail Space B was from Premium Brands Opco LLC who is the parent company of Ann Taylor Loft. Premium Brands Opco LLC is proposing to continue operating at Retail Space B as an Ann Taylor Loft retail store for an additional five (5) year lease term at an annual rental compensation of \$360,000 for the additional first lease year, with three percent (3%) per annum increases compounded annually for the remainder of the additional five-year lease term.

The proposed rental compensation being offered by Premium Brands Opco LLC falls below the rental compensation, as determined by an independent appraisal, however the proposed rental compensation being offered by Premium Brands Opco LLC represents a 51% increase over the existing rent currently being paid by Premium Brands Opco LLC. In light of the foregoing, and taking into consideration the existing retail market conditions, that no other bidders submitted a proposal, that no concessions have been offered by the MTA, that no lost revenue was had by the MTA in any downtime, and also taking into consideration that Premium Brands Opco LLC is a current tenant in good standing with uninterrupted rental payments, it was determined that MTA Real Estate should proceed with Premium Brands Opco LLC's proposal.

Based on the foregoing, MTA Real Estate is requesting authorization to enter into a lease amendment with Premium Brands Opco LLC for the continued operation of an Ann Taylor Loft retail store located in Retail Space B.

Staff Summary

Subject MODIFICATION TO EXISTING REAL ESTATE POLICY
Department REAL ESTATE
Department Head Name DAVID FLORIO
Department Head Signature
Project Manager Name ARTURO ESPINOZA

Date JUNE 27, 2023
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	06/26/23	X		
2	Board	06/27/23	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Legal		
2	Chief Administrative Officer		
3	Chief Financial Officer		

AGENCY: All-agency

COMMENTS:

A policy permitting MTA Real Estate (“MTARE”) to license, lease or acquire property rights in support of MTA capital projects or ongoing operations when it is reasonably estimated that MTA’s aggregate obligation to pay compensation or reimbursement to the licensor or grantor will be less than \$15,000 (on a present value basis) over the term was adopted September 21, 2015.

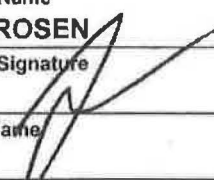
Approximately eight years later, instances have arisen where it was difficult to keep the compensation within the current \$15,000 limit. MTARE requests Board authorization to increase the compensation or reimbursement amount to \$100,000.

BE IT RESOLVED that the Board hereby authorizes the Chief Real Estate Transactions and Operations Officer of MTA to negotiate and enter into agreements with third parties on behalf of MTA and its agencies for the acquisition of property rights through lease, license or other form of acquisition without prior Board approval, subject to the following conditions:

- Such acquisition shall be in support of MTA capital projects or ongoing operations.
- It shall be reasonably estimated that MTA’s aggregate compensation or cost reimbursement to the licensor or grantor shall be less than \$100,000 (on a present value basis) over the term.
- Prior to the execution of any such agreement, (i) it will be approved by the MTA Legal Department and (ii) MTA will comply with the applicable requirements of the State Environmental Quality Review Act (SEQRA).
- MTARE will notify the Board of the terms of the agreement subsequent to the execution of the agreement.



Policy # 34

Staff Summary

Subject
Department REAL ESTATE
Department Head Name JEFFREY B. ROSEN
Department Head Signature 
Project Manager Name

Date SEPTEMBER 21, 2015
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	9/21/15	X		
2	Board	9/24/15	X		

Internal Approvals			
Order	Approval	Order	Approval
			Legal RB
3	Chief of Staff 		
2	Chief Financial Officer 		

AGENCY: All-agency

PURPOSE: To obtain Board approval of a new policy to regulate the process MTA Real Estate ("MTARE") follows to enter into certain agreements as set forth below and in the attached resolution

COMMENTS:

In an effort to streamline and expedite the process by which MTA Real Estate ("MTARE") enters into real estate agreements, the MTA Board has approved a number of policies and procedures permitting agreements with third parties without prior Board approval.

MTARE is hereby proposing to add a new policy, as described below. Board approval of this policy will permit MTARE to execute certain transactions under circumstances where the compensation (including reimbursement of cost) to be paid by the MTA is under \$15,000.

More specifically, MTARE requests Board authorization to:

License, lease or acquire property rights, without prior Board approval, in support of MTA capital projects or ongoing operations when it is reasonably estimated that MTA's aggregate obligation to pay compensation or reimbursement to the licensor or grantor will be less than \$15,000 (on a present value basis) over the term.

Prior to the execution of any such agreement, (i) it will be approved by the MTA Legal Department and (ii) MTA will comply with the applicable requirements of the State Environmental Quality Review Act (SEQRA).

The policy also requires MTARE to notify the Board of the terms of the agreement subsequent to the execution of the agreement.

RESOLUTION

**BOARD OF THE
METROPOLITAN TRANSPORTATION AUTHORITY**

WHEREAS, the Real Estate Department (“RED”) of the Metropolitan Transportation Authority (“MTA”) is tasked with acquiring various real property rights and entering into leases, licenses, permits and other like agreements on behalf of itself and its operating agencies, and

WHEREAS, RED seeks to enter into such agreements as efficiently as possible while keeping the MTA Board apprised of its activities, and has therefore requested that the Board approve a new policy that will permit RED to execute certain transactions quickly under circumstances in which the estimated compensation and reimbursement costs are low:

NOW THEREFORE, BE IT RESOLVED that the Board of MTA hereby authorizes the MTA Director of Real Estate to negotiate and enter into agreements with third parties on behalf of MTA and its agencies for the acquisition of property rights through lease, license or other form of acquisition without prior Board approval, subject to the following conditions :

1. Such acquisition shall be in support of MTA capital projects or ongoing operations.
2. It shall be reasonably estimated that MTA’s aggregate obligation to pay compensation or cost reimbursement to the licensor or grantor shall be less than \$15,000 (on a present value basis) or more over the term.
3. Prior to the execution of any such agreement, (i) it will be approved by the MTA Legal Department and (ii) MTA will comply with the applicable requirements of the State Environmental Quality Review Act (SEQRA).
4. RED will notify the Board of the terms of the agreement subsequent to the execution of the agreement.

FOR REFERENCE PURPOSES ONLY

Staff Summary



Subject AMENDMENT TO THE AGREEMENT WITH BP 347 MADISON ASSOCIATES LLC
Department TRANSIT-ORIENTED DEVELOPMENT
Department Head Name ROBERT PALEY
Department Head Signature
Project Manager Name HELENE CINQUE

Date JUNE 27, 2023
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	06/26/23	X		
2	Board	06/27/23	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Legal		
2	Chief Development Officer		
3	Chief Financial Officer		

AGENCY: Metropolitan Transportation Authority (“MTA”)

PERMITTEE: BP 347 Madison Associates, LLC (“Project Manager”), an affiliate of Boston Properties (“BXP”)

LOCATION: 341, 345, and 347 Madison Avenue, New York, New York (the “MTA Property” and the buildings thereon, the “Buildings”)

ACTIVITY: Amendment to project management agreement with BXP/Project Manager to include additional work related to the settlement of a dispute with the adjacent owner of property located at 52 Vanderbilt (“52 Vanderbilt Owner”) and related settlement work and construction access license agreements with 52 Vanderbilt Owner

ACTION REQUESTED: Approval of terms and authorization to enter into amendment to project management agreement for the demolition of the Buildings on the terms described below.

COMMENTS:

MTA engaged BXP to manage the demolition of the Buildings that had previously served as the MTA Headquarters pursuant to a project management agreement dated November 1, 2019, as amended and restated as of May 3, 2021 (as amended and restated, the “Project Management Agreement”) (see January 2021 and November 2018 staff summaries, attached).

The completion of the demolition has been delayed by a dispute with 52 Vanderbilt Owner over its rights to continue to occupy and use portions of the MTA Property for a rerouted freight corridor (including utilities) serving 52 Vanderbilt and a shared stair. The shared stair and rerouted freight corridor were constructed by the former owner/ground lessee of 347 Madison pursuant to a 1927 agreement that had been entered into between the then owners/ground lessees of the buildings located at 347 Madison and 52 Vanderbilt and established the shared, reciprocal access rights of the parties and their successors.

MTA and 52 Vanderbilt Owner have reached agreement on the terms for the termination of the 1927 agreement of record (which is a closing condition to the overall redevelopment of the site with BXP and necessary to clear title to the MTA Property) and the scope of the additional work (the “Settlement Work”) that will need to be performed by MTA at its cost in order to restore the 52 Vanderbilt property to a self-contained condition as contemplated by the 1927 agreement, with a freight corridor, utilities and a new stairway providing ingress and egress between the basement and street levels of the 52 Vanderbilt building all being situated within the 52VB Building. In addition, the settlement includes the granting by 52 Vanderbilt Owner of necessary construction access license agreements for access and temporary protections on the

52 Vanderbilt property that will be necessary in connection with the redevelopment of the site to enable the further demolition and construction and redevelopment of the site to proceed, and that are also conditions to the closing of the overall ground lease redevelopment. Upon completion of the Settlement Work to a point where the freight corridor area within the MTA Property is no longer providing any purpose and 52 Vanderbilt Owner has legal and beneficial use of the relocated freight corridor, utilities and related improvements, 52 Vanderbilt Owner will surrender possession of the portion of the freight corridor within the MTA Property and the demolition work on the MTA Property will be able to continue to completion.

The budgeted cost for the Settlement Work necessary to complete the demolition and permit the overall redevelopment of the MTA Property is estimated to be 12 million dollars. Because BXP/Project Manager is keenly familiar with the project site, having already been engaged by MTA to serve as the project manager on behalf of MTA for the demolition of the Buildings, MTA seeks approval to amend the Project Management Agreement to utilize BXP for an expanded scope of project services under the Project Management Agreement pertaining to all of the additional work to be performed in settlement and resolution of the dispute with 52 Vanderbilt Owner. The Project Management Agreement provides for all trades to be bid pursuant to MTA guidelines and participation and will continue to require that in connection with the additional work that is the subject of this Board action item.

In addition to the direct and indirect costs associated with the Settlement Work, the resolution of this dispute with 52 Vanderbilt Owner has imposed a protracted delay on the ability to complete the demolition of the Buildings, which delay has increased the overall cost of the demolition of the Buildings to an aggregate amount (inclusive of the Settlement Work) so that the budget for the demolition is now estimated to be \$50 million and has extended the projected completion date for the demolition of the Buildings to second quarter 2024. Although BXP will remain obligated in the redevelopment ground lease to reimburse MTA for the costs related to the demolition of the Buildings, it will not be obligated to reimburse MTA for the incremental costs for the demolition attributable to the delays caused by the settlement of the dispute or for the reimbursement of the Settlement Work costs, other than for \$2.35 million that BXP has agreed to contribute towards that cost under the agreement to enter into the ground lease for the ground lease redevelopment of the MTA Property.

The increased costs for the demolition of the Buildings (including the completion of the Settlement Work) will be paid for out of the existing capital project under category N811 of the MTA Interagency section of the 2020-2024 Capital Program, subject to Board approval of an increase in that Capital Program which is being sought through a separate staff summary being presented to the Board concurrently, and to affirmation by the Public Authorities Control Board.

Based on the foregoing, TOD requests Board authorization for MTA to amend the project management agreement with BXP/Project Manager to include additional scope of work that is required in order for the demolition of the Buildings to be completed, on the material terms set forth above and such other terms and conditions as the Chair and Chief Executive Officer of the MTA, the Chief Development Officer of MTA and/or the Senior Director, Transit Oriented Development of MTA, or a designee of any of the foregoing officers, deems necessary or appropriate, and to enter into such other documents and instruments and take all other actions as shall be necessary or desirable consistent with the foregoing for the completion of the work associated with resolution of the dispute with 52 Vanderbilt Owner and the demolition of the Buildings.

Attachments:

Staff Summary dated November 2018

Staff Summary Update dated January 2021

Staff Summary

Subject UPDATE TO AGREEMENT WITH BP 347 MADISON ASSOCIATES
Department REAL ESTATE
Department Head Name JOHN N. LIEBER
Department Head Signature
Project Manager Name ROBERT PALEY and DAVID FLORIO

Date JANUARY 21, 2021
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	1/21/2021		X	

Internal Approvals			
Order	Approval	Order	Approval
1	Legal		
2	Chief Development Officer		
3	Chief Financial Officer		

AGENCY: Metropolitan Transportation Authority ("MTA")
PERMITTEE: BP 347 Madison Associates, LLC, d/b/a Boston Properties ("BP")
LOCATION: 341, 345, 347 Madison Avenue, New York, New York (the "Buildings")


ACTIVITY: Update of agreement to facilitate demolition of the Buildings

COMMENTS:

MTA engaged BP to demolish the former MTA Headquarters Buildings prior to redevelopment due to the deterioration of the vacated Buildings, life safety considerations arising from the deteriorated Buildings and the prohibitive costs to repair and maintain the Buildings. The Board authorized entering into a single source personal services contract with BP, MTA's designated developer for 347 Madison to manage the demolition with all trade contracts being bid pursuant to MTA guidelines and participation. (See November 2018, staff summary, attached.) After closing of the redevelopment ground lease, BP would reimburse MTA for the full cost of the demolition. The initial budget estimate at that time was \$25 million with demolition anticipated to be completed in 2020.

After a thorough demolition design and bidding process (including extensive testing and evaluation of abatement requirements) the final budget is now set at \$34 million. BP will remain obligated in the redevelopment ground lease to reimburse MTA for all costs related to the demolition of the Buildings. The revised schedule projects that demolition should be completed in the 2nd quarter of 2022.

Staff Summary

Subject AGREEMENT WITH BP 347 ASSOCIATES, LLC
Department REAL ESTATE
Department Head Name JOHN N. LIEBER
Department Head Signature 
Project Manager Name ROBERT PALEY & DAVID FLORIO

Date NOVEMBER 13, 2018
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	11/13/18	X		
2	Board	11/15/18	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Legal 		
2	Chief Development Officer 		
3	Chief Financial Officer 		
4	Chief of Staff 		

AGENCY: Metropolitan Transportation Authority ("MTA")

PERMITTEE: BP 347 Madison Associates, LLC, d/b/a Boston Properties ("BP")

LOCATION: 341, 345, 347 Madison Avenue, New York, New York (the "Buildings")

ACTIVITY: Entry into a single source procurement of qualified personal service contractor to oversee demolition activities for the Buildings.

ACTION REQUESTED: Approval for a single source procurement and creation of a new capital project in the 2015-2019 Capital Program to allow for access to and demolition of the Buildings.

TERM: Eighteen (18) months

COMPENSATION: Not to exceed \$1,000,000 plus a direct pass-through of actual cost of demolition of the Buildings based upon competitively bid contracts for the work, will be paid out of MTA Capital Budget.

COMMENTS:

The redevelopment of the former MTA Headquarters Buildings on Madison Avenue was anticipated to be undertaken shortly after the MTA relocated its headquarters to 2 Broadway in late 2014. BP, the designated developer selected through a 2013 Request For Proposals ("RFP"), was to have demolished the Buildings at its cost immediately after securing approval by the City and MTA of the redevelopment project for the Buildings (the "Project") and executing a long-term triple net ground lease with the MTA (the "Ground Lease") as contemplated by the 2013 RFP. However, the Project has been delayed, and the Buildings, already in substandard condition at that time, are now substantially vacant and have continued to deteriorate due to deferred maintenance as cost savings initiatives. In addition, the Buildings may soon be in non-compliance with updated life-safety codes, which will go into effect in June 2019.

Concern about the safety and cost of maintaining the largely vacant Buildings prompted MTA Real Estate to have them evaluated in the summer of 2018 by Syka Hennessy Group, Inc. Syka's Property Conditions Assessment Report outlines work required to make the Buildings safe for the immediate future and to meet code and life safety requirements. Syka estimated the cost of the work required to address "Priority One Deficiencies" which include facade repairs, sprinkler system installation and life safety updates at approximately \$30 Million. These improvements must be completed by mid-2019. Priority Two work totaling \$7.7 million must be completed by 2020. MTA Real estate has determined that these costs make the Buildings, which, even if brought to code and life safety standards, substandard as office space, and unmarketable in the foreseeable future.

Staff Summary

FINANCE COMMITTEE MEETING AGREEMENT WITH BP 347 ASSOCIATES, LLC

The estimated demolition cost of \$25 Million is less than the investment required to make the Buildings code compliant in the immediate future and significantly less than the cost of continuing to maintain them over even a modest period of time. The most prudent path, for both public safety and fiscal responsibility, is to demolish the Buildings as quickly as possible.

The MTA has no expertise overseeing a demolition project of this size. Under the proposed arrangement, BP, under a personal services contract would act as a construction manager, hire all professionals required (i.e. architects, engineers, expeditors etc.), to produce a demolition documentation package and bid out that package pursuant to MTA guidelines to a qualified general contractor, who will manage the demolition and bid out to all subcontractors.

The benefits to the MTA contemplated in the Ground Lease would be preserved to the greatest extent possible. Upon closing of the Ground Lease for the Project, BP will reimburse the MTA for all costs related to the demolition. This proposed arrangement aligns BP's and the MTA's interests in keeping costs as low as possible since the ultimate responsibility for costs will rest with BP if the Project and Ground Lease move forward. If the Project is not ultimately approved by the City and MTA, the demolition of the Buildings will still relieve MTA of the approximately \$37 Million in repair costs it would otherwise be required to invest to maintain the buildings.

Upon approval of the work contemplated hereunder, BP would undertake an approximately six-month design and permitting process and bid the trade contracts with an anticipated start date for demolition in Q2 2019 with completion of demolition anticipated for Q2 2020.

Although BP, as a redeveloper, would normally not initiate demolition until after the completion of all public approvals related to the Project (2020 at the earliest), segmenting the demolition from the balance of the redevelopment project through a contract with BP independent of the Ground Lease would preserve the benefits to the MTA anticipated for the Project. This will ensure that 1) the demolition of deteriorating and non-compliant Buildings is timely and efficient, 2) the demolition is undertaken in a manner that leaves the site in a condition that would provide BP a seamless transition to its Project, 3) the demolition will provide the MTA the assurance that it is getting the best pricing since it will ultimately be BP's cost if and when the Project proceeds and 4) the MTA is relieved of the burden of overseeing a demolition project, which it is not properly staffed to handle.

The design of the demolition is particularly important with respect to an East Side Access ("ESA") entrance, which is to be included as part of the Project. The design of the foundation removal, required underpinning, and utility removal will ensure that BP coordinates demolition with the future planned construction that includes an ESA entrance. For this reason, BP will retain the same architecture, engineering and geotechnical consultants for the demolition as it would for the Project.

Segmenting the demolition from the Project is permissible under these circumstances since the Project has been delayed and the Buildings, already in substandard condition, continue to deteriorate and will soon be out of compliance with updated life-safety codes. An Environmental Assessment has been performed in accordance with Article 8 of the New York State Environmental Conservation Law, and the demolition will not result in any significant adverse environmental impact. The environmental review for the Project will take note of the Buildings demolition and be no less protective of the environment than if they had remained in their current condition.

To support this work, a new capital project will be created under category N711 of the MTA Interagency section of the 2015-2019 Capital Program. Budget authority will be transferred from the existing Capital Program Support project (N7110103).

Staff Summary

Subject MODIFICATION TO THE MADISON AVENUE DEVELOPMENT AGREEMENT WITH BOSTON PROPERTIES
Department TRANSIT-ORIENTED DEVELOPMENT
Department Head Name ROBERT PALEY
Department Head Signature
Project Manager Name HELENE CINQUE

Date JUNE 27, 2023
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	06/26/23	X		
2	Board	06/27/23	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Legal		
2	Chief Development Officer		
3	Chief Financial Officer		

AGENCY: Metropolitan Transportation Authority (“MTA”)

DEVELOPER: BP 347 Madison Associates, LLC (“Developer”), a special purpose entity owned by Boston Properties Limited Partnership (“BXP”)

LOCATION: 341-347 Madison Avenue (between East 44th and 45th Streets), New York, New York (the “MTA Property”)

ACTIVITY: Modification of certain terms for the 347 Madison Avenue development transaction with BXP to address delays attributable to resolving dispute with adjacent property owner

ACTION REQUESTED: Approval of terms and authorization to enter into an amendment to agreement to enter into lease with Developer on the terms described below.

COMMENTS:

Pursuant to Board authorization dated February 24, 2022 (see February 2022 staff summary and resolution, attached) regarding the overall ground lease development of the MTA Property by Developer (the “Development”), MTA and Developer entered into an Agreement to Enter into Lease, dated as of February 24, 2022 (the “Pre-Lease Agreement”), to which the negotiated and agreed upon forms of the material transaction documents including the form of 99-year triple net ground lease (the “Ground Lease”) were attached. The Development will include the construction, operation and maintenance by Developer of a new MTA entrance to Madison Grand Central Terminal at 45th and Madison, which will be integrated into the future office building to be constructed, operated and maintained by Developer. The closing under the Pre-Lease Agreement was anticipated to occur by no later than July 31, 2023 after demolition of the former headquarters buildings (the “Buildings”) at the MTA Property, which MTA undertook to perform because of concerns over safety and cost of maintaining the largely vacant buildings. MTA engaged 347 Madison Associates, LLC (“Project Manager”), an affiliate of BXP/Developer, to manage the demolition of the Buildings pursuant to a project management agreement dated May 3, 2021.

The completion of the demolition has been delayed as a result of a dispute with the adjacent owner (“52 Vanderbilt Owner”) of the property and building located at 52 Vanderbilt, New York, NY (“52 Vanderbilt”) over the rights of 52 Vanderbilt Owner to continue to occupy and use a freight corridor (including utilities) located wholly within the MTA Property but exclusively serving 52 Vanderbilt. A shared stair and the freight corridor were constructed by the former owner/ground lessee of 347 Madison pursuant to a 1927 agreement that had been entered into between the then

owners/ground lessees of the buildings located at 347 Madison and 52 Vanderbilt. This dispute delayed the closing of the Development transaction under the Pre-Lease Agreement and to be entered into Ground Lease and consequential delays to the commencement of the construction of the New Entrance and future office tower by BXP/Developer.

MTA and 52 Vanderbilt have reached agreement on the terms of a settlement and resolution of the dispute, and MTA Board approval for such action is being sought concurrently herewith by separate staff summary.

The satisfactory resolution of the dispute with 52 Vanderbilt Owner and the removal of record of the 1927 agreement, as well as the completion of the demolition were all conditions of closing the Ground Lease and Development under the Pre-Lease Agreement. The protracted delays associated with the settlement and resolution of the dispute with 52 Vanderbilt Owner necessitate modification of certain material terms outlined in the February 2022 staff summary for the Ground Lease and the Development:

- (i) the outside closing date for the execution and delivery of the Ground Lease will be extended from July 31, 2022 to July 31, 2023, subject to further extension by MTA or Developer for up to 90 days, or due to force majeure or mutual agreement;
- (ii) similarly, the outside date for Developer to exercise its option to terminate the Ground Lease will be extended by one-year through July 31, 2025;
- (iii) the incremental costs for the demolition of the Buildings directly resulting from the delay in achieving a resolution with the 52 Vanderbilt Owner that would enable the demolition of the Buildings to be completed will not be treated as demolition costs reimbursable by BXP;
- (iv) the aggregate sum capped for amounts to be reimbursed to Developer in the event Developer elects terminate the Ground Lease pursuant to its termination option for the costs incurred by Developer to obtain the land use approvals and to construct the MTA new entrance will be increased by from \$80M to \$92M; and
- (v) the completion of demolition (following completion of the settlement work) will no longer be conditions to closing. This will accelerate the closing of the execution and delivery of the Ground Lease, which will result in an acceleration of the base rent commencement date by the time that it takes to complete the settlement work.

Other than the proposed modifications outlined above, the material terms outlined in the February 2022 staff summary for the transaction remain substantially the same.

Based on the foregoing, TOD requests Board authorization for MTA to modify and amend the Pre-Lease Agreement and the form of Ground Lease attached thereto on the material terms set forth above and in furtherance thereof to negotiate, execute and deliver the amendment to agreement to enter into lease and such other documents and instruments deemed necessary or appropriate to effectuate the foregoing on such terms and conditions as the Chair and Chief Executive Officer of the MTA, the Chief Development Officer of MTA and/or the Senior Director, Transit Oriented Development of MTA, or a designee of any of the foregoing officers, deems necessary or appropriate, and to take all other actions as shall be necessary or desirable consistent with the foregoing.

Attachment

Staff Summary dated February 24, 2022

Staff Summary

Subject 347 MADISON AVE DEVELOPMENT
Department TRANSIT-ORIENTED DEVELOPMENT
Department Head Name ROBERT PALEY
Department Head Signature
Project Manager Name ROBERT PALEY

Date FEBRUARY 24, 2022
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	2/22/22	X		
2	Board	2/24/22	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Legal		
2	Chief Development Officer		
3	Chief Financial Officer		

AGENCY: Metropolitan Transportation Authority (“MTA”)

DEVELOPER: BP 347 Madison Associates, LLC or another to be formed special purpose entity (“Developer”), which is owned by Boston Properties Limited Partnership (“Boston Properties”), a subsidiary of Boston Properties, Inc., a Delaware corporation and publicly traded real estate investment trust

LOCATION: 341-347 Madison Avenue between East 44th and 45th Streets, New York, NY

ACTIVITY: Adoption of the attached State Environmental Quality Review Act (“SEQRA”) Findings Statement
Approval to enter into a 99-year triple net lease (the “Lease”)

PROPERTY TO BE LEASED: Approximately 25,051 square feet of land comprising Manhattan Block 1279, Lots 23, 24, 25 and 48 (the “Land”), and all existing and future improvements thereon except for the East Side Access vent plant that MTAC&D constructed on Lot 48 (the “Vent Plant”) but including the air space over a 30’ elevation above the Vent Plant. Such Land and improvements (exclusive of the Vent Plant other than the air space) are referred to herein as the “Property”.

COMPENSATION:

- (a) Upfront Payment: \$25 million, payable at Lease execution; plus a second upfront payment equal to \$21,794,500.00, adjusted based on the zoning square footage of the New Building in the same manner as Annual Base Rent is to be adjusted, as set forth in Schedule A attached to this Staff Summary, will be payable on July 31, 2024 if Tenant does not elect to terminate pursuant to the limited termination right described below.
- (b) Annual Base Rent: to be calculated based on the zoning square footage of the New Building, as set forth in Schedule A attached to this Staff Summary, commencing 3 years after Lease execution.
- (c) Percentage Rent: For each lease year, commencing when subtenants under subleases covering at least 90% of the rentable area of the New Building have commenced making payments of regularly scheduled rent, 5.0% of the excess of (i) Developer’s gross revenue for such year, net of the Base Rent and payments in lieu of real property taxes for such year, over a breakpoint. The breakpoint for the first 30 years after the Rent Commencement Date will be based on a \$60/rsf per year threshold. For each Base Rent Adjustment Year (i.e., every 30th year

Staff Summary

FINANCE COMMITTEE MEETING 347 MADISON AVENUE DEVELOPMENT (Cont'd.)

during the term) until the next Base Rent Adjustment Year, annual percentage rent will be reduced by the yearly average percentage rent paid for the 5 years prior to the immediately preceding Base Rent Adjustment Year.

- (d) PILOT/PILOST: Payments in lieu of real property taxes, equal to the full, unabated real property taxes that will be payable with respect to the Property if Developer owned the fee interest in the Property; and payment in lieu of sales taxes, equal to the sales tax Developer would incur with respect to its construction costs if it were the owner of such fee interest
- (e) On-site Transit Improvements: A new public entrance at 45th and Madison Avenue within the Property to be constructed and maintained by Developer at its own cost and expense, on an accelerated completion schedule, in exchange for the limited termination right, as described below. The new entrance will connect to the Madison Concourse of the East Midtown Terminal serving The Long Island Rail Road Company, constructed beneath Grand Central Terminal as part of the East Side Access (“ESA”) project.

LEASE TERM: 99 years from rent commencement, which is 5 years after lease execution, subject to a limited one-time Developer early termination right, as discussed below.

BACKGROUND

The MTA Board, by resolution dated February 26, 2016, conditionally designated Developer, a special purpose entity owned by Boston Properties, as the developer to redevelop the former MTA headquarters on Madison Avenue between 44th and 45th Streets and authorized MTA to enter into a pre-lease agreement with Developer on the terms outlined in the February 26, 2016 staff summary (see copy attached) (the “2016 Staff Summary”) and such other terms or conditions deemed necessary or appropriate, with forms of the proposed 99-year ground lease and other operative documents to be negotiated and attached, and to be subject to further approval by the MTA Board of the final material terms of the Lease transaction documents, following review and compliance by MTA and all other involved governmental agencies with SEQRA. Developer was required to seek a special permit from the City Planning Commission for bonus floor area as provided for in the Vanderbilt Corridor special zoning subdistrict. Revenues from the ongoing base rent and PILOT will be used to support the MTA capital program including providing alternative non-tax-levy revenue sources to fulfill a portion of New York City’s obligations to the MTA’s 2015-2019 Capital Program.

Since the 2016 MTA Board approval for the conditional designation and pre-lease agreement for the proposed redevelopment, the following has occurred:

- (1) A 2018 conditions assessment prepared for MTA determined that the substantially vacant headquarters buildings were significantly deteriorated, and it would not be prudent to wait until the redevelopment to begin demolition. In November 2018 the MTA Board approved the demolition of the vacant buildings at MTA’s cost under the direction of Boston Properties as project manager for MTA, with the cost of demolition ultimately to be repaid by Developer in the ground lease transaction.
- (2) In November 2021 Developer successfully completed the City’s Uniform Land Use Review Procedure obtained a Special Permit allowing the site to be developed to its highest potential pursuant to the Vanderbilt Corridor zoning subdistrict. In connection with the Special Permit, MTA will be required to construct off-site improvements that would improve flows from the 7 line platform at the Grand Central 42nd Street Station to be financed by project revenues, and to have the developer construct an onsite improvement, a new entrance to the new concourse and terminal constructed as part of the ESA project to be

Staff Summary

FINANCE COMMITTEE MEETING 347 MADISON AVENUE DEVELOPMENT (Cont'd.)

known as the Madison Concourse of the East Midtown Terminal. A Restrictive Declaration committing to develop the Land in conformance with approved plans and committing to construct these specific public realm improvements, was executed by MTA and recorded.

- (3) A Pre-lease Agreement and the form of the Lease to be attached to it, subject to adoption of environmental findings and further MTA board approval, reflecting the terms set forth in the 2016 Staff Summary with certain modified terms as described below has been fully negotiated.

It is now necessary for the MTA Board to take two sequential actions:

1. First, to comply with SEQRA, the MTA Board must adopt a SEQRA Findings Statement.
2. Second, following adoption of the SEQRA Findings Statement, the MTA must authorize MTA to execute and deliver the Lease and the other related transaction documents on the material terms set forth in this Staff Summary.

Environmental Findings

An Environmental Impact Statement was prepared in conjunction with the review of the special zoning permit. On September 10, 2021, the New York City Department of City Planning, on behalf of the City Planning Commission (“CPC”) as lead agency, issued a Notice of Completion for the Final Environmental Impact statement for the 343 Madison Avenue proposal. Based on that analysis, MTA staff have prepared the attached SEQRA Findings Statement pursuant to the State Environmental Quality Review Act and its implementing regulations codified at 6 NYCRR Part 617.

Because the Environmental Impact Statement for the project indicated that there would be a small number of site specific traffic and pedestrian environmental impacts that could be partially mitigated by future mitigation measures, the CPC conditioned its approval of the project’s special permits on commitments in a restrictive declaration for the Developer to carry out those measures, including consulting with the City’s Department of Transportation concerning the final width of adjacent sidewalks and the operation of the project’s loading docks.

Restrictive Declaration. In addition to mitigation measures, the restrictive declaration also describes procedures for the issuance by the City of temporary and permanent occupancy certificates for the project based on Developer’s completion of the On-Site Transit Improvements and MTA’s completion of the following off-site transit improvements included as part of the project:

1. Widening of 2 stairs (U2 and U6) that connect the Lexington Avenue platform to the #7 Flushing Line platform.
2. Widening of 2 Flushing Line stairs (PL8 and PL9) located at the east end of the platform.
3. New stair and passageway located on Flushing Line platform center core.

As per the declaration, a temporary certificate of occupancy will not be issued for the portion of the proposed building utilizing the Bonus Floor Area until the transit improvements are substantially complete. And the permanent certificate of occupancy will not be issued for the portion of the proposed building utilizing the Bonus Floor Area until the transit improvements are complete.

Material Business Terms

The business terms remain substantially the same as the terms presented to the MTA Board in 2016. The compensation and financial terms are unchanged, but the timing has been modified to address the force majeure impacts of the COVID pandemic. In exchange for a significant acceleration of the Developer’s obligation to construct and deliver a new east side access entrance at its cost (subject to repayment only if it elects to terminate), Developer has been given the right to terminate the Lease following completion of the on-site transit improvements to provide some protection to Developer against the uncertainties of post-pandemic market recovery. Were Developer to elect to terminate, MTA would be

Staff Summary

FINANCE COMMITTEE MEETING 347 MADISON AVENUE DEVELOPMENT (Cont'd.)

obligated to repay to Developer the costs of constructing the new entrance (including costs to obtain the special permit) capped at \$80M plus the initial Upfront Payment, by July 31, 2029 with no interest prior to July 31, 2027, as described below.

Compensation: Upfront Payment, Base Rent, PILOT, PILOST, and construction and perpetual maintenance of on-site GCT Public Realm Improvements, as summarized above, all of which is consistent with the economic terms as outlined in the 2016 Staff Summary, but subject to Developer's right to elect to terminate as described in this Staff Summary and, if Developer does not elect to terminate, upon expiration or waiver of its termination right Developer will be required to pay to MTA as an additional Upfront Payment an amount equal to the annual base rent that was otherwise payable during the first 2 years following the rent commencement date. Developer will be required to reimburse MTA for the costs of demolition upon expiration or waiver of its termination right, as noted below. Annual base rent payable, in monthly installments per Schedule A hereto, commencing 5 years after Ground Lease execution. PILOT and PILOST accrue from Ground Lease execution but payment of the same is tolled until the expiration or waiver of Developer's termination right when the same will become payable retroactively to the date of execution, as well as prospectively during the term of the Lease. Boston Properties will provide a guaranty of rent that will cover the second Upfront Payment, plus base rent and PILOT payments under the Lease for the period ending on the second anniversary of substantial completion of the new building, or such earlier date as the new building is deemed to be stabilized, i.e., when either 70% of the new building has been subleased to subtenants paying fixed or base rent (after rent abatements) or such lesser percentage of space has been subleased under subleases that would generate aggregate monthly subrent sufficient to cover the monthly payment of base rent and PILOT under the Lease.

Term: 99-years from the rent commencement date, which is 3 years following lease execution, subject to Developer's right to elect to terminate as described in this Staff Summary.

Demolition. In 2016 it was contemplated that Developer would demolish the existing buildings after ULURP completion and vertical construction would commence approximately a year and a half later. However, in 2019 MTA RED determined that due to the deteriorating condition of the vacant existing buildings and the ongoing costs to maintain the same in a legally compliant condition, it would be in MTA's best interest to commence demolition. As such with MTA Board approval, MTA engaged Developer as MTA's project manager to oversee demolition of the existing buildings. Demolition has commenced but it is not anticipated to be completed prior to Lease execution, and Developer in its capacity as project manager for MTA will continue to oversee and complete the demolition of the existing buildings after execution of the Ground Lease. MTA will continue to pay the demolition project costs pursuant to the project management agreement. However, Developer will be obligated to repay to MTA the cost of demolition that it would have been responsible for pursuant to the 2016 Staff Summary upon the expiration of its termination right assuming that Developer does not elect to terminate. It is expected that demolition will be completed by Q1 2023.

Ground Lease closing. No later than July 31, 2022, subject to receipt of final and un-appealable ULURP approvals. The good faith deposit equal to the Upfront Payment deposited by Developer at the time of execution of the Pre-Lease Agreement to be released and applied to the Upfront Payment upon execution of the Ground Lease.

On-Site Transit Improvements. The new entrance to the Madison Concourse of the East Midtown Terminal is required to be completed (subject to unavoidable delays) within 27 months of the later of Ground Lease execution or completion of demolition. Completion of the on-site transit improvements will be guaranteed by Boston Properties.

Vertical construction. Developer is permitted to construct a building of not less than 28 zoning floor area ratio ("FAR"), and Developer must commence vertical construction of the building within 4 years of Ground Lease execution rather than 2 years under the previous arrangement. Developer has the right to extend commencement of the vertical construction for up to 2 additional years with extension payments of \$10 million for the first year and \$15 million for the second year. Completion of the vertical construction of the building will be guaranteed by Boston Properties.

Termination Right, Developer will have the right to elect to terminate the Ground Lease to be exercised or waived no later than July 31, 2024.

If Developer elects to terminate, Developer must complete and deliver the new entrance to the Madison Concourse within the 27-month required timeframe. MTA would be obligated to repay Developer the cost of the new entrance capped at

Staff Summary

FINANCE COMMITTEE MEETING 347 MADISON AVENUE DEVELOPMENT (Cont'd.)

\$80M plus the Upfront Payment by July 31, 2029 and will deliver to Developer at the time that the new entrance is completed and the cost of same is fixed, a promissory note for the lesser of the actual cost of the new entrance plus the initial Upfront Payment, or \$105M (the "MTA Termination Promissory Note"). MTA would have up to three years interest free to repay (with two additional years at 4% and 5% per annum respectively) the Termination Promissory Note, with the expectation that this period would provide a sufficient remarketing period for a new developer to step in and repay this cost as part of its bid. Upon completion of the new entrance MTA will own all plans and will be able to remarket a fully entitled development project in which the key public improvement will already have been completed. If the Developer elects to terminate, the Developer's leasehold interest in the Property will continue until MTA repays in full the Termination Payment Note as security for such repayment.

Broker Commission. Cushman and Wakefield ("C&W") represented MTA in the transaction. At closing, C&W will get paid a commission based on Developer base rent for a 24 FAR building calculated according to the master brokerage agreement between the MTA and C&W in effect for this transaction (the "Base Commission"). If Developer does not elect to terminate, then MTA will pay C&W an additional commission based on Developer base rent for a building with the actual FAR it will build less the Base Commission. If Developer terminates, then C&W will keep the Base Commission and will re-market the property if requested by MTA. C&W will not be entitled to any additional commission payment in the re-market scenario.

Discussion of modified terms in response to COVID Force Majeure event

Since the 2016 MTA Board conditional designation, the real estate market was substantially impacted by the COVID pandemic creating an unprecedented disruption in normal functioning of the city and its economy, a force majeure event which necessitated consideration of alternative responses.

Developer initially requested an indeterminate transaction "pause" in its obligations with respect to the timing of closing on the ground lease and constructing a new building until certain market milestones were achieved. MTA consulted with C&W to assist in determining the extent of the market impact of COVID, in order to respond to Developer's initial proposal. C&W provided the following data and input: 1) as of February 2021 the market for new land deals had dropped significantly compared with pre-COVID levels; as such C&W believed that it was unlikely there would be market support in the short term to rebid the deal at this time were Developer to decide not to proceed; 2) in C&W's opinion at least two years would be needed before the site could be rebid and that a rebidding at that time would still likely be with a 10% loss in value based upon their market projections and models. C&W opinion regarding the forecast for when the commercial office market would likely rebound post-pandemic supported the Developer's view that the original timeline for the construction of an office building upon closing was no longer feasible in a market environment where tenants were not committing to new space (a predicate to any developer's ability to obtain financing).

After carefully considering Developer's proposal, MTA staff determined that it would be in MTA's best interest to preserve the original economics, limit the pause requested by Developer to the two years projected by C&W necessary to be in a post-COVID market, provided that the Developer proceed expeditiously to pay for and complete the process necessary to obtain the land use approvals and commence, pay for and complete the new entrance within 27 months following demolition of a significant acceleration of delivery of this important transit improvement. Developer was willing to proceed on this basis, as long as during the first two years, Developer would retain the right to terminate the ground lease, and be repaid for the cost incurred by it for the land use approvals and construction of the new entrance once completed, capped at \$80M. Developer further agreed to MTA's having 5 years to repay the same from the exercise of the termination, 3 of which would be on an interest free basis and the other 2 at fixed rates of 4% and 5% per annum. Lastly, Developer agreed to pay an amount equivalent to what would have been the first 2 years of annual base rent payable in the first 2 years following rent commencement as an additional upfront payment upon expiration of Developer's limited termination right, if Developer does not elect to terminate, thus accelerating the timing of MTA's receipt of this revenue.

MTA Transit-Oriented Development has determined that this arrangement for addressing the still unforeseeable impacts of COVID, will best preserve value for MTA, because:

- The economics of the project would remain unchanged or more favorable with respect to the upfront payment, ongoing base rent, percentage rent and PILOT/PILOST.

Staff Summary

FINANCE COMMITTEE MEETING 347 MADISON AVENUE DEVELOPMENT (Cont'd.)

- The important new entrance to the Madison Concourse would be delivered several years earlier than contemplated by the original arrangement, and its completion is assured even in the event construction of the commercial tower is postponed.
- There would be no loss in timing of redevelopment inasmuch as remarketing the site pursuant to a new competitive bidding process would require at least 2 years in any event. If Developer were to exercise its termination right within the first 2 years, MTA will be able to remarket the re-development of the Property with a fully entitled site, ¹and a completed transit improvement which generates a significant part of the zoning bonus, and full architectural drawings for the proposed new office tower all at a fixed/capped cost. All of which will make remarketing in the future more desirable.
- According to C&W's estimates, there would likely be no material difference to MTA in the loss of present value it would sustain by proceeding on this basis should Developer elect to terminate within 2 years when compared to the present value loss MTA would likely sustain at this time if the project were terminated by Developer at this time, which C&W estimated to be approximately \$100 million (reflecting its assumptions for the time to remarket and obtain approvals, and projected future land values).
- The modifications to the transaction preserving the original economics, accelerating the delivery of the transit improvement and allowing Developer the right to terminate in 2 years was preferable to both an indefinite pause or permitting Developer to walk at this time as a result of the unforeseen impacts of COVID.

RECOMMENDATION

Based on the foregoing, MTA Transit-Oriented Development requests:

- 1) that the MTA Board adopt the attached SEQRA Findings Statement, and
- 2) if the Board adopts the attached SEQRA Findings Statement, authorization, pursuant to the attached resolution, for MTA to enter into the Lease with Developer on the above-described material terms and conditions and such other terms or conditions as the Chair and Chief Executive Officer of MTA or the Chair's/CEO's designee deems necessary or appropriate, and to execute and deliver any and all other necessary and appropriate agreements, documents, writings, and other instruments, including modifications and supplements, and to take all such actions as shall be necessary or desirable, including without limitation, the payment of the aforesaid brokerage commission to C&W, the delivery to Developer of the Termination Payment Note if Developer elects to terminate the Lease, in order to close and consummate the above long-term lease and development transaction on the material terms and conditions set forth herein.

Attachments

SEQRA Findings Statement
Rent Schedule – Schedule A
Board Resolution
Staff Summary February 22, 2016

FINDINGS STATEMENT ADOPTING AND INCORPORATING ENVIRONMENTAL FINDINGS FOR THE 341-347 MADISON AVENUE PROJECT

This Findings Statement has been prepared in accordance with Article 8 of the Environmental Conservation Law, the State environmental Quality Review Act (“SEQRA”) and its implementing regulations codified at 6 NYCRR Part 617.

Nature of Action: Long-term lease of property interests and related agreements for the development of 341-347 Madison Avenue, MTA’s former headquarters, by BP 343 Madison Associates, LLC and adoption of SEQRA Findings Statement in connection with proposed lease and related agreements.

INTRODUCTION

The action covered by these Findings is the lease for 99 years by the Metropolitan Transportation authority (“MTA”) of its former headquarters site at 341-347 Madison Avenue to BP 343 Madison Associates, LLC (“Developer”), an affiliate of Boston Properties, for the construction of a new commercial office building with an overall height of approximately 1,050 feet and approximately 925,630 square feet of gross floor area, together with the extensive transit improvements to facilitate pedestrian circulation for the Long Island Railroad’s East Side Access (“ESA”) and NYCT’s Flushing Line at the Lexington Avenue/42nd Street station (the “Project”). The Developer was selected by MTA following an extensive RFP process that considered both the Developer’s construction capability, the overall return to MTA under the lease and the transit improvements associated with the Project.

The Project has been reviewed and approved by the New York City Planning (“CPC”) and New York City Council pursuant to the City’s Uniform Land-Use Review Procedure (“ULURP”), for which both the Developer and MTA were co-applicants. The CPC also served as lead agency for the Project’s environmental review under both SEQRA and the City’s Environmental Quality Review (“CEQR”) and, as such, was responsible for the preparation and issuance of a Draft Environmental Impact Statement for the Project (“DEIS”) on May 3, 2021, holding the required public hearing on the DEIS on August 18, 2021, preparation and issuance of the Final Environmental Impact Statement (“FEIS”) on September 10, 2021 and making all required Environmental Findings for the Project (the “Lead Agency Findings”) on September 22, 2021. The Lead Agency Findings are attached hereto as Exhibit A.

MTA has reviewed the DEIS, FEIS and the Lead Agency Findings. MTA finds that the SEQRA process for the Project was undertaken properly and appropriately and considered all potential impacts, including those of particular importance to MTA/NYCT. Accordingly, MTA is adopting the Lead Agency Findings and incorporating them into these Findings with respect to the Project’s environmental impacts and their mitigation.

PROJECT DESCRIPTION

As required by MTA, the Project would include, in addition to first-class office space, an on-site transit entrance to the ESA concourse below grade and off-site improvements to improve the Flushing Line platform and passages at the Lexington Avenue/42nd Street station. The on-site escalators, stairways and elevators providing access to and egress from the ESA will be constructed by the Developer at its expense pursuant to plans approved by NYCT and MTA. The off-site improvements have been designed, and will be carried out, by NYCT with the proceeds from the long-term lease with the Developer. These improvements, described in more detail in the Lead Agency Findings, include two sets of widened stairs (U2/U4 and U6/U8) connecting the Lexington Line platform to an existing passageway, two new stairs (PL7 and PL8) to the Flushing Line platform and two widened platform stairs (PL9-A/B) at the east end of the Flushing Line platform that connect to the existing building at 150 East 42nd Street. In addition, the developer will be responsible for widened sidewalk areas on 44th and 45th streets to improve pedestrian access to Grand Central Terminal. The existing ESA vent shaft on 44th would remain, with a portion of the new building occupying air space over that structure.

Independently of the Project, MTA previously authorized demolition of the obsolete office structures on the site, and that process is currently under way. Once begun, construction of the Project is projected to take approximately four years.

ENVIRONMENTAL IMPACTS AND MITIGATION

The FEIS examined the full range of potential environmental impacts from the proposed Project, including the Project's purpose and need and potential impacts relating to (1) land use, zoning and public policy; (2) open space; (3) shadows; (4) historic resources; (5) urban design and visual resources; (6) hazardous materials; (7) water and sewer infrastructure; (8) transportation; (9) air quality; (10) greenhouse gas emissions; (11) noise; (12) public health; (13) neighborhood character; and (14) construction. The FEIS also considered feasible mitigation measures for any significant impacts from the Project, reasonable alternatives to the Project, any unavoidable significant adverse impacts from the Project, growth-inducing aspects of the Project and any irreversible and irretrievable commitments of resources from the Project and its construction.

On the basis of this review, the FEIS found that any adverse impact relating to hazardous materials, air quality and noise would be avoided through placing an "E" designation on the site in accordance with CPC practice. The FEIS also found that a small number of adverse impacts identified in the FEIS with respect to traffic, pedestrians and transit could be partially but not fully mitigated, as more described in the FEIS (chapter 16, "Mitigation"), but that those impacts would be outweighed by the transit and other benefits of the Project. As indicated in the Lead Agency Findings, the "E" designation on the site and the feasible mitigation measures for such impacts identified in the FEIS are included in a Restrictive Declaration which has been placed on the site by MTA and the Developer as part of the CPC approval.

In addition to the SEQRA/CEQR review undertaken for the Project by the CPC, MTA consulted with the New York State Office of Historic Preservation ("SHPO") in accordance with MTA's

obligations under the State Historic Preservation Act. Following such consultations, SHPO concurred that the Project would not have an adverse effect on historic properties and requested that MTA consult with it in the future as detailed plans for the Project are developed to review the feasibility or appropriateness of screening or other design treatment of the space over the ESA vent shaft.

ENVIRONMENTAL FINDINGS

Having considered the FEIS and the Lead Agency Findings, MTA finds and certifies that:

1. MTA hereby adopts and incorporates the Lead Agency Findings.
2. The SEQRA environmental review for the Project took the appropriate hard look at all potential environmental impacts of the Project, the requirements of 6 NYCRR Part 617 have been met with respect to the Project and the environmental impacts disclosed in the FEIS were evaluated in relation to the social, economic and other considerations associated with the Project as set forth in the FEIS and the Lead Agency Findings; and
3. Consistent with social, economic and other essential considerations, from among the reasonable alternatives available, the Project is one that avoids or minimizes adverse environmental impacts to the maximum extent practicable, and that the adverse environmental impacts identified in the FEIS will be minimized or avoided to the maximum extent practicable by incorporating as conditions to the approval, pursuant to the Restrictive Declaration, deemed incorporated herein, those environmental mitigation measures that were identified as practicable and the placement of “E” designations as set forth in the FEIS and the Lead Agency Findings.

Date: January 26, 2022

Metropolitan Transportation Authority

Signature of Responsible Official

EXHIBIT A

NYC CEQR FINDINGS

FOR REFERENCE PURPOSES ONLY



September 22, 2021/ Calendar No. 22

C 210370 ZSM

IN THE MATTER OF an application submitted by BP 347 Madison Associates, LLC and the Metropolitan Transportation Authority pursuant to Sections 197-c and 201 of the New York City Charter for the grant of a special permit pursuant to Section 81-633 of the Zoning Resolution to allow an increase in floor area in excess of the basic maximum floor area ratio established in the Table in Section 81-63 (Special Floor Area Provisions for the Vanderbilt Corridor Subarea) up to a maximum floor area as set forth in such Table, in connection with a proposed commercial development, on property located at 343 Madison Avenue (Block 1279, Lots 23, 24, 25 & 48), in a C5-3 District, within the Special Midtown District (Vanderbilt Corridor Subarea), Borough of Manhattan, Community District 5.

This application (C 210370 ZSM) for a zoning special permit pursuant to Section 81-633 of the Zoning Resolution (ZR), was filed by BP 343 Madison Associates, LLC and the Metropolitan Transportation Authority (MTA) on April 15, 2021. The special permit, along with the related action would allow additional floor area through the provision of improvements to the pedestrian mass transit circulation network. The special permit, along with the related action, would enable the development of a commercial building on the property at 317-341 Madison Avenue (Block 1279, Lots 23, 24, 25 and 48), in the East Midtown neighborhood of Manhattan Community District 5.

RELATED ACTIONS

In addition to the special permit the subject of this report (C 210370 ZSM), the following applications are being considered concurrently with this application:

C 210369 ZSM

Zoning special permit pursuant to ZR Section 81-634 to modify certain district plan elements, street wall, height and setback, loading and curb cut regulations.

BACKGROUND

In 2014, the Department of City Planning (DCP) proposed a plan for the area bound by East 47th Street to the north, Vanderbilt Avenue to the east, 42nd Street to the south and Madison Avenue to the west, in Manhattan. The plan, adopted in May 2015 (N 150127 ZRM), sought to facilitate commercial development in this high density corridor, improve pedestrian circulation within Grand Central Terminal and its vicinity and allow greater opportunity for area landmarks to transfer unused development rights. The corridor was identified due to its aging building stock, high density surroundings and excellent connectivity to transit. The adoption of the plan created the Vanderbilt Corridor, which would later become known as the ‘Vanderbilt Corridor Subarea’, following the consequent adoption of the zoning framework for Greater East Midtown in August 2017 (N 170186A ZRM).

The Vanderbilt Corridor Subarea is mapped with a C5-3 zoning district, with a permitted as-of-right floor area ratio (FAR) of 15.0 for commercial development. The zoning resolution permits the floor area of buildings within these boundaries to be increased via special permit up to a maximum FAR of 30.0 for commercial development. This increase may occur via special permit where either development rights are transferred from an eligible landmark (ZR Section 81-632), or transit improvements are being made in parallel with the development (ZR Section 81-633). The text also provides a special permit in anticipation of the need for waivers to street wall, height and setback and various mandatory district plan elements, where arranging the maximum FAR on a site may be prevented by such regulations, and where a better site plan may be otherwise facilitated (ZR Section 81-634). This ability to use waivers for certain regulations also allows for specific consideration of site context that may otherwise result in an impractical or inferior design outcome.

The area surrounding the development site (Block 1279, Lots 23, 24, 25 and 48) is located in the East Midtown area of Manhattan. Land uses within the area include a mix of commercial, residential, institutional, and transportation uses. The area is densely developed and is characterized by a mix of office towers and mid-rise office buildings located around Grand Central Terminal. The terminal, located immediately to the east of the Vanderbilt Corridor, is

served by both subway and Metro North commuter train lines. A new concourse known as East Side Access (ESA), located 50 feet beneath Vanderbilt Avenue, will bring Long Island Railroad (LIRR) commuter service to the area upon opening, currently expected in 2022. Open space is provided at Bryant Park and at several privately owned public spaces interspersed throughout the area. Pershing Square, located directly south of Grand Central Terminal, includes a pedestrian plaza, approved by the New York City Department of Transportation, within the roadway between East 41st and East 42nd streets.

The development site and much of the surrounding area is mapped with a C5-3 zoning district, which has a base maximum FAR of 15.0 for non-residential use and 10.0 for residential use. C5-2.5 zoning districts are mapped north and west of the development site, with a base maximum FAR of 12.0 for non-residential use and 10.0 for residential use. In the Vanderbilt Corridor Subarea, the maximum commercial floor area may be increased up to an FAR of 30.0 by special permit. Within the East Midtown Subdistrict, the maximum commercial floor area may be increased by certification up to an FAR of 25.0 in the Park Avenue Subarea, 21.6 in the Southern Subarea, and 27.0 in the Grand Central Transit Improvement Zone Subarea, among others. In both C5-3 and C5-2.5 zoning districts within the East Midtown Subdistrict, the maximum residential floor area may be increased to a maximum FAR of 12.0 by providing publicly accessible recreation space.

The development site is located centrally within the zoning subarea known as the Vanderbilt Corridor, immediately to the west of Grand Central Terminal. The block containing the development site is bounded by 45th Street to the north, Vanderbilt Avenue to the east, 44th Street to the south and Madison Avenue to the west. The site is situated one block north of the recently completed 1 Vanderbilt, a 1401-foot-tall, 1,299,000-square-foot commercial office development that was the first to utilize the Vanderbilt Corridor's Grand Central public realm improvement special permit.

The development site comprises the eastern half of the block. The remainder of the block is shared with 50 and 52 Vanderbilt Avenue, both adjoining to the east. The building at 50

Vanderbilt Avenue is known as The Yale Club, a 22-story mixed use building that was constructed in 1915, in the renaissance revival style. The building has a distinctive green cornice framing the top of the street wall and is a listed New York City landmark (LP-2579). The building at 52 Vanderbilt is a 20-story commercial office building.

The development site has a lot area of 25,104 square feet, with primary frontage on Madison Avenue and secondary frontages on 44th and 45th streets. The Madison Avenue frontage of the site (Lots 23, 24 and 48) is currently occupied by three commercial buildings ranging between 13 and 20 stories in height. The three buildings were formerly used by the MTA as their headquarters between 1974 and 2014. The MTA vacated the buildings in 2014 and they have not been occupied since. All three buildings are currently undergoing demolition, which was approved separately by the Department of Buildings, independent of the current application. Also occupying part of the development site (lot 25) is a five-story ventilation structure, with frontage along 44th Street. The structure functions as a ventilation outlet in case of emergencies occurring on the ESA concourse below. It was constructed in 2014 and is the only existing structure on the zoning lot that will remain as part of the proposed development.

The project area includes the development site at 341 – 347 Madison Avenue (Block 1279, Lots 23, 24, 25 and 48), in addition to three locations where the applicant proposes offsite improvements to the subgrade transit network as part of the proposed development. Those three locations include: a stair at the western-most end of the Flushing (7) Line subway platform at the 42nd Street / Grand Central station, located subgrade, below the level of 42nd Street; the center of the Flushing Line subway platform and a corresponding pedestrian corridor, at the 42nd Street / Grand Central station, located subgrade, below the level of 42nd Street; and a stair at the eastern-most end of the Flushing Line subway platform at the 42nd Street / Grand Central station, located subgrade, below the level of 42nd Street.

The proposed development

The MTA, the owner of the development site, intends to enter into a 99-year ground lease with its development partner, Boston Properties, who was selected via a public tender process. The

two parties propose to construct a new commercial office building with an overall height of 1050 feet and 753,560 square feet of zoning floor area on the development site, accompanied by extensive improvements to the pedestrian circulation network in the vicinity of Grand Central Terminal.

The building program planned for construction on the development site would contain 748,618 square feet of office space, 2,130 square feet of retail uses and 2,372 square feet assigned to an onsite mass-transit entrance hall with connection to the ESA concourse below grade. In addition to works on the development site, the applicant proposes to make offsite improvements in connection with the project to the Flushing Line platform at the 42nd Street Grand Central station, located a short distance to the south-east of the development site.

As part of facilitating the proposed development, a number of waivers are requested to enable the proposed design and its arrangement of bulk on the site, in the interest of a better site plan. Specifically, the design is inclusive of a street wall height reaching 321 feet, where the regulation of ZR Section 81-43 permits 150 feet. Height and setback waivers are also requested to ZR Section 81-27, in connection with the design's performance against the daylight evaluation criteria. The proposed lobby entrance and retail frontage on Madison Avenue, a designated retail street, provides a balance that results in a longer lobby length and shorter retail length than the regulation of ZR Section 81-42 permits. Additionally, servicing the site is a loading dock with three truck bays accessed from 44th Street. Waivers are requested to enable the loading bay's curb cut, which exceeds the length of the regulation of ZR 81-675(b) and 81-44, as well as the direction in which vehicles would enter the site, which necessitates reversing into the loading bay rather than a head-in, head-out arrangement called for by ZR Section 81-675(a).

Improvements to the pedestrian circulation network

Onsite improvements to be constructed in connection with the proposed building include a 2,372-square-foot, double height entrance hall within the ground floor for ESA. The space would serve as one of several entry and exit points for the concourse, allowing a high volume ADA

pedestrian connection direct from Madison Avenue to the new concourse, with the construction of three new escalators, a stair and elevator.

Offsite improvements to the surrounding pedestrian and transit network would also be undertaken in connection with the proposed development. Improvements are located on and in the vicinity of the Flushing Line platform of the 42nd Street / Grand Central station, serviced by the 7 train. The proposed offsite improvements can be categorized into three individual components.

The first offsite improvement would involve widening two sets of stairs (known as U2/U4 and U6/U8), that connect the uptown Lexington Line platform to an existing passageway that provides access to the existing Flushing Line platform stairs. The proposed widening would increase the aggregate number of pedestrian lanes from two to three.

The second offsite improvement would involve constructing a new extension of the existing Flushing Line transfer passageway and constructing two new five-foot wide stairs (PL7 and PL8) between the passageway extension and the Flushing Line platform. The new stairs would land centrally on the platform, approximately 100 feet east of the eastern-most existing platform stair, significantly reducing the distance between the platform stairs and stairs PL-9A/B/C at the eastern end of the platform.

The third proposed improvement offsite would involve widening two platform stairs, (known as PL-9A/B), at the east end of the Flushing Line platform, with associated structural modifications to support the widened stairs. These stairs connect to an at-grade subway entrance within the existing building at 150 East 42nd Street. The proposed widening would increase the aggregate number of pedestrian lanes from four to six.

Requested actions

To facilitate the proposed development discussed above, the applicant is requesting two special permits that apply to the Vanderbilt Corridor Subarea.

The first special permit is proposed pursuant to ZR Section 81-633, for Grand Central Public Realm Improvements. The special permit would allow an increase in the maximum permitted FAR from 15.0 allowed as-of-right, to a total FAR of 30.0, or 753,560 square feet of floor area, on the development site. This increase would be granted in connection with the on-site and off-site improvements to the pedestrian mass transit circulation network described above. This action is the subject of this report (C 210370 ZSM).

The second special permit is proposed pursuant to ZR Section 81-634, for modifications in conjunction with additional floor area to allow flexibility in height and setback, building entrance, curb cut, loading berth and mandatory district plan regulations. The request for these waivers, discussed in more detail above, is associated with the design of the proposed development, enabling a response to surrounding context and specific site constraints that would enable a better site plan. This related action is the subject of the supplemental report (C 210369 ZSM).

ENVIRONMENTAL REVIEW

The application (C 210370 ZSM), along with the related application (C 210369 ZSM), was reviewed pursuant to the New York State Environmental Quality Review Act (SEQRA), and the SEQRA regulations set forth in Volume 6 of the New York Code of Rules and Regulations, Section 617.00 et seq. and the New York City Environmental Quality Review (CEQR) Rules of Procedure of 1991 and Executive Order No. 91 of 1977. The designated CEQR number is 21DCP020M. The lead is the City Planning Commission ('the Commission').

It was determined that the proposed actions may have a significant effect on the environment. A Positive Declaration was issued on July 23, 2020, and distributed, published and filed. Together with the Positive Declaration, a Draft Scope of Work for the Draft Environmental Impact Statement (DEIS) was issued on July 24, 2020. A public scoping meeting was held on August 27, 2020. A Final Scope of Work was issued on May 3, 2021.

A DEIS was prepared and a Notice of Completion for the DEIS was issued on May 3, 2021. On August 18, 2021, a public hearing was held on the DEIS pursuant to SEQRA and other relevant statutes. A Final Environmental Impact Statement (FEIS) reflecting the comments made during scoping and the public hearing on the DEIS was completed and a Notice of Completion for the FEIS was issued on September 10, 2021.

Significant adverse impacts related to hazardous materials, air quality, and noise would be avoided through the placement of an (E) designation (E-584) on the Development Site as specified in Chapters 7, 10 and 12.

The Proposed Development as analyzed in the FEIS identified significant adverse impacts with respect to transportation (traffic, transit and pedestrians). The identified significant adverse impacts and proposed mitigation measures are summarized in Chapter 16, Mitigation. To ensure implementation of the mitigation measures identified in the FEIS, the mitigation measures are included in the Restrictive Declaration.

UNIFORM LAND USE REVIEW PROCEDURE

This application (C 210370 ZSM), in conjunction with the application for the related action (C 210369 ZSM), was certified as complete by DCP on May 3, 2021, and was duly referred to Community Boards 5 and 6 and the Manhattan Borough President, in accordance with Title 62 of the Rules of the City of New York, Section 2-02(b), in accordance with the procedures for ULURP matters.

Community Board Public Hearing

Manhattan Community Boards 5 and 6 both considered the application (C 210370 ZSM) and the related action (C 210369 ZSM). The development site is located within the geography of Community Board 5, however the proposed improvements to the Flushing Line at the 42nd Street / Grand Central station sit within the geographies of both Community Board 5 and Community Board 6.

Community Board 5 considered the application and the related action at its Land Use Committee Meeting of May 5, 2021, and on June 10, 2021, by a vote of 35 in favor, none opposed and one abstaining, voted to disapprove the application with conditions.

Community Board 6 considered the application at its Land Use and Waterfront Committee Meeting of May 24, 2021, and on June 9, 2021, by a vote of 40 in favor, none opposed and five abstaining, voted to disapprove the application with conditions.

The community boards provided separate statements outlining their concerns with the proposal to support their recommendation. The overall concerns can be categorized as: the sufficiency of transit improvements being provided, and the extent of waivers proposed with respect to the building bulk controls such as daylight evaluation criteria and street wall. Concerns were also raised regarding the proposed lobby width on Madison Avenue, which was requested to be reduced in favor of more retail. It was also expressed that the building enclosure should surpass the requirements of the 2020 NYC Energy Code and additionally, rental income collected from the project for the MTA should be used for improvements in the immediate area of the project.

Both recommendations are appended to this report.

Borough Board Recommendation

The Manhattan Borough Board considered the application (C 210370 ZSM) and the related action (C 210369 ZSM). On July 15, 2021, the Borough Board adopted a resolution to disapprove the applications with conditions. The Borough Board's conditions echoed those put forward by Community Boards 5 and 6.

The full recommendation is appended to this report.

Borough President Recommendation

The application (C 210370 ZSM) and the related action (C 210369 ZSM) were considered by the Manhattan Borough President. The Borough President provided a recommendation of support

with conditions for the application, on August 3, 2021. The recommendation expresses the following:

“This recommendation is contingent upon the Applicants’ completion of the following commitments:

- Work with DOT to fund and, at the discretion of DOT, design and construct a side walk widening along the north side of 44th Street between Vanderbilt and Madison Avenues as consistent with the East Midtown Governing Group Concept Plan and in consideration of the needs of the Yale Club;
- Provide opportunities for artists to gain exposure through installations in the on-site transit entrance, under MTA’s Arts for Transit Program;
- Provide free “pop-up” space for artists within available retail space prior to rent-up; and
- Provide space within the building for use by artists or New York-based arts organizations, at a cost to the tenant equivalent to the local commercial tax rate in addition to utility expenses. The space will be at least 500 square feet if at grade or 1,000 square feet in other locations, to be offered for a period of five years from initial rent up of the building.

In addition to these conditions, I urge the Applicants to consider the following recommendations put forth by the Manhattan Borough Board in their resolution dated June 17, 2021:

- That the proposed building meet the daylighting, street wall, and setback requirements of the current zoning;
- That the Applicants enhance the proposed transit improvements on-site and off-site to justify the requested additional floor area;
- That the Applicants reduce the width of the proposed lobby to accommodate retail frontage requirements along Madison Avenue in the Vanderbilt Corridor Subarea;
- That the proposed building meet or exceed the 2020 New York City Energy Code;
- That the proposed loading facilities be relocated to maintain consistent retail frontage; and

- That any rent generated on site be committed to local transit improvements.”

The full recommendation is appended to this report.

City Planning Commission Public Hearing

On July 28, 2021 (Calendar No. 20), the City Planning Commission scheduled August 18, 2021, for a public hearing on the application (C 210370 ZSM). The hearing was duly held on August 18, 2021 (Calendar No. 56). Nine speakers testified in favor of the application and none in opposition.

The applicant team, comprised of the land use attorney, a representative from the MTA, a representative of the developer, and the project architect, presented an overview of the project, and provided a description of the site. The team described the proposed development and the need for the requested special permits. The team described the attributes of the site that have been the catalyst for the design, including the relatively small size of this site for office floor plates, the presence of the vent building on 44th Street, and the need for the ESA entrance hall on Madison Avenue and 45th Street, and explained how these attributes have informed the approach to site planning. As a result of these unique site factors, the applicant stated that the building would cantilever above the vent building, use a side core on the eastern edge of the building and specifically recess the building to the Madison Avenue and 45th Street corner, in order to emphasize the new ESA entrance.

The proposed transit improvements were described by the representative of the MTA as having been long planned for in conjunction with the redevelopment of this site. In describing the improvements, the new ESA entrance was noted for the uniquely beneficial location this site presents to facilitating access for commuters. The proposed connection would allow the only direct line of connection from Madison Avenue to the new concourse, and would be in line with the largest bank of escalators connecting the concourse to the southern-most end of the train at the platform 160 feet below Park Avenue. The line of travel is consequently the most direct and desirable for many commuters. The complexity involved in the connection’s construction,

including excavation through bedrock to 50 feet below grade, was emphasized. In addition to the improvements, the MTA highlighted their Request For Proposals (RFP) and competitive bidding process, explaining that the redevelopment of this asset would create a critical ongoing funding mechanism to support the MTA's capital budget via the lease and collection of taxes.

The Manhattan Borough President testified in favor of the project. The Borough President noted the proposed density would be capable of being absorbed by transit-rich areas like East Midtown and further, the project's proposed improvements to the transit network would be pivotal. It was also noted that, through separate conversations with the applicant, the Borough President had received commitments to widen the 44th Street sidewalk between Madison and Vanderbilt avenues as part of the project. Additionally, the developer had agreed to provide art installation opportunities for local artists in both the on-site transit and retail spaces, as well as dedicated, affordable arts space on-site for New York-based arts organizations. The Borough President's testimony further encouraged the applicant to provide opportunities for local retail at the ground floor, with accessible, small plan and affordable office layouts in the office space above. A desire for a dedicated funding stream for the proposed on-site improvements was also expressed.

Representatives from the Grand Central Partnership, Building and Construction Trades Council of Greater New York and 32BJ all described support for the pandemic recovery component of the project, which would include additional capacity for several thousand jobs on the development site, as well as many construction jobs. They also underscored how the project's accompanying transit improvements would benefit the transit and pedestrian experience throughout the area.

A representative for 335 Madison Avenue, the building located to the south of the development site across 44th Street, indicated support for the project, however raised questions with the respect to the transportation analysis from the DEIS and the potential for vehicular and pedestrian traffic implications to arise on 44th Street. The southern neighbor has a commercial parking garage entry and a loading dock opposite the proposed loading dock location.

There were no other speakers and the hearing was closed.

Subsequent to the hearing, additional written testimony was provided by six members of the public.

Supportive written testimony was received from the Association for a Better New York, the Riders Alliance, the New York Building Congress, and the Building and Construction Trades Council of Greater New York. Each described support for the transit improvement, employment and economic recovery aspects of the proposal.

The Commission also received written correspondence from neighboring properties 335 Madison Avenue to the south, and 50 Vanderbilt Avenue, also known as The Yale Club, to the east. The testimony on behalf of 335 Madison Avenue elaborated on verbal testimony made at the hearing, again supporting the project but raising questions about the transportation analysis undertaken in respect of the complex loading, pedestrian and traffic conditions on 44th Street, the unique traffic and pedestrian conditions on Vanderbilt and Madison avenues, and the need for alternatives or mitigations to address potential transportation impacts created by these conditions.

Correspondence from The Yale Club outlined concerns over the need for active retail on the corner of 44th Street and Madison Avenue, the need to widen the sidewalk on 44th Street and the need to coordinate deliveries at the proposed loading dock to minimize interruptions to The Yale Club's operations.

CONSIDERATION

The Commission believes that this application for a special permit (C 210370 ZSM), along with the related action (C 210369 ZSM), is appropriate.

The project is located in the heart of East Midtown, in close proximity to Grand Central Terminal. The area is rich in public transit access and characterized by some of the city's largest commercial office buildings. The Commission believes that this project will contribute to and be consistent with many of the City's goals associated with the rezoning of the Vanderbilt Corridor,

including promoting the principle of transit oriented development via provision of contemporary office stock in the immediate vicinity of the Grand Central Terminal transit hub.

Transit improvements

The proposed development is inclusive of a variety of much needed improvements to pedestrian circulation in the transit network serving the area. The improvements stand to significantly improve the safety, access and navigability experience for commuters using both the future ESA concourse, as well as the Flushing Line platform at 42nd Street / Grand Central Station serving the 7 line. The improvements have all been specifically identified by the MTA as high priority projects.

Specific to the onsite improvements, the redevelopment of 343 Madison Avenue is inclusive of a major new transit connection to the ESA concourse, at the corner of Madison Avenue and 45th Street. The entrance hall has been designed as a generous space of double height, offering high volume ADA access to the ESA concourse, deep below the site. The new hall will fulfill an important connection function for commuters, while presenting an inviting space to the general public complete with high quality finishes, amenities and signage.

The location of 343 Madison Avenue is uniquely positioned to provide this significant new connection to the new ESA concourse, offering direct access to the southern-most end of the LIRR platforms. The provision of this necessary connection would be prohibitive without the participation of this site, given its position relative to the concourse. Testimony from the MTA confirmed that the connection of a new elevator, three custom escalators and a stair represents a significant level of complexity that the Commission considers to merit a substantial amount of the discretionary floor area bonus the applicant is seeking as part of the special permit.

Substantial improvements are also proposed offsite, concentrated on alleviating congestion on the Flushing Line, with upgrades to the 42nd Street Grand Central Station platform serving the 7 train. This platform has been identified by the MTA as a priority for upgrade, attributed to its increasingly high volume of commuters. The improvements target difficult pinch-points

identified by the MTA, that include widening the two primary points of access to the platform at the eastern and western ends, as well as enabling better distribution of commuters across the length of the platform through the addition of a new tunnel and mid-platform stair. Each of these improvements is a delicate and complex construction and engineering exercise within the below-grade network, which would prove difficult and costly for the MTA without the direct assistance of this project.

As required by the ZR, the proposed building will also see a widening of the sidewalk on Madison Avenue and 45th Street adjacent the building, achieving 20 feet and 15 feet in total sidewalk width, respectively. The Commission also notes the applicant has committed to working with the Borough President to widen the sidewalk on 44th Street. While this is not required by zoning, the Commission encourages this improvement in the interest of further enhancing pedestrian mobility around the future building.

Building density and design

The proposed special permit involves additional density, amounting to an FAR of 15.0 or 376,560 square feet, for a total FAR of 30.0. This level of density is comparable to recent development in the surrounding area and is consistent with the density envisioned for the Vanderbilt Corridor. The recently completed 1 Vanderbilt development, the first to utilize this special permit, is built to a total FAR of 30.0. 1 Vanderbilt is a substantially larger and taller building than that proposed, as its lot size is much larger than 343 Madison Avenue's lot.

The location and spatial attributes of the site, in conjunction with major surrounding built form elements, are complementary. The proposed tower will benefit from separation provided by its immediate neighbors from the existing dominant features of the skyline, such as 383 Madison Avenue and the future 270 Park Avenue to the north, the landmark former Pan Am building at 200 Park Avenue to the east and 1 Vanderbilt to the south. Some of the most notable buildings of East Midtown encompass a variety of architectural styles, from the flat-topped Seagram Building and Lever House to the spired crowns of the Chrysler Building and the new One Vanderbilt. The design of the proposed development will integrate with this cluster of larger commercial

buildings that surround Grand Central Terminal, contributing a distinct variation in height, form and materials to the Midtown skyline that frames it.

The proposed development will be designed to achieve LEED Platinum Certification, will exceed the requirements of the New York City Energy Conservation Code and comply with the provisions enacted under Local Law 97. Additionally, the building design will include a number of design features that exceed the benchmarks set by recent developments such as 1 Vanderbilt and the Special Hudson Yards District, reflecting advances in sustainable building design. These measures include high efficiency HVAC systems with heat recovery and demand control ventilation through CO2 monitoring; energy efficient LED lighting with motion activation, vacancy sensors and automatic timing controls; water efficient landscaping with storm water reclamation; high efficiency boilers; and variable frequency drives on base building machines.

Waivers

Pursuant to ZR Section 81-634, and as proposed by the related action (C 210369 ZSM), the Commission may grant waivers to the Mandatory District Plan elements, the street wall requirements, and height and setback controls required for as-of-right buildings in the Special Midtown District. The proposed design seeks waivers to each of these attributes so as to effectively arrange the proposed density on the site for a better site plan. The Vanderbilt Corridor text created this mechanism recognizing that incentivizing the renewal of commercial office buildings in the area accompanied by public benefits would necessitate a level of density that the underlying Special Midtown District regulations did not anticipate at the time of drafting. With this in mind, the Vanderbilt Corridor text provides this mechanism for new development to vary certain regulations in order to efficiently arrange floor area on the site and respond to the built context.

CPC modification to the proposed street wall

The Commission heard testimony regarding building bulk and shares the concerns expressed by DCP, the Borough President and Community Boards regarding the proposed street wall height.

At 321 feet, the building's street wall is not informed by any prominent physical attribute of the surrounding built context.

In response to these concerns, the applicant submitted modified plans dated September 20, 2021. The modified plans seek a reduced street wall of 295 feet, a height that is directly informed by the cornice of the Yale Club, a prominent and landmarked feature adjoining the proposed development immediately to the east. The modification will ensure the development presents a generally consistent street wall height to 44th Street when viewed from Vanderbilt and Madison avenues. This height is also similar to the cornice of 52 Vanderbilt, allowing the entire block to be perceived with a consistent bulk when viewed from surrounding streetscapes.

The street wall will still require a waiver at this height, which the Commission believes is appropriate, as it results in a better distribution of bulk on the site. The applicable street wall regulations are reflective of a prevailing street wall height across the greater Midtown area. Madison Avenue in this location is defined by a much stronger street wall than is typical of Midtown. It is noted that in providing a strong street wall to integrate with the prevailing context of Madison Avenue, the design sees increasing non-compliance with the height and setback regulations, resulting in the request for a waiver. The need for this waiver is an outcome that is typical of the area, where the existing character and zoning promote large floor plate commercial office buildings. It is in this context that the proposed building design will contribute to the harmonious relationship with its surroundings, with a massing that reflects the features of the existing built form. The Commission supports the modified plan that amends the distribution of bulk across the site to ensure it is integrated with the physical built form characteristics of the neighborhood.

The Commission also notes that the building's program includes a mix of uses harmonious with the type of uses prevalent in the surrounding area. The proposed commercial uses, comprising office and retail, are consistent with the City's goal of strengthening the commercial core of Midtown Manhattan, activating the streetscape and promoting job creation.

Various modifications to the regulations at ground floor level are proposed to facilitate the project, including building entrance, retail, curb cut and loading requirements. These modifications will facilitate access and servicing while ensuring streetscape activation.

The ground floor level program balances lobby, retail, mass transit entrance and building servicing, all within a constrained footprint. In doing so, the design significantly improves circulation on the sidewalk with widenings proposed to Madison Avenue and 45th Street adjacent to the building. The plan integrates the new ESA pedestrian hall on the prominent corner of Madison Avenue and 45th Street that will activate the adjacent streetscape, while creating a generous new transit connection through the site. Retail will occupy the midblock on 45th Street and the alternate corner of Madison Avenue and 44th Street. This corner tenancy will provide activation to both street frontages as well as within the lobby, where it is designed to bleed into the movement and function of the lobby, with a porous footprint that projects retail activity into the lobby beyond its physical footprint, one that is otherwise confined by the essential functions of access to and servicing of the building. The recessed lobby and internal space for occupants of the building seek to provide sufficient entry space for the building occupants, with consideration provided to expected post-pandemic needs of queuing, temperature checking and health screening of workers before entering elevators. Each component is effectively balanced in the floor plan and will contribute to what the Commission considers to be a better site plan, that enables a lively streetscape with improved access around, through and within the building.

Building servicing and loading

With respect to curb cut and loading attributes of the proposal, waivers are also sought to facilitate the practical servicing of the building. The Commission considered testimony from the neighboring properties regarding the use of 44th Street for these functions and concerns around disruption to their own operations. The location proposed on 44th Street is noted as the only viable place for this site to be practically serviced, including in the as-of-right scenario. The ZR prohibits the use of Madison Avenue and 45th Street for this function, and requires curb cuts to be at least 50 feet from the avenue, leaving only the proposed location. Further, for the site to support head-in, head-out loading requires dimensions large enough to support the turning circle

of vehicles that will service it. The site is not large enough for such a turning circle, particularly once a building core is accounted for.

The loading and curb cut waivers proposed will facilitate the efficient servicing of the future building from a lower intensity street, where it will be co-located with the loading and vehicular access arrangements of the southern neighbor. The proposed curb cut width and loading direction waivers are not expected to result in significant impacts on the pedestrian environment of 44th Street and are a reasonable expectation of the centralized servicing that occurs with any commercial building that is characteristic of the area. The ZR requires a sidewalk width of 15 feet, which is achieved in the existing circumstance. The associated impacts upon the traffic flow of 44th Street were studied as part of the EIS prepared for the project and no impacts requiring mitigation were identified. It is appropriate that the applicant and neighbors work together on how each may service its site in a fashion that is coordinated to minimize disruption to the operations of the other, and the neighborhood.

The Commission heard testimony from the Community Boards and Borough President regarding the proposed transit improvements, suggesting that they do not merit the amount of bonus floor area requested, drawing parallels with the benchmarks set within the more recent Greater East Midtown text. The Commission understands that the independent and discretionary nature of the Vanderbilt Corridor Special Permit requested is designed to take into account the immediate context of the Vanderbilt Corridor Subarea, with its specific density and transit-oriented characteristics. The proposed combination of on and offsite improvements stands to have an outsized impact on access in the area in which the project is being undertaken. The MTA has attested to the necessity and complexity of the improvements, along with the urgency of the upgrades. It is noted that the applicant will be required to complete the proposed improvements before the bonus floor area can be occupied.

It is within this consideration that the Commission believes the proposed development and accompanying improvements are appropriate. The realization of these improvements represents a level of public benefit that merits the proposed 376,560 square feet in additional floor area

sought via the proposed action (C 210370 ZSM). The Commission further believes the project, bringing new class A office space, will have significant beneficial effects on the East Midtown area and the City's pandemic recovery efforts.

FINDINGS

The City Planning Commission hereby makes the following findings pursuant to Section 81-633 of the Zoning Resolution:

- 1) For a development or enlargement not located on two wide streets, the amount of additional floor area being granted is appropriate based on the extent to which any or all of the following physical factors are present in the development or enlargement;
 - i) Direct access to subway stations and other rail mass transit stations
 - ii) The size of the zoning lot
 - iii) The amount of wide street frontage; and
 - iv) Adjacency of open area above Grand Central Terminal.

- 2) For above-grade improvements to the pedestrian circulation network that are located:
 - i) on-site, the proposed improvements will, to the extent practicable, consist of a prominent space of generous proportions and quality design that is inviting to the public; improve pedestrian circulation and provide suitable amenities for the occupants; front upon a street or a pedestrian circulation space in close proximity to and within view of and accessible from an adjoining sidewalk; provide or be surrounded by active uses; be surrounded by transparent materials; provide connections to pedestrian circulation spaces in the immediate vicinity; and be designed in a manner that combines the separate elements within such space into a cohesive and harmonious site plan, resulting in a high-quality public space; or
 - ii) [This finding is not applicable; no above-grade improvements are proposed off-site.]

- 3) Below-grade improvements to the pedestrian circulation network provide:
- i) Significant and generous connections from the above grade pedestrian circulation network to the below grade pedestrian circulation network.
 - ii) Major improvements to the below grade pedestrian circulation network within a subway station in the vicinity of Grand Central Terminal, through the provision of new connections and the enhancement of existing connections.
 - iii) [This finding is not applicable; improvements to the environment within subway stations are not proposed.]
- 4) The public benefit derived from the proposed above and below grade improvements to the pedestrian mass transit circulation network is substantial and merits the amount of additional floor area being granted to the proposed development.
- 5) The design of the ground floor level of the building:
- i) Will contribute to a lively streetscape through a combination of retail uses that enliven the pedestrian experience, ample amounts of transparency and pedestrian connections that facilitate fluid movement between the building and adjoining public spaces. The proposal demonstrates consideration for the location of pedestrian circulation space, building entrances and the types of uses fronting upon the street.
 - ii) Will substantially improve the accessibility of the overall pedestrian circulation networks, helping reduce points of pedestrian congestion and will establish more direct and generous pedestrian connections to Grand Central Terminal, via connection to the East Side Access concourse.
 - iii) Will be well integrated with on-site above and below grade improvements being provided in conjunction with this section.
- 6) The design of the proposed building:
- i) Ensures light and air to the surrounding streets and public spaces through the use of setbacks, recesses and other forms of articulation, and the tower top

produces a distinct addition to the midtown Manhattan skyline which is well integrated with the remainder of the building;

- ii) Demonstrates an integrated and well-designed façade, taking into account factors such as street wall articulation and fenestration, that creates a prominent and distinctive building, which complements the character of the surrounding area, especially Grand Central Terminal;
- iii) Involves a program that involves an intensity and mix of uses that are harmonious with the type of uses in the surrounding area.

7) The proposed development comprehensively integrates sustainable design measures into the building and site design that:

- i) Meet or exceed best practices in sustainable design and;
- ii) Will substantially reduce energy usage for the building, as compared to comparable buildings.

8) In addition:

- i) The increase in floor area being proposed in the development will not unduly increase the bulk and density of population or intensity of uses to the detriment of the surrounding area.
- ii) All of the separate elements within the proposed development includes above and below grade improvements, the ground floor level building design, and sustainable design measures are well integrated and will advance the applicable goals of the Special Midtown District described in Section 81-00 (GENERAL PURPOSES).

RESOLUTION

RESOLVED, that having considered the Final Environmental Impact Statement (FEIS), for which a Notice of Completion was issued on September 10, 2021, with respect to this application (CEQR No. 21DCP020M), the City Planning Commission finds that the requirements of the New York State Environmental Quality Review Act and Regulations have been met and that:

- 1) The environmental impacts disclosed in the FEIS were evaluated in relation to the social, economic, and other considerations associated with the actions that are set forth in this report; and
- 2) The adverse environmental impacts identified in the FEIS will be minimized or avoided to the maximum extent practicable by incorporating as conditions to the approval pursuant to the Restrictive Declaration, attached as Exhibit A hereto, all as acceptable to Counsel to the Department, is executed by BP 347 Madison Associates LLC and the Metropolitan Transit Authority, or its successors, and such Restrictive Declaration shall have been recorded and filed in the Office of the Register of the City of New York, County of New York, those project components related to the environmental and mitigation measures that were identified as practicable and the placement of (E) designations (E-357) for Hazardous Materials, Air Quality, and Noise, which form part of the action.
- 3) No development pursuant to this resolution shall be permitted until the Restrictive Declaration attached as Exhibit A, as same may be modified with any necessary administrative or technical changes, all as acceptable to Counsel to the Department of City Planning, is executed by BP 347 Madison Associates, LLC, or its successor, and such Restrictive Declaration shall have been recorded and filed in the Office of the Register of the City of New York, County of New York.

The report of the City Planning Commission, together with the FEIS constitutes the written statement of facts, and of social, economic and other factors and standards, that form the basis of the decision, pursuant to Section 617.11(d) of the SEQRA regulations; and be it further

RESOLVED, by the City Planning Commission, pursuant to Sections 197-c and 200 of the New York City Charter, that based on the environmental determination and consideration and findings described in this report, the application submitted by BP 347 Madison Associates, LLC and Metropolitan Transportation Authority pursuant to Sections 197-c and 200 of the New York City Charter for the grant of a special permit pursuant to Section 81-633 of the Zoning Resolution to allow an increase in floor area in excess of the basic maximum floor area ratio established in the Table in Section 81-63 (Special Floor Area Provisions for the Vanderbilt

Corridor Subarea) up to a maximum floor area as set forth in such Table, in connection with a proposed commercial development, on property located at 343 Madison Avenue (Block 1279, Lots 23, 24, 25 & 48), in a C5-3 District, within the Special Midtown District (Vanderbilt Corridor Subarea), Borough of Manhattan, Community District 5, is approved as modified subject to the following terms and conditions:

1. The property that is the subject of this application (C 210370 ZSM) shall be developed in size and arrangement substantially in accordance with the dimensions, specifications, and zoning computations indicated on the following approved plans, prepared by Kohn, Pedersen, Fox Associates, PC and Stantec, filed with this application and incorporated into this resolution:

Drawing No.	Title	Last Date Revised
Z-101	Zoning Calculations	9/20/2021
Z-102	Zoning Lot Site Plan	9/20/2021
Z-103	Waiver Plan	9/20/2021
Z-104	Ground Floor Waiver Plan	12/15/2020
Z-105	Pedestrian Circulation Space Plan	12/15/2020
Z-200	Building Sections	9/20/2021
Z-300	Daylight Evaluation Analysis	9/20/2021
Z-301	Daylight Evaluation Analysis	9/20/2021
Z-302	Daylight Evaluation Analysis – VP1	9/20/2021
Z-303	Daylight Evaluation Analysis – VP2	9/20/2021
Z-304	Daylight Evaluation Analysis – VP3	9/20/2021
Z-305	Daylight Evaluation Analysis – VP4	9/20/2021
Z-306	Daylight Evaluation Analysis – VP5	9/20/2021
Z-307	Daylight Evaluation Analysis – VP6	9/20/2021
KP-1	Key Plan Street Level	12/9/2020
KP-2	Key Plan ESA Concourse & Lexington Line Platform Level	12/9/2020
KP-3	Key Plan Flushing Line Platform & Passageway Level	12/9/2020
PM-1	On-site Ground Level	12/9/2020
PM-2	On-Site Cellar 1 Level 1	12/9/2020
PM-3	On Site ESA Concourse Level	12/9/2020
PM-4	On-Site Sections 1 of 2	12/9/2020
PM-5	On-Site Section 2 of 2	12/9/2020
XE-1	Off-Site East End Existing Flushing Line Platform Level	12/9/2020

XE-2	Off-Site East End Existing Sections	12/9/2020
XC-1	Off-Site Center Core Existing Flushing Line Passageway Level	12/9/2020
XC-2	Off-Site Center Core Existing Flushing Line Platform Level	12/9/2020
XC-3	Off-Site Center Core Existing Sections	12/9/2020
XU-1	Off-Site "U" Stairs Existing Lexington Line Platform Level	12/9/2020
XU-2	Off-Site "U" Stairs Existing Flushing Line Passageway Level	12/9/2020
XU-3	Off-Site "U" Stairs Existing Sections	12/9/2020
PE-1	Off-Site East End Proposed Flushing Line Platform Level	12/9/2020
PE-2	Off-Site East End Proposed Sections	12/9/2020
PC-1	Off-Site Center Core Proposed Flushing Line Passageway Level	12/9/2020
PC-2	Off-Site Center Core Proposed Flushing Line Platform Level	12/9/2020
PC-3	Off-Site Center Core Proposed Sections	12/9/2020
PU-1	Off-Site "U" Stairs Proposed Lexington Line Platform Level	12/9/2020
PU-2	Off-Site "U" Stairs Proposed Flushing Line Passageway Level	12/9/2020
PU-3	Off-Site "U" Stairs Proposed Sections	12/9/2020

2. Such development shall conform to all applicable provisions of the Zoning Resolution except for the modifications specifically granted in this resolution and shown on the plans listed above which have been filed with this application. All zoning computations are subject to verification and approval by the New York City Department of Buildings.
3. Such development shall conform to all applicable laws and regulations relating to its construction, operation, and maintenance.
4. Development pursuant to this resolution shall be allowed only after the restrictive declaration attached herein as Exhibit A to this report, with such administrative changes as are acceptable to Counsel to the Department of City Planning, has been executed and recorded in the Office of the City Register, New York County. Such restrictive declaration shall be deemed incorporated herein as a condition of this resolution.

5. The Development shall include those mitigation measures listed in the Final Environmental Impact Statement (CEQR No. 21DCP020M) issued on September 10, 2020 and identified as practicable.
6. All leases, subleases, or other agreements for use or occupancy of space at the subject property shall give actual notice of this special permit to the lessee, sublessee, or occupant.
7. Upon failure of any party having any right, title, or interest in the property that is the subject of this application, or the failure of any heir, successor, assign, or legal representative of such party, to observe any of the covenants, restrictions, agreement, terms or conditions of this resolution whose provisions shall constitute conditions of the special permit hereby granted, the City Planning Commission may, without the consent of any other party, revoke any portion of or all of said special permit. Such power of revocation shall be in addition to and not limited to any other powers of the City Planning Commission, or of any other agency of government, or any private person or entity. Any such failure as stated above, or any alteration in the development that is the subject of this application that departs from any of the conditions listed above, is grounds for the City Planning Commission or the City Council, as applicable to disapprove any application for modification, cancellation or amendment of the special permit hereby granted.
8. Neither the City of New York nor its employees or agents shall have any liability for money damage by reason of the City's or such employee's or agent's failure to act in accordance with the provisions of this special permit.

The above resolution (C 210370 ZSM), duly adopted by the City Planning Commission on September 22, 2021 (Calendar No. 22), is filed with the Office of the Speaker, City Council, and the Borough President together with a copy of the plans of the development, in accordance with the requirements of Section 197-d of the New York City Charter.

KENNETH J. KNUCKLES, ESQ., *Vice Chairman*
DAVID BURNEY, RICHARD W. EADDY, HOPE KNIGHT,
ANNA HAYES LEVIN, ORLANDO MARIN,
LARISA ORTIZ, RAJ RAMPERSHAD *Commissioners*

ALLEN P. CAPPELLI, ESQ., ALFRED C. CERULLO, III, *Commissioners, Recused.*



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Gale A. Brewer, Borough President

August 3, 2021

**Recommendation on ULURP Application Nos. C210369ZSM and C210370ZSM
343 Madison Avenue – Metropolitan Transportation Authority Headquarters
By Boston Properties and the Metropolitan Transportation Authority**

PROPOSED ACTIONS

Boston Properties and the Metropolitan Transportation Authority (“the Applicants”) are seeking two Zoning Special Permits from the City Planning Commission (“CPC”) to facilitate the redevelopment of a site located at 341-347 Madison Avenue (“the Project Site”). The special permits follow provisions of the Vanderbilt Corridor Subarea within the East Midtown Subdistrict of the Special Midtown District, allowing both additional floor area and related modifications of certain district plan requirements and zoning restrictions in exchange for on-site and off-site improvements to the mass transit circulation network of Grand Central Terminal. These special permits are pursuant to ZR § 81-633 and ZR § 81-634 respectively.

Pursuant to ZR § 81-633, a development or enlargement may be granted floor area in excess of the maximum base floor area ratio (“FAR”) up to an FAR of 30.0 if improvements are made to the pedestrian or mass transit circulation network above- or below-grade, as well as to the ground floor level of the building, with particular attention paid to building design and sustainable design measures. Any floor area in excess of the maximum base FAR is subject to a special permit by the CPC with specific findings laid out in ZR § 81-633(b).

Pursuant to ZR § 81-634, a development or enlargement may also be granted certain modifications related to the additional floor area, including modifications to street walls, height, and setback regulations as well as mandatory plan elements. Any such modifications are subject to an additional special permit by the CPC with specific findings laid out in ZR § 81-634(c).

BACKGROUND

Area Context

The Project Site is located within the Vanderbilt Corridor Subarea of the East Midtown Subdistrict of the Special Midtown District. The Vanderbilt Corridor was established in 2015 (Application No. N150127ZRM) in order to facilitate the development of modern commercial

space around Grand Central Terminal while also addressing transit and pedestrian infrastructure challenges, and allowing transfers of unused development rights of landmark buildings within the special district. In 2017, the Vanderbilt Corridor was incorporated into the East Midtown Subdistrict without substantive changes to its original provisions.

The Project Site is located in Manhattan Community Board 5, while part of the proposed transit improvements are located in Community Board 6. The surrounding area is characterized by high-density commercial office buildings, consistent retail and street walls, transit infrastructure centered around Grand Central Terminal, and some scattered institutional and residential uses. Nearby building heights average several hundred feet, with some reaching a maximum of up to 800 feet, and One Vanderbilt reaching 1,400 feet in height.

Much of the surrounding East Midtown Subdistrict is zoned as C5-3, a commercial district with a base maximum FAR of 15.0 for non-residential use and 10.0 for residential use. C5-2.5 is also mapped west of the Project Site, with a base maximum FAR of 12.0 for non-residential use and 10.0 for residential use, with options for floor area increases in exchange for recreation space. Floor area may be increased within the Vanderbilt Corridor Subarea through improvements to adjacent subway stations, transfer of development rights from landmark buildings, or through the provision of transit and public realm improvements.

Site Description

The Project Site, currently owned by the Metropolitan Transportation Authority (“MTA”), is located on the western portion of Manhattan Block 1279, bounded by Madison Avenue, East 44th Street, Vanderbilt Avenue, and East 45th Street, and consists of four tax lots, numbered 23, 24, 25, and 48. The Project Site has a lot area of 25,104 square feet, and is zoned C5-3, allowing as-of-right a total zoned floor area of 376,560 square feet. Current uses of the site include a 13-story office building on Lot 23, a 19-story office building on Lot 24, a 5-story utility building on Lot 25, and a 20-story office building on Lot 48. The eastern portion of the block also includes a 22-story landmarked building containing the Yale Club of New York City, and a 20-story office building.

In addition to the Project Site, the proposal includes off-site improvements to the Flushing Line platform at the Grand Central / 42nd Street subway station located beneath Grand Central Terminal. The Flushing Line currently serves the 7 train, with transfer access at this station to the 4, 5, 6, and S trains, as well as Metro North lines running through Grand Central Terminal.

Project Description

The Applicants are seeking to construct a 1,050-foot-tall commercial building with a total floor area of 925,630 square feet and a total zoned floor area of 753,120 square feet (or 30.0 FAR). The base of the building would be 321 feet, with a setback on all frontages and a cantilever over the utility building on Lot 25. The building’s lobby as well as ground floor retail spaces would

front Madison Avenue, while the proposed East Side Access transit entrance will be located at the corner of Madison Avenue and East 45th Street.

On-site transit improvements, pursuant to ZR § 81-633, would consist of the following:

- Three new 40-inch wide escalators connecting the corner entry at street level to the East Side Access concourse level;
- A new 6-foot wide stair adjacent to the new escalators;
- A new elevator connecting the corner entry at street level to the East Side Access concourse level, in full compliance with the Americans with Disabilities Act;
- A new MTA back-of-house space beneath the Project Site accessible by the new elevator; and
- A new double-height, 2,372-square-foot entrance area at the northwest corner of the Project Site.

Off-site transit improvements, pursuant to ZR § 81-633, would consist of the following:

- Widening two platform stairs at the east end of the Flushing Line platform at Grand Central Terminal by approximately four feet and nine inches;
- Widening two sets of stairs that connect the uptown Lexington Line platform to an existing passageway providing access to the existing Flushing Line platform stairs by approximately one foot and three inches each; and
- Constructing a new extension of the existing Flushing Line transfer passageway, as well as two new 5-foot-wide stairs and a 10-foot, 8-inch wide stair connecting the passageway extension and the Flushing Line platform.

Pursuant to the request for proposals (“RFP”), originally issued by the MTA in June of 2013, the MTA will ground lease the property to Boston Properties, who in exchange will pay the MTA both a base rent and a payment in lieu of taxes (“PILOT”), both negotiated between the MTA and Boston Properties. While the PILOT will go directly to the MTA, revenue generated through the base rent will be used to fund the off-site transit improvements listed above. The base rent was calculated by the MTA in order to both meet a reasonable rent price as well as incorporate expected costs of the off-site transit improvements.

COMMUNITY BOARD RECOMMENDATIONS

Manhattan Community Boards 5 and 6 were both briefed by the Applicants during May and June of 2021. Both boards were given a 60-day referral period to opine and present a resolution recommending approval or disapproval of the application with or without conditions.

Manhattan Community Board 5 was briefed at their Joint Land Use, Housing, and Zoning and Transportation and Environment Committee meetings during May and June of 2021. At these two meetings, several concerns were raised, including the increase in shadows and decrease in

sky exposure caused by the proposed development, the height of the street wall as proposed, increases in traffic and pedestrian volume that would come with this project, funding coming from revenue on the site and not separately from the developer, and the improvements as not commensurate with the bonus granted. On June 10, 2021, Manhattan Community Board 5 submitted a resolution recommending disapproval of the application with the following conditions:

- Require the project to meet the daylighting requirements of the current zoning;
- Enhance the proposed below-grade public transit improvements so as to justify the additional floor area requested;
- Lower the street wall height of the proposed building; and
- Reduce the width of the proposed lobby to accommodate the required retail frontage on Madison Avenue.

Manhattan Community Board 6 was briefed at their May Land Use and Waterfront meeting, where several concerns were raised, including the increase in shadows and decrease in sky exposure caused by the proposed development, funding coming from revenue on the site and not separately from the developer, and the improvements as not commensurate with the bonus granted. On June 10, 2021, Manhattan Community Board 6 submitted a resolution recommending disapproval of the application with the following conditions:

- Require the project to meet the daylighting requirements of the current zoning;
- Require the project to meet the street wall and setback requirements of the current zoning;
- Ensure that the revenue generated from rent on the site be used for improvements to transit infrastructure benefiting the community where the building is located;
- Relocate the loading facilities on East 45th Street to maintain retail frontage and pedestrian interest at street level; and
- Require the project team to develop a building enclosure that surpasses the requirements of the 2020 New York City Energy Code.

BOROUGH BOARD RECOMMENDATION

The Manhattan Borough Board received a presentation from the Applicants about this application at its July 15, 2021 meeting. Manhattan Borough Board members raised questions and concerns which were fielded by representatives of the Applicants.

Informed by this discussion, as well as by the meetings and resolutions of individual Manhattan community boards, the Manhattan Borough Board voted to recommend disapproval of the application with the following conditions:

- Require the proposed building to meet the daylighting, street wall, and setback requirements of the current zoning;

- Enhance the proposed transit improvements on-site and off-site to justify the requested additional floor area;
- Reduce the width of the proposed lobby to accommodate retail frontage requirements along Madison Avenue in the Vanderbilt Corridor Subarea;
- Require the proposed building to meet or exceed the 2020 New York City Energy Code;
- Require the proposed loading facilities on East 45th Street to be relocated to maintain consistent retail frontage; and
- Commit any rent generated on site to local transit improvements.

BOROUGH PRESIDENT'S COMMENTS

I believe the Applicants have presented a thorough and thoughtful proposal for a development that will provide transit improvements that are pivotal for East Midtown, a crucial transit hub. However, the local community boards have raised substantive issues with the proposed project. I have considered every concern raised by both Manhattan Community Boards 5 and 6, as well as by the Manhattan Borough Board, and conveyed their issues and others with the MTA and the developer in numerous discussions. On July 27, 2021, I visited the sites of the off-site improvements at Grand Central Terminal with the MTA to fully understand the scope of these projects, the logic behind the original RFP, and the continued commitment by the MTA to mass transit infrastructure in East Midtown.

I still have several concerns:

Floor Area Bonus Rationale

The Applicants have laid out a clear rationale for the floor area bonus they are proposing. However, aspects of the argument extend a rationale of the Zoning Resolution beyond its intended purpose, leaving room for debate as to whether the proposed transit improvements are truly commensurate with the bonus being sought. As the local community boards have recognized, I find that a further assessment is needed to determine whether such a proposal is consistent and justifiable.

The provision allowing such a floor area bonus through CPC special permit is found in ZR § 81-633, where certain findings are required to be met in order for the CPC to approve of such an application. These findings include appropriateness related to mass transit access, zoning lot size, wide street frontage, and adjacency to open areas above Grand Central Terminal; significance and quality of both above- and below-grade circulation improvements; significance of the public benefit created by the project; and quality of design of the building. While the proposed project poses concerns regarding light and air quality on adjacent streets, I believe the Applicants have made a case for meeting these requirements. Whether the public benefit merits the floor area bonus, however, requires further analysis.

The rationale of the Applicants primarily references the Priority Improvement List found in ZR § 81-682. While the site in question is located in the Vanderbilt Corridor Subarea, and this list

technically applies only to sites located in either the Grand Central Transit Improvement Zone Subarea or the Other Transit Improvement Zone Subarea, the application proposes transit improvements which are specifically laid out in the list with equivalent floor area bonuses for each by type. For the project's off-site improvements, the Applicants have proposed 160,000 square feet in bonus floor area as is consistent with the list. The Applicants then argue that the rationale of this list should be extended to the on-site improvements proposed. The similarities between the East Side Access entrance and those within the Priority Improvement List may be reasonably understood as similar. The Applicants propose that the East Side Access entrance consists of three "Type 1" improvements and one "Type 3" improvement, totaling 240,000 square feet in bonus floor area.

A variety of factors were considered in developing the Priority Improvement List. To extend such a rationale to a separate on-site improvement was certainly not the intention of this provision. Not only is the East Side Access entrance not relevant to the list, but as an on-site improvement, it provides a public benefit valued differently from improvements to existing off-site transit infrastructure. As this improvement does not exist within the Priority Improvement List, the Applicants can argue for any number of equivalent floor area bonuses. For example, as "Type 1" improvements include "new or expanded off-street entrances," one may argue that only 40,000 bonus square feet should be awarded for this improvement. The 240,000 bonus square feet proposed is arguably overgenerous given the extent of the East Side Access improvement.

There is a plethora of existing needs in the local mass transit system and public realm. These needs include items listed on the Priority Improvement List, as well as the list of projects identified by the East Midtown Governing Group Concept Plan. Given the significance of this project and the floor area bonus being sought, I believe that the public benefit to the local community should be maximized to be fully justified.

The Applicants have made the following commitment to my office regarding improvement to the public realm:

- Work with the New York City Department of Transportation ("DOT") to fund and, at the discretion of DOT, design and construct a sidewalk widening along the north side of 44th Street between Vanderbilt and Madison Avenues as consistent with the East Midtown Governing Group Concept Plan and in consideration of the needs of the Yale Club.

Dedicated On-Site Space for the Arts

I strongly believe that new developments like this one offer unique opportunities to support and highlight the New York arts community. Too often we miss that opportunity. This project should contain a significant art component accessible to the public, and commensurate with the scale of the proposed building and its site.

The Applicants have made the following commitments to my office regarding arts in the building:

- Provide opportunities for artists to gain exposure through installations in the on-site transit entrance, under MTA’s Arts for Transit Program;
- Provide free “pop-up” space for artists within available retail space prior to rent-up; and
- Provide space within the building for use by artists or New York-based arts organizations, at a cost to the tenant equivalent to the local commercial tax rate in addition to utility expenses. The space will be at least 500 square feet if at grade or 1,000 square feet in other locations, to be offered for a period of five years from initial rent up of the building.

Accessible Office Layouts

Related to a commitment to the arts, this office tower could better support smaller businesses and nonprofit tenants. Not every business can afford floorplates as large as the ones proposed in this project. Availability of office space in this city is an ongoing issue, and a proactive strategy to facilitate use of these spaces by smaller tenants is essential. Programs like Durst Ready, an initiative of the Durst Organization, work to support tenants in office buildouts and through other services that ensure the success of small and large businesses alike. Continuing an innovative approach to commercial development, property owners must do more to support their tenants and recognize the symbiotic nature of their relationships.

I urge the Applicants to divide floorplates and price spaces in ways that invite and support small businesses and nonprofits struggling in a competitive real estate environment.

Rent and PILOT Structure

As this project involves proposed on- and off-site transit improvements, funding on the part of the developer must be allocated to cover these improvement costs. It is my understanding that when a private developer is required through a special permit like this one to provide any public benefit as part of the proposal, the developer must allocate dedicated funds for those improvements. However, in this case, the RFP distributed by the MTA proposes a funding stream that is not set aside but built into the rent structure for the ground lease on this site. Therefore, part of the rent generated at 343 Madison Avenue will be used to fund the off-site improvements proposed at Grand Central Terminal.

I understand that the base rent for the site was calculated to incorporate this cost, and that it would be lower if funding for the improvements were not included. I also understand that a payment in lieu of taxes (“PILOT”) structure is required by the RFP, and that both the PILOT- and rent-generated revenue that is not already dedicated to the off-site improvements will be directed to the MTA’s Capital Program, covering capital project costs across the MTA system. However, I remain concerned that the funding for these off-site improvements is conflated with

the rent generated through the ground lease, and I believe that special permits like this one intend for a separate pot of money to go toward any public benefits attached to a project. This is a unique project in that the MTA remains owner of the property, and I recognize that the revenue structure was developed by the MTA and not Boston Properties. I agree that the MTA should carry out the construction of these improvements, as they are best suited to oversee improvements to their own system, and I urge the Applicants to consider a revenue structure that separates funds generated through rent dedicated to the Capital Program, and funds intended for off-site improvements specific to this project.

BOROUGH PRESIDENT'S RECOMMENDATION

I therefore recommend **approval of the application with conditions**. This recommendation is contingent on the Applicants' completion of the following commitments:

- Work with DOT to fund and, at the discretion of DOT, design and construct a sidewalk widening along the north side of 44th Street between Vanderbilt and Madison Avenues as consistent with the East Midtown Governing Group Concept Plan and in consideration of the needs of the Yale Club;
- Provide opportunities for artists to gain exposure through installations in the on-site transit entrance, under MTA's Arts for Transit Program;
- Provide free "pop-up" space for artists within available retail space prior to rent-up; and
- Provide space within the building for use by artists or New York-based arts organizations, at a cost to the tenant equivalent to the local commercial tax rate in addition to utility expenses. The space will be at least 500 square feet if at grade or 1,000 square feet in other locations, to be offered for a period of five years from initial rent up of the building.

In addition to these conditions, I urge the Applicants to consider the following recommendations put forth by the Manhattan Borough Board in their resolution dated June 17, 2021:

- That the proposed building meet the daylighting, street wall, and setback requirements of the current zoning;
- That the Applicants enhance the proposed transit improvements on-site and off-site to justify the requested additional floor area;
- That the Applicants reduce the width of the proposed lobby to accommodate retail frontage requirements along Madison Avenue in the Vanderbilt Corridor Subarea;

- That the proposed building meet or exceed the 2020 New York City Energy Code;
- That the proposed loading facilities be relocated to maintain consistent retail frontage;
and
- That any rent generated on site be committed to local transit improvements.

Gale A. Brewer

Gale A. Brewer
Manhattan Borough President

FOR REFERENCE PURPOSES ONLY



COMMUNITY/BOROUGH BOARD RECOMMENDATION

Project Name: 343 Madison Avenue / MTA HQ	
Applicant: Boston Properties	Applicant's Primary Contact: Zachary Bernstein
Application # 210369ZSM	Borough:
CEQR Number: 21DCP020M	Validated Community Districts: M05

Docket Description:
 IN THE MATTER OF an application submitted by BP 347 Madison Associates, LLC and Metropolitan Transportation Authority pursuant to Sections 197-c and 201 of the New York City Charter for, in conjunction with the grant of a special permit pursuant to 81-633 of the Zoning Resolution (Special permit for Grand Central public realm improvements), the grant of a special permit pursuant to Section 81-634 to modify:

1. the street wall requirements of Sections 81-43 (Street Wall Continuity along Designated Streets) and 81-671 (Special Street Wall Requirements);
2. the height and setback requirements of Section 81-27 (Alternative Height and Setback Regulations - Daylight Evaluation); and
3. the mandatory district plan elements of Section 81-42 (Retail Continuity Along Designated Streets), Section 81-45 (Pedestrian Circulation Space), Section 37-50 (REQUIREMENTS FOR PEDESTRIAN CIRCULATION SPACE), Sections 81-47 (Major Building Entrances), Section 81-674 (Ground floor use provisions), Section 81-44 (Curb Cut Restrictions), and Section 81-675 (Curb cut restrictions and loading berth requirements);

in connection with a proposed commercial development, on property located at 343 Madison Avenue (Block 1279, Lots 23, 24, 25 & 48), in a C5-3 District, within the Special Midtown District (Vanderbilt Corridor Subarea).

Plans for this proposal are on file with the City Planning Commission and may be seen at 120 Broadway, 31st Floor, New York, N.Y. 10271.

Please use the above application number on all correspondence concerning this application

RECOMMENDATION: Conditional Unfavorable			
# In Favor: 35	# Against: 0	# Abstaining: 1	Total members appointed to the board: 43
Date of Vote: 6/10/2021 12:00 AM		Vote Location: Virtual	

Please attach any further explanation of the recommendation on additional sheets as necessary

Date of Public Hearing: 6/10/2021 6:00 PM	
Was a quorum present? Yes	<i>A public hearing requires a quorum of 20% of the appointed members of the board but in no event fewer than seven such members</i>
Public Hearing Location:	Virtual

CONSIDERATION: CB5 Resolution attached.

Recommendation submitted by	MN CB5	Date: 7/1/2021 4:44 PM
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MANHATTAN COMMUNITY BOARD FIVE

Vikki Barbero, Chair

450 Seventh Avenue, Suite 2109
New York, NY 10123-2199
212.465.0907 f-212.465.1628

Marisa Maack, District Manager

June 14, 2021

Marisa Lago
Chair of the City Planning Commission
22 Reade Street
New York, NY 10007

Re: 341-347 Madison Ave, an application by BP 343 Madison Associates LLC, in partnership with the MTA, for two Vanderbilt Corridor Special Permits to facilitate the redevelopment of the site at 341-347 Madison Ave..

Dear Chair Lago:

At the regularly scheduled monthly Community Board Five meeting on Thursday, June 10, 2021, the following resolution passed with a vote of 35 in favor; 0 opposed; 1 abstaining:

WHEREAS, BP 347 Madison Associates LLC (the developer of the site and an affiliate of Boston Properties) and the Metropolitan Transportation Authority (MTA), jointly the applicant (the "Applicant"), have applied for a set of waivers and special permits related to the redevelopment of the properties at 341-347 Madison Avenue between East 44th and 45th Streets, collectively known as 343 Madison Avenue, aka MTA HQ; and

WHEREAS, The current building on the site was constructed in 1917, and beginning in 1979 served as the headquarters for the MTA that subsequently moved out of the buildings in 2014 with a request for proposals (RFP) in 2013, seeking a partner to redevelop the site for the purpose of generating revenue to the MTA; and

WHEREAS, In 2016, after a bidding process, the MTA selected Boston Properties for a 99 years ground lease and to develop the site; and

WHEREAS, In 2020, in accordance with the rules of the Vanderbilt Corridor subdistrict, the Applicant put forward this proposal to obtain special permits and waivers to facilitate the development; and

WHEREAS, The proposed building would comprise approximately 753,120 square feet, with a base 15 FAR and a 15 FAR bonus for transit and public realm improvements, reaching the maximum authorized density of 30.0 FAR on a 25,104 square foot parcel, with a height of approximately 1,050 feet; and

WHEREAS, To qualify for a bonus FAR, the Applicant is proposing the following transit upgrades:

- On site site improvements:
 - Construction of 1 stair, 3 escalators and an elevator from corner of Madison Avenue and East 45th Street to East Side Access (ESA) concourse
- Off site improvements:
 - Widening two platform stairs at the east end of the Flushing Line (7) platform

- Widening two sets of stairs that connect the Uptown Lexington Line to an existing passageway that provides access to existing Flushing Line platform stairs
- Constructing a new extension of the existing Flushing Line passageway and three new stairs that would connect the passageway extension and the Flushing Line platform; and

WHEREAS, On-site transit improvements would be performed at the expense of Boston Properties; and

WHEREAS, Off-site transit improvements would be funded via bonds issued by the MTA, and the MTA would service these new bonds with the monies the agency receives from the developer in the form of ground lease payments and payments in lieu of taxes (PILOT); and

WHEREAS, The Applicant proposes to widen the sidewalk on East 45th Street from approximately 10 feet to 15 feet wide; and

WHEREAS, The proposed building would abut two buildings to the east, the Yale Club and 52 Vanderbilt Avenue, a commercial building, and would cantilever over the East Side Access vent building along East 44th Street next to the Yale Club; and

WHEREAS, The Applicant has recently engaged the Yale Club in substantive discussions to address concerns about the impact of the proposed new building on the Club's operations and representatives of the Club testified to the progress of those discussions; and

WHEREAS, The proposed project would produce important economic benefits for New York City as it recovers from the pandemic in both the construction and operations of the building, as was testified to in the public hearing; and

WHEREAS, The building as proposed could not be constructed as of right and would require the following special permits and waivers in order to do so

- Special permit pursuant to ZR Section 81-633 to authorize: Bonus floor area of 376,560 sf (15.0 FAR) for on-site and off-site improvements to the mass transit circulation network in the vicinity of Grand Central Terminal.
- Special permit pursuant to ZR Section 81-634 to modify:
 - Street wall regulations;
 - Height and setback regulations;
 - Retail continuity requirements;
 - Ground floor use provisions;
 - Building entrance and recess requirements;
 - Curb cut and loading berth provisions; and

WHEREAS, A special permit is requested to increase the base 15.0 FAR to 30.0 FAR in connection with the on-site and off-site public transit improvements; and

WHEREAS, The proposed off-site transit improvements under the East Midtown Special District would qualify for a 6.4 additional FAR bonus, which leaves 8.6 FAR for consideration beyond the bonus generated by these off-site transit improvements; and

WHEREAS, Community Board Five recognizes that development around major transit hubs such as Grand Central is generally appropriate in principle and that the proposed transit improvements are essential additions to the area; and

WHEREAS, Community Board Five, however, does not believe these improvements as proposed are sufficient to justify the additional FAR requested given the substantial density the building will bring to

the area and the resulting increased demands on public transit in a corridor that already is experiencing a significant increase in density from the East Midtown and Vanderbilt Corridor rezonings; and

WHEREAS, the building massing is not compliant with the Vanderbilt Corridor daylight evaluation requirements, causing the sidewalks to be darker than a compliant massing would, and Community Board Five believes the building massing should comply with the requirements of the existing zoning, to minimize the encroachment on the sky exposure plane; and

WHEREAS, Retail frontage on Madison Avenue is a priority to maintain a vibrant and welcoming street experience for pedestrians, and the proposed lobby width is unnecessary and should be reduced to comply with the existing zoning; and

WHEREAS, CB5 recognizes that a street wall height in excess of the compliant 150 feet may be appropriate, the proposed 321 foot street wall height is excessive and should be lowered; and

WHEREAS, CB5 does not object to the special permits requested related to entrance recess, curb cut, loading berth, and street wall design to accommodate the entrance to East Side Access; therefore be it

RESOLVED, Community Board Five **recommends denial** of the special permits requested in this application **unless** the above concerns are addressed, specifically enhanced below grade public transit improvements, a lower street wall height, compliant daylight evaluation score, and a reduction in lobby width to accommodate the required retail frontage on Madison Avenue.

Thank you for the opportunity to comment on this matter.

Sincerely,



Vikki Barbero
Chair



Layla Law-Gisiko
Chair, Land Use, Housing and Zoning Committee
Committee



E.J. Kalafarski
Chair, Transportation/Environment

CC: Hon. Corey Johnson, Council Speaker
Hon. Brad Hoylman, State Senate, District 27
Hon. Liz Krueger, State Senator, District 28
Hon. Keith Powers, Councilmember, District 4
Manhattan Borough President, Gale Brewer
Sarah Carroll, Chair, Landmarks Preservation Commission
Edward Pincar Jr., Department of Transportation
Alfred C. Cerullo, III, President/CEO Grand Central Partnership
Sarah Feinberg, MTA New York City Transit



COMMUNITY/BOROUGH BOARD RECOMMENDATION

Project Name: 343 Madison Avenue / MTA HQ	
Applicant: Boston Properties	Applicant's Primary Contact: Zachary Bernstein
Application # 210369ZSM	Borough:
CEQR Number: 21DCP020M	Validated Community Districts: M05

Docket Description:
 IN THE MATTER OF an application submitted by BP 347 Madison Associates, LLC and Metropolitan Transportation Authority pursuant to Sections 197-c and 201 of the New York City Charter for, in conjunction with the grant of a special permit pursuant to 81-633 of the Zoning Resolution (Special permit for Grand Central public realm improvements), the grant of a special permit pursuant to Section 81-634 to modify:

1. the street wall requirements of Sections 81-43 (Street Wall Continuity along Designated Streets) and 81-671 (Special Street Wall Requirements);
2. the height and setback requirements of Section 81-27 (Alternative Height and Setback Regulations - Daylight Evaluation); and
3. the mandatory district plan elements of Section 81-42 (Retail Continuity Along Designated Streets), Section 81-45 (Pedestrian Circulation Space), Section 37-50 (REQUIREMENTS FOR PEDESTRIAN CIRCULATION SPACE), Sections 81-47 (Major Building Entrances), Section 81-674 (Ground floor use provisions), Section 81-44 (Curb Cut Restrictions), and Section 81-675 (Curb cut restrictions and loading berth requirements);

in connection with a proposed commercial development, on property located at 343 Madison Avenue (Block 1279, Lots 23, 24, 25 & 48), in a C5-3 District, within the Special Midtown District (Vanderbilt Corridor Subarea).

Plans for this proposal are on file with the City Planning Commission and may be seen at 120 Broadway, 31st Floor, New York, N.Y. 10271.

Please use the above application number on all correspondence concerning this application

RECOMMENDATION: Conditional Unfavorable			
# In Favor: 40	# Against: 0	# Abstaining: 5	Total members appointed to the board: 45
Date of Vote: 6/9/2021 12:00 AM		Vote Location: On Zoom	

Please attach any further explanation of the recommendation on additional sheets as necessary

Date of Public Hearing: 5/24/2021 6:30 PM	
Was a quorum present? Yes	<i>A public hearing requires a quorum of 20% of the appointed members of the board but in no event fewer than seven such members</i>
Public Hearing Location:	On Zoom, see https://cbsix.org/meetings-calendar/ for link

CONSIDERATION: Please see attached resolution for more details, but the gist of the comment is as follows:	
Manhattan Community Board Six disapproves of this application unless the following are addressed: <ul style="list-style-type: none"> · that the project meet the daylighting requirements of the current zoning · that the project meet the current zoning requirements for street wall and setback requirements · that the rental monies generated be used for improvements to transit infrastructure benefiting the community where the building is located · that the loading facilities on East 45th Street be relocated to maintain retail frontage and pedestrian interest at street level · that the project team develop a building enclosure that surpasses the requirements of the 2020 New York City Energy Code; 	
BE IT FURTHER RESOLVED that even though CB6 is supportive of the transit improvements, CB6 requests an updated design that addresses the community's concerns enumerated above.	
Recommendation submitted by	Date: 6/14/2021 2:34 PM
MN CB6	

KYLE ATHAYDE
CHAIR

SANDRO SHERROD, FIRST VICE CHAIR
MARK THOMPSON, SECOND VICE CHAIR



THE CITY OF NEW YORK
MANHATTAN COMMUNITY BOARD SIX
211 EAST 43RD STREET, SUITE 1404
NEW YORK, NY 10017

JESÚS PÉREZ
DISTRICT MANAGER

BRIAN VAN NIEUWENHOVEN, TREASURER
BEATRICE DISMAN, ASST. TREASURER
SEEMA SHAH, SECRETARY
MATT BONDY, ASST. SECRETARY

VIA E-MAIL

June 10, 2021

Marisa Lago, Chair
City Planning Commission
120 Broadway, 31st Floor
New York, NY 10271

Resolution on a ULURP application by BP 343 Madison Associates LLC and the MTA for two Vanderbilt Corridor special permits (ZR 81-633 and 81-634) to redevelop 341-347 Madison Ave

At the June 9, 2021 Full Board meeting of Manhattan Community Board Six, the Board adopted the following resolution:

WHEREAS, at the May 24, 2021 Land Use meeting of Manhattan Community Board Six, the committee was presented with the application for 343 Madison Avenue;

WHEREAS, this is an application by BP 343 Madison Associates LLC, in partnership with the MTA, for two Vanderbilt Corridor special permits (ZR 81-633 and 81-634) to facilitate the redevelopment of the site with a maximum 30.0 FAR commercial building located at 341-347 Madison Ave, in the East Midtown neighborhood of Manhattan Community District 5, with transit improvements located in Community Districts 5 and 6;

WHEREAS, the Applicant is requesting a Special Permit for Grand Central Public Realm Improvements based on transit improvements;

WHEREAS, improvements on site include a double-height entrance to the LIRR East Side Access terminal at the intersection of Madison Avenue and East 45th Street, with three new escalators, a new stair, and an elevator providing public access from street level to the East Side Access mezzanine;

WHEREAS, the project includes the following off-site transit improvements: widening the existing platform stairs at the eastern end of the Flushing Line Platform; widening two stairs that lead from the uptown Lexington Line (4/5/6) platform to a passageway connecting to the Flushing Line platform via two existing stairs; and constructing a new transfer passageway as an extension of the existing passageway and constructing two

new 5-foot wide Flushing Line platform stairs and a 10-foot, 8-inch wide stair connecting the platform and the passageway extension;

WHEREAS, the Applicant seeks a special permit under 81-633 that would increase the maximum permitted floor area from the 15 FAR allowed as of right to 30 FAR;

WHEREAS, the Applicant seeks a special permit under 81-634 that would modify certain mandatory district plan elements, street wall height, height and setback regulations, and curb cut regulations;

WHEREAS, the proposed street wall will rise to nearly 322 feet at the street line prior to setback, more than double the street wall maximum of 150', before setback required without a special permit;

WHEREAS, the proposed project will have a weighted daylight score of -108.9, whereas a daylight score of 75 is required without a special permit;

WHEREAS, the City Planning Commission must find that "street wall or height and setback regulations will result in an improved distribution of bulk on the zoning lot that is harmonious with the height and setback goals of the Special Midtown District" (ZR 81-634 (c)(2));

WHEREAS, the purpose of these regulations "is to offer maximum design flexibility while setting reasonable but firm standards to protect access of light and air to public streets and adjacent buildings" (ZR 81-251);

WHEREAS, the proposed daylight evaluation score of -108.9 constitutes a substantial variation from the "reasonable but firm" daylighting standard and will severely impair access to light and air in the surrounding area;

WHEREAS, in 2017 the passing score for daylighting in East Midtown outside the Vanderbilt Corridor was weakened to 66 and this proposal significantly fails either measure;

WHEREAS, the project intends to lease the land for 99 years, and instead of paying taxes proposes a Payment in Lieu of Taxes (PILOT); where funds from the PILOT will be used to fund the proposed transit improvements;

WHEREAS, the substantial transit improvements proposed by this project will ultimately be paid for through a PILOT, and not from developer's funds, which brings into question the purpose of providing the additional 15 FAR allowed by Special Permit;

WHEREAS, "reasonable but firm standards" that can be so easily waived are not standards at all;

WHEREAS, a higher daylight evaluation score can be achieved with a lower street wall, standard setback, smaller floor plate or some combination thereof, and still provide a desirable building that is less impactful to the character of the area;

WHEREAS, the language of the proposed City Planning Commission findings that justifies the substantial variance from the daylighting standard is unconvincing and could be used to justify nearly any building that produces any daylighting score;

THEREFORE, BE IT RESOLVED that Manhattan Community Board Six disapproves of this application unless the following are addressed:

- that the project meet the daylighting requirements of the current zoning
- that the project meet the current zoning requirements for street wall and setback requirements
- that the rental monies generated be used for improvements to transit infrastructure benefiting the community where the building is located
- that the loading facilities on East 45th Street be relocated to maintain retail frontage and pedestrian interest at street level
- that the project team develop a building enclosure that surpasses the requirements of the 2020 New York City Energy Code;

BE IT FURTHER RESOLVED that even though CB6 is supportive of the transit improvements, CB6 requests an updated design that addresses the community's concerns enumerated above.

VOTE: 40 In Favor 2 Opposed 5 Abstention 1 Not Entitled

Best regards,



Jesús Perez
District Manager

Cc: Hon. Gale Brewer, Manhattan Borough President
Hon. Keith Powers Council Member
Adam Hartke, Chair, CB6 Land Use & Waterfront Committee
Azka Mohyuddin, City Planner, NYC Department of City Planning
Scott Williamson, City Planner, NYC Department of City Planning
Applicant



COMMUNITY/BOROUGH BOARD RECOMMENDATION

Project Name: 343 Madison Avenue / MTA HQ	
Applicant: Boston Properties	Applicant's Primary Contact: Zachary Bernstein
Application # C210370ZSM	Borough: Manhattan
CEQR Number: 21DCP020M	Validated Community Districts: M05

Docket Description:

Please use the above application number on all correspondence concerning this application

RECOMMENDATION: Conditional Unfavorable			
# In Favor:	# Against:	# Abstaining:	Total members appointed to the Board:
Date of Vote: 7/15/2021 7:00 PM		Vote Location:	

Please attach any further explanation of the recommendation on additional sheets as necessary

Date of Public Hearing:	
Was a quorum present? No	<i>A public hearing requires a quorum of 20% of the appointed members of the board but in no event fewer than seven such members</i>
Public Hearing Location:	

CONSIDERATION:

Recommendation submitted by	MNBP	Date:
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FOR REFERENCE PURPOSES ONLY

MANHATTAN BOROUGH BOARD RESOLUTION
July 15, 2021

**RECOMMENDING DISAPPROVAL FOR AN APPLICATION BY BOSTON
PROPERTIES AND THE METROPOLITAN TRANSPORTATION AUTHORITY FOR
TWO SPECIAL PERMITS: APPLICATIONS NUMBER C210369ZSM AND
C210370ZSM – 343 MADISON AVENUE, THE METROPOLITAN TRANSPORTATION
AUTHORITY HEADQUARTERS**

WHEREAS, Boston Properties and the Metropolitan Transportation Authority (“MTA”) (“the Applicants”) seek two special permits from the City Planning Commission (“CPC”) pursuant to Sections 81-633 and 81-634 of the Zoning Resolution (“ZR”), facilitating the development of a 1,050-foot-tall office, retail, and residential tower at 341-347 Madison Avenue, the site of the former MTA headquarters, accompanied by on-site and off-site transit improvements relating to accessibility and circulation of the East Side Access and Flushing Line stations connected to Grand Central Terminal; and

WHEREAS, at their May 5 and June 2, 2021 meetings, the Applicants briefed the Joint Land Use, Housing, and Zoning and Transportation and Environment Committees of Manhattan Community Board 5 on the application, where several issues were raised, including: the increase in shadows and decrease in sky exposure caused by the proposed development, the height of the street wall, increases in traffic and pedestrian volume that would come with this project, funding coming from revenue on the site and not separately from the developer, and the improvements as not commensurate with the bonus granted; and

WHEREAS, at their May 24, 2021 meeting, the Applicants briefed the Land Use and Waterfront Committee of Manhattan Community Board 6, where several issues were raised, including: the increase in shadows and decrease in sky exposure caused by the proposed development, funding coming from revenue on the site and not separately from the developer, and the improvements as not commensurate with the bonus granted; and

WHEREAS, on June 9, 2021, Manhattan Community Board 5 adopted a resolution recommending disapproval of the application with conditions, including: enforcement of daylighting requirements under the current zoning, enhancement to the proposed below-grade public transit improvements so as to justify the additional floor area requested, lowering the street wall height of the proposed building, and reduction of the width of the proposed lobby to accommodate the required retail frontage on Madison Avenue; and

WHEREAS, on June 10, 2021, Manhattan Community Board 6 adopted a resolution recommending disapproval of the application with conditions, including: enforcement of daylighting requirements under the current zoning, enforcement of street wall and setback requirements under the current zoning, a requirement that the revenue generated from rent generated on the site be used for improvements to transit infrastructure benefiting the community where the building is located, relocation of the loading facilities on East 45th Street to maintain retail frontage and pedestrian interest at street level, and a requirement that the project team

develop a building enclosure that surpasses the requirements of the 2020 New York City Energy Code; and

WHEREAS, on July 15, 2021, the Applicants briefed the Manhattan Borough Board, followed by discussion and a vote on the application.

THEREFORE, BE IT RESOLVED, that the Manhattan Borough Board supports all recommendations made by Manhattan Community Boards 5 and 6 in their respective resolutions, and recommends disapproval of Land Use Application C210370ZSM unless the following conditions are met:

1. That the proposed building meet the daylighting, street wall, and setback requirements of the current zoning;
2. That the Applicants enhance the proposed transit improvements on-site and off-site to justify the requested additional floor area;
3. That the Applicants reduce the width of the proposed lobby to accommodate retail frontage requirements along Madison Avenue in the Vancorbin Corridor Subarea;
4. That the proposed building meet or exceed the 2020 New York City Energy Code;
5. That the proposed loading facilities on East 45th Street be relocated to maintain consistent retail frontage; and
6. That any rent generated on site be committed to local transit improvements.



Gale A. Brewer
Manhattan Borough President
Chair of the Manhattan Borough Board

Schedule A Upfront Payments and Base Rent

Upfront Payment	\$25 million, to be paid upon lease execution	
Second Upfront Payment	\$21,794,500.00, ¹ to be paid upon the earlier of the Termination Expiration Date and the date that Lessee irrevocably waives the termination right	
Termination Expiration Date	July 31, 2024	
Rent Commencement Date	3 years following lease execution	
Years 1 – 2	\$0.00 per annum*	\$0.00 per month
Years 3 – 5	\$10,897,250.00 per annum*	\$908,104.17 per month
Years 6 – 10	\$11,986,975.00 per annum*	\$998,914.58 per month
Years 11 – 15	\$13,185,672.50 per annum*	\$1,098,806.04 per month
Years 16 – 20	\$14,504,239.75 per annum*	\$1,208,686.65 per month
Years 21 – 25	\$15,954,663.73 per annum*	\$1,329,555.31 per month
Years 26 – 30	\$17,550,130.10 per annum*	\$1,462,510.84 per month
Year 31 (30 th Anniversary of the Rent Commencement Date)	<p>On the 30th, 60th and 90th anniversaries of the Rent Commencement Date (each, a “Base Rent Adjustment”), the Base Rent will be reset to be the highest of (i) the scheduled Base Rent for such date (i.e., 110% of the Base Rent payable for the immediately preceding five-year period), (ii) 15% of the average annual actual gross revenues for the New Building for the preceding five years (including operating expense pass-throughs) plus PILOT escalations solely in the year of the Base Rent Adjustment, less PILOT solely in the year of the Base Rent Adjustment, and (iii) the prior year’s Base Rent plus the average Percentage Rent for the preceding five years.</p> <p>Following each Base Rent Adjustment, annual Base Rent payments (as adjusted for actual FAR) will increase by ten percent (10.0%) every five years.</p>	

* Numbers assume a 28 FAR New Building (Lessee will pay \$18 per year for each zoning square foot above 28 FAR, to be increased by ten percent (10.0%) every five years from the Rent Commencement Date)

¹ To be increased by \$36 per additional zoning square foot above 28X based on the actual FAR included in the New Building.

347 MADISON BOARD RESOLUTION
METROPOLITAN TRANSPORTATION AUTHORITY

WHEREAS, MTA (capitalized terms are defined in the staff summary accompanying this Resolution (the “Staff Summary”)) owns the Land and the existing office buildings located at 341, 345 and 347 Madison Avenue (the “Former HQ Property”), as well as the Vent Plant constructed as part of the East Side Access project on 44th Street between Madison and Vanderbilt Avenues; and

WHEREAS, the existing office buildings on the Former HQ Property are functionally obsolete and do not take advantage of the full zoning envelope that the City deems to be appropriate for commercial properties located in the new “Vanderbilt Corridor” zoning sub-district -- comprised of the five blocks bounded by 42nd Street on the south, 47th Street to the north, and Madison and Vanderbilt Avenues to the east and west -- that was established pursuant to the Vanderbilt Corridor Zoning; and

WHEREAS, following an extensive RFP process that considered the proposed developer’s construction capability, the overall return to MTA and the transit improvements associated with the proposed transaction, the MTA Board on February 22, 2016, pursuant to a Staff Summary and 347 Madison Board Resolution attached thereto (the “2016 Staff Summary”), approved selection of BP 347 Madison Associates, LLC (“Developer”), an affiliate of Boston Properties Limited Partnership (“Boston Properties”), as the conditionally designated developer with whom MTA would proceed to negotiate the terms (consistent with the material terms set forth in the 2016 Staff Summary) of a 99-year triple net lease (the “Lease”) and related agreements, including guaranties of completion and pre-stabilization (the “Transaction Documents”), and authorized MTA to enter into a Pre-Lease Agreement with the negotiated forms of Transaction Documents attached (the “Pre-Lease Agreement”), subject to approval of the Transaction and Transaction Documents by the MTA Board following compliance by MTA with the State Environmental Quality Review Act (“SEQRA”) requirements for the proposed development project; and

WHEREAS, the Developer proposes to construct a new commercial office building with an overall height of approximately 1,050 feet and approximately 925,630 square feet of gross floor area, and to include a new public entrance at 45th and Madison Avenue within the Property providing escalators, stairways and elevators connecting to the ESA concourse, which new entrance will be constructed by Developer in accordance with plans and specifications that will be submitted to and approved by MTA pursuant to the Transaction Documents, and will be maintained by Developer at its own cost and expense;

WHEREAS, the City has issued the special permit and completed the New York City Uniform Land-Use Review Procedure (“ULURP”) for the Project (as defined in the Findings Statement attached to the Staff Summary (the “Findings Statement”)); and

WHEREAS, an Environmental Impact Statement was prepared in conjunction with the review of the special zoning permit, and on September 10, 2021, the New York City Department

of City Planning, on behalf of the City Planning Commission as lead agency, issued a Notice of Completion for the Final Environmental Impact Statement (“FEIS”) for proposed Project and made all required Environmental Findings for the Project (the “Lead Agency Findings”); and

WHEREAS, MTA has reviewed the Draft Environmental Impact Study for the Project, the FEIS and the Lead Agency Findings, and has prepared the Findings Statement with respect to the Project’s environmental impacts and their mitigation in accordance with Article 8 of the Environmental Conservation Law, SEQRA and its implementing regulations codified at 6 NYCRR Part 617, and the MTA Board, pursuant to the Staff Summary and this Resolution, desires to adopt the Findings Statement;

WHEREAS, the form of Lease attached to the Pre-Lease Agreement provides for economic terms as set forth in the Staff Summary that are consistent with or better than the material economic terms set forth in the 2016 Staff Summary, which were tested and evaluated through a competitive selection process and were consistent with an independent appraisal that MTA Real Estate obtained from Landauer and Associates; and

WHEREAS, the proposed disposition of the Property pursuant to the Lease is for not less than fair market value and is proposed to be made upon proper terms and conditions, and an appraisal of the value of such property rights has been made by an independent appraiser as set forth in the 2016 Staff Summary and included in the record of the transaction; and

WHEREAS, pursuant to the Lease, Developer will provide a valuable new entrance to the new East Midtown Terminal’s Madison Concourse at 45th and Madison and will bring important revenues into MTA for its current and future capital plan needs; and

WHEREAS, the disposition of the Property pursuant to the Lease and other Transaction Documents as described in the Staff Summary is intended to further the public welfare and to advance the transportation interests of MTA by, inter alia, enhancing the ability of MTA to develop and improve commuter transportation and other services related to the same within the metropolitan commuter transportation district and creating substantial sources of revenue to MTA, and that, in addition, the disposal of the property rights in question is intended to advance the economic development interest of the State and City as well as the interest of MTA in transit-oriented development, by furthering the purposes embraced by the Vanderbilt Corridor Zoning in revitalizing currently obsolete office and retail space in midtown east and providing much needed Grand Central Public Realm Improvements, which is expected to result in the creation and retention of substantial number of job opportunities and the creation or retention of substantial sources of revenues to the State, City and MTA; and

NOW THEREFORE, BE IT

RESOLVED, that:

1. This Board hereby adopts the Findings Statement.

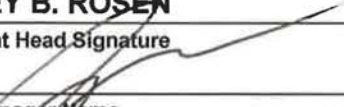
2. The Chair and Chief Executive Officer of MTA, the Chief Development Officer of MTA, the Deputy Chief Development Officer of MTA or the Senior Director, Transit Oriented Development of MTA/MTA Construction and Development, or any designee of any of the foregoing senior officers, acting alone, are authorized to execute and deliver the Lease and the other Transaction Documents with Developer on the material terms and conditions described in the Staff Summary, substantially in the forms attached to the Pre-Lease Agreement, and such other terms or conditions as such authorized signatory deems necessary or appropriate, and to execute and deliver any and all other necessary or appropriate agreements, documents, writings and other instruments, including modifications and supplements, and to take all such actions as shall be necessary or desirable in order to pursue satisfaction of the pre-conditions to Lease execution and term commencement described above and in the Staff Summary.

3. The Chair and Chief Executive Officer, the Chief Development Officer of MTA, the Deputy Chief Development Officer of MTA or the Senior Director, Transit Oriented Development of MTA/MTA Construction and Development, or any designee of any of the foregoing senior officers, acting alone, are hereby further authorized to take any and all actions as may be necessary, desirable or convenient to satisfy applicable legal or regulatory requirements in connection with the foregoing actions.

This Resolution shall take effect immediately upon its adoption.

Dated: February 24, 2022

Staff Summary

Subject 347 MADISON AVE DEVELOPMENT
Department REAL ESTATE
Department Head Name JEFFREY B. ROSEN
Department Head Signature 
Project Manager Name JEFFREY B. ROSEN

Date FEBRUARY 22, 2016
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	2/22/16	X		
2	Board	2/24/16	X		

Internal Approvals			
Order	Approval	Order	Approval
		1	Legal 
3	Chief of Staff 		
2	Chief Financial Officer 		

AGENCY: Metropolitan Transportation Authority ("MTA").

DEVELOPER: BP 347 Madison Associates, LLC ("Developer"), a special purpose entity owned by Boston Properties Limited Partnership ("Boston Properties").

LOCATION: 341-347 Madison Avenue and 45 East 44th Street, New York, NY.

ACTIVITY: Conditional designation of Developer to re-develop the Property pursuant to a 99-year triple net lease ("the Lease"), the agreed-upon form of which will be appended as an exhibit to the agreement to enter into lease by which such designation will be effected (the "Pre-Lease Agreement").

PREMISES TO BE LEASED: Approximately 25,051 square feet of land comprising Manhattan Block 1279, Lots 23, 24, 25 and 48 (the "Land"), and all existing and future improvements thereon except for the East Side Access vent plant that MTACC is constructing on Lot 48 (the "Vent Plant"). Such Land and improvements (exclusive of the Vent Plant) are referred to herein as the "Property".

COMPENSATION:

- (a) Upfront Payment: \$25 million, payable at Lease execution.
- (b) Ongoing Base Rent: To be calculated based on the zoning square footage of the New Building, as set forth in the attached **Schedule A**.
- (c) Percentage Rent: For each lease year, commencing when subtenants under subleases covering at least 90% of the rentable area of the New Building have commenced making payments of regularly scheduled rent, 5.0% of (i) Developer's gross revenue for such year, net of the Base Rent and payments in lieu of real property taxes for such year, over (ii) a \$60/rsf threshold. Percentage Rent to be reset to \$0 for each Base Rent Adjustment Year (i.e., every 30th year during the term).

- (d) PILOT: Payments in lieu of real property taxes, equal to the full, unabated real property taxes that would be payable with respect to the Leased Premises; if Developer owned the fee interest in the Leased Premises; and payments in lieu of sales taxes, equal to the sales tax Developer would incur with respect to its construction costs if it were the owner of such fee interest.
- (e) On-Site Transit Improvements: To be constructed and maintained by Developer at its own cost and expense as described below.

PRE-CONDITIONS TO LEASE EXECUTION AND TERM COMMENCEMENT:

The conditions to the execution and delivery of the Lease pursuant to the Pre-Lease Agreement will include the following:

- (a) issuance by the NYC City Planning Commission (“CPC”) of a special permit to authorize the construction by the Developer of an office building, with ancillary retail, having a floor area ratio (“FAR”) of at least 24.0 (the “Special Permit”), as envisioned by the Vanderbilt Corridor zoning text amendments that were adopted by the NYC City Council on May 27, 2015 (the “Vanderbilt Corridor Zoning”) and as more particularly described below;
- (b) agreement between the MTA and the City of New York (the “City”) as to the infrastructure improvements in and around Grand Central Terminal (“GCT”) that will be required in connection with the Special Permit, as envisioned by the Vanderbilt Corridor Zoning (the “GCT Public Realm Improvements”);
- (c) compliance by the MTA and all other involved governmental agencies with the State Environmental Quality Review Act (“SEQRA”), as it relates to the Lease and the Special Permit; and
- (d) approval of the overall transaction by the MTA Board, following such SEQRA compliance, including such agreement with respect to GCT Public Realm Improvements.

The parties will target mid-2017 for the satisfaction of such conditions. The Pre-Lease Agreement will be subject to termination if they haven’t been satisfied within 36 months after execution of the Pre-Lease Agreement. In addition, conditions to the commencement of the Lease term under the Lease pursuant to the Pre-Lease Agreement will include delivery by the MTA of vacant possession of the Property and completion by MTA of certain work adjacent to the Property to permit Developer to commence demolition work at the Property.

GCT PUBLIC REALM IMPROVEMENTS:

The Lease will require Developer, at its own cost, to preserve and to enhance (by means of an ADA-compliant elevator) a connection to the existing passageway

between 347 Madison Avenue and Grand Central Terminal (known as the Roosevelt Passageway) and to provide a new street-level entrance and multi-level below-grade connection to the new East Side Access concourse that the MTA is currently building beneath the properties that adjoin the eastern side of the Property (the “**Required New Building Elements**”).

As contemplated by the Vanderbilt Corridor Zoning, and in reliance upon the revenues it will receive pursuant to the Lease, the MTA, as fee owner, will fund and perform such remaining (off-site) GCT Public Realm Improvements as the Special Permit shall require in accordance with the aforementioned agreement between the MTA and the City.

SECURITY FOR
DEVELOPER
PERFORMANCE:

- (a) Good faith deposit: \$15 million letter of credit to be delivered to MTA, upon execution of the Pre-Lease Agreement, refundable if the Pre-Lease Agreement terminates other than by reason of Developer non-performance, but otherwise to be applied at Lease execution to the aforementioned \$25 million upfront payment. The Pre-Lease Agreement will set forth deadlines by which the Developer will be required to complete various steps relating to the ULURP process (subject to delays attributable to the MTA or the City), with limited periods within which such deadlines may be extended if the Developer increases the amount of such good faith deposit.
- (b) MTA expense deposit: Upon execution of the Pre-Lease Agreement, Developer is required to reimburse MTA for its expenses incurred prior to entering into the Pre-Lease Agreement in connection with the targeted negotiations with Developer incurred since November 2, 2015, as well as to deposit an additional sum to be agreed upon to cover expenses which MTA will incur during the period (the “**Pre-Lease Period**”) prior to execution of the Lease. Such expense deposit may be drawn upon during the Pre-Lease Period in the event of Developer’s failure of performance or, otherwise, following adoption of SEQRA findings by the MTA Board and subsequent MTA Board approval of the Lease. Any unapplied balance in such expense deposit, will be returned to Developer.
- (c) Ownership of work product: If the Pre-Lease Agreement terminates by reason of Developer’s failure to perform, MTA will own and have the right to use all work product prepared for Developer relating to the Property (other than customary exceptions for confidential and proprietary information).
- (d) Boston Properties guaranties: Upon Lease execution, Boston Properties will provide a guaranty of payment of Base Rent and PILOT under the Lease for the period commencing on term commencement and ending on the earlier of (i) the second anniversary of substantial completion of the New Building and (ii) the first date that the New Building is 70% subleased with tenants in actual occupancy. In addition, upon commencement of demolition of the Existing Office Buildings (as defined below), Boston Properties will provide a guaranty of lien-free completion of the New Building (excluding subtenant improvements) and payment of all contractors, subcontractors and materialmen performing the work.

BACKGROUND:

In addition to the Vent Plant, the Land currently contains three pre-war office buildings, respectively known as 341, 345 and 347 Madison Avenue (the “**Existing Office Buildings**”), which formerly housed the headquarters of the MTA and its affiliate Metro-North Commuter Railroad. Having successfully consolidated such headquarters functions at 2 Broadway and 420 Lexington Avenue -- in accordance with the “Office Space Right-Sizing Business Plan” that has previously been reviewed with and endorsed by the Board -- the MTA is now in a position to dispose of the Property, and thereby avoid significant costs and generate substantial revenues in support of its capital programs as envisioned by such business plan.

The Existing Office Buildings (which, were built separately, and therefore contain redundant lobbies, cores and central plants) are functionally obsolete and do not take advantage of the full zoning envelope that the City of New York (the “**City**”) deems to be appropriate for commercial properties located in the “Vanderbilt Corridor” adjoining Grand Central Terminal. Accordingly, achieving the highest and best use of the Property will entail replacement of the Existing Office Buildings with an entirely new building.

The Property is located in zoning district C5-3, within the new “Vanderbilt Corridor” zoning sub-district -- comprised of the five blocks bounded by 42nd Street on the south, 47th Street to the north, and Madison and Vanderbilt Avenues to the east and west -- that was established pursuant to the Vanderbilt Corridor Zoning. Accordingly, the Developer will be eligible to apply for the Special Permit, which could authorize the Developer to build a building on the Land with an FAR of as much as 30.0 (which is to say zoning floor area of up to 30 times the applicable zoning lot area, twice the FAR of 15.0 that is permitted “as-of-right”), in consideration of the provision by the Developer and/or the MTA, as owner of such zoning lot, of GCT Public Realm Improvements.

The amount of the FAR bonus that will be available in connection with the redevelopment of the Property will be determined through the City’s Uniform Land Use Review Process (“**ULURP**”), based on the GCT Public Realm Improvements that such redevelopment will engender, as well as the building’s ground floor level, massing and energy performance. Thus, application for the Special Permit will be subject to review by the applicable Community Board, the Manhattan Borough President, the City Planning Commission and the NYC City Council, as well as compliance with SEQRA by the City and the MTA.

SELECTION PROCESS:

Request for Proposals. On June 19, 2013, the MTA, assisted by its advisors at Cushman & Wakefield, Inc. (“**C&W**”), issued an initial request for proposals from prospective lessee/developers (as amended, the “**RFP**”). Such RFP stipulated that the selected developer would be required, at its own cost, to demolish the Existing Office Buildings, and to erect in their stead a new building (the “**New Building**”) that would (a) utilize the full zoning floor area authorized pursuant to the then current zoning, (b) cantilever over, and thereby accommodate, the Vent Building and (c) incorporate the Required New Building Elements. The RFP was subsequently amended by a First Addendum dated September 23, 2013 to address the implications of the East Midtown Rezoning proposal promulgated by the Bloomberg administration (which contemplated that proposed developers would contribute to a fund that could be used by MTA to make improvements); by a Second Addendum dated September 17, 2014 and a Third Addendum dated April 24, 2015, both of which addressed the implications of the Vanderbilt Corridor Zoning proposal promulgated by the de Blasio administration; and by a Fourth Addendum dated October 19, 2015, which set forth revised requirements with respect to the Required New Building Elements.

The Third Addendum also attached proposed drafts of a Pre-Lease Agreement Term Sheet and Net Lease Term Sheet (the “**Term Sheets**”), which set forth anticipated transaction terms and conditions, and called for proposers to identify any such terms and conditions to which they took exception.

Short List. The MTA received proposals from nine entities. However, two of such entities, Macklowe Properties and Equity Residential, withdrew from competition; and Blue Rock Properties’ two-page proposal, which continued to lack material information required by the RFP despite multiple requests by C&W for such information, was deemed to have been non-responsive and abandoned. Thus, as of August 2015, proposals from the following six entities remained under consideration:

Staff Summary

1. Hines Limited Partnership/SL Green Realty Corp. (“**Hines/SLG**”) – office and/or hotel, with retail.
2. SJP Properties/Sumitomo Mitsui Financial (“**SJP/Mitsui**”) – office, with retail.
3. Boston Properties – office, with retail.
4. Argent Ventures (“**Argent**”) – hotel and residential (fee above a plane condominium).
5. Extell Development Company (“**Extell**”) – alternatively, office with retail or hotel and residential (cond-op), with retail.
6. Property Markets Group (“**PMG**”) – office, hotel and residential (cond-op), with retail.

On August 11, 2015, C&W informed each of such proposers that the MTA would be narrowing the number of proposals under consideration to a “short list” within the following few weeks, and requesting that any revisions or supplemental information be submitted by Friday, August 21, 2015. Only PMG availed itself of such opportunity to supplement its submission.

MTA Real Estate thereupon tasked C&W with the preparation of summaries of the six proposals remaining under consideration as of September, 2015, together with detailed financial analyses comparing their respective financial terms. C&W calculated the present values of guaranteed rent using a discount rate of 5.10% and ran sensitivities varying such discount rate up and down by 15%. Insofar as percentage rents and payments in lieu of real property taxes and were concerned, C&W created, and uniformly applied for the benefit of all proposers, ARCUS models to estimate future performance of spaces devoted to various uses (office, hotel, residential, etc.) and take into account standard City practices with respect to real property assessment and taxation.

Based on such analyses, the estimated present values to the MTA of the compensation proposed by the various proposers (assuming, alternatively, buildings of 24 FAR and 30 FAR) were as follows:

<u>24 FAR</u>	<u>Hines/SLG</u>	<u>SJP/Mitsui</u>	<u>BP</u>	<u>PMG</u>	<u>Argent</u>	<u>Extell</u>
Base Rent	\$238.7	\$187.8	\$190.3	\$193	\$125.6	\$263.8
PILOT	\$769.3	\$789.6	\$676.6	\$468.8	\$323.3	\$237.6
Resi. Sales Fee	\$0.0	\$0.0	\$0.0	\$11.2	\$0.0	\$0.0
Total	\$1,008.0	\$977.4	\$866.9	\$673.0	\$448.9	\$501.4

<u>30 FAR</u>	<u>SJP/Mitsui</u>	<u>Hines/SLG</u>	<u>BP</u>	<u>PMG</u>	<u>Argent</u>	<u>Extell</u>
Base Rent	\$253.6	\$250.0	\$235.7	\$226.6	\$125.6	\$329.7
PILOT	\$982.5	\$941.3	\$869.2	\$650.3	\$497.5	\$297
Resi. Sales Fee	\$0.0	\$0.0	\$0.0	\$11.2	\$0.0	\$0.0
Total	\$1,238.1	\$1,191.3	\$1,104.9	\$888.1	\$623.1	\$626.7

The evaluation criteria for the RFP were:

1. The present value of guaranteed income to be received by the MTA over the Lease term, including any proposed upfront payments.
2. The potential present value of proposed percentage rents and PILOT.
3. Proposers’ ability and willingness to provide assurances that they could and would timely undertake and complete construction of the development, and otherwise perform in accordance with the requirements of the Lease.

The MTA's selection committee for this RFP (the "**MTA Selection Committee**") was comprised of three individuals representing MTA Real Estate and MTA Strategic Initiatives.

Based on such analysis, on September 22, 2015 the MTA Selection Committee unanimously agreed to narrow the field to a short list of Hines/SLG, SJP/Mitsui and Boston Properties. The MTA Selection Committee determined that the others' proposals were outside of the competitive range for the following reasons, among others: (a) although Extell had proposed a relatively high base rent, it proposed to make only fixed, artificially low PILOT payments, so that the total payments it proposed fell outside the competitive range; (b) Argent proposed to pay far less base rent than any of the other five proposers, and proposed to market residential condominium units such that the MTA would be deprived of ongoing PILOT revenue; and (c) although PMG offered base rent comparable to that offered by the three short-listed proposers, C&W advised (based on research conducted by C&W) that an all-office building would yield substantially more PILOT to the MTA than would a mixed-use building of the kind proposed by PMG.

All three of the short-listed proposers were determined to be highly-qualified and experienced developers with the expertise and resources necessary to successfully redevelop the Property.

Best and Final Offers. Beginning in October, 2015, members of the MTA Selection Committee, C&W, in-house MTA legal counsel and MTA's outside counsel, Paul Weiss (transactional), and Carter Ledyard environmental and land use), held a series of meetings to discuss, evaluate and consider proposed responses to the three remaining proposers' comments to the Term Sheets. The Term Sheets were revised uniformly for all three of such proposers in an effort to address comments that the team deemed to be acceptable; and such revised Term Sheets were then sent to such proposers on October 23, 2015, together with a request for best and final financial offers and fully completed Term Sheets, including all requested exhibits, addenda and schedules marked to indicate any remaining comments. The proposers were advised at such time that targeted negotiations would commence with the proposer that submitted the most compelling best and final offer.

All three proposers responded with increased rent offers, the estimated present values of which (again, assuming, alternatively, buildings of 24 FAR and 30 FAR) were as follows:

<u>24 FAR</u>	<u>BP</u>	<u>Hines/SLG</u>	<u>SJP/Mitsui</u>		<u>30 FAR</u>	<u>BP</u>	<u>SJP/Mitsui</u>	<u>Hines/SLG</u>
Base Rent	\$255.9	\$233.9	\$206.9		Base Rent	\$316	\$277.2	\$246.7
PILOT	\$770.4	\$763.6	\$770.2		PILOT	\$960.9	\$963.6	\$956.8
Contingent Rent	\$15.9	\$1.5	\$4.5		Contingent Rent	\$19.9	\$5.6	\$3.4
Total	\$1,042.2 MM	\$999.0 MM	\$981.6 MM		Total	\$1,296.8 MM	\$1,246.4 MM	\$1,206.9 MM

All three proposers also responded with further or renewed comments to the revised Term Sheets.

Having determined that Boston Properties' proposal provided the highest economic value to the MTA, and was the most competitive with respect to other proposed terms and conditions reflected in the Term Sheets, the team commenced targeted negotiations with Boston Properties, in the course of which resolutions satisfactory to the MTA Selection Committee were reached with respect to all Term Sheet issues.

The compensation proposed by Boston Properties is consistent with an independent appraisal that MTA Real Estate has obtained from Landauer and Associates.

RECOMMENDATION:

Based on the foregoing, MTA Real Estate requests authorization, pursuant to the attached resolution, to enter into a Pre-Lease Agreement with Developer on the above-described material terms and conditions and such other terms or conditions as the Chairman and Chief Executive Officer of the MTA or his designee deems necessary or appropriate, and to execute and deliver any and all other necessary or appropriate agreements, documents, writings and other instruments, including modifications and supplements, and to take all such actions as shall be necessary or desirable in order to pursue satisfaction of the above-described pre-conditions to Lease execution, it being understood that the Lease itself and the proposed GCT Public Realm Improvements related to the redevelopment of the Property will be presented to the Board as described above for approval following review and compliance by the MTA and all other involved governmental agencies with SEQRA as it relates to the Lease and the Special Permit.

FOR REFERENCE PURPOSES ONLY

BOARD RESOLUTION

WHEREAS, MTA (capitalized terms are defined in the staff summary accompanying this Resolution (the "Staff Summary") owns the Property (i.e., the Land and the Existing Office Buildings located at 341, 345 and 347 Madison Avenue), as well as the East Side Access Vent Plant under construction by MTACC on 44th Street between Madison and Vanderbilt Avenues; and

WHEREAS, as a result of the successful consolidation and relocation of the headquarters of MTA and its subsidiary Metro-North Commuter Railroad to 2 Broadway and 420 Lexington Avenue, MTA is now in a position to dispose of the Property, and thereby avoid significant costs and generate substantial revenues in support of its capital programs;

WHEREAS, the Existing Office Buildings are functionally obsolete and do not take advantage of the full zoning envelope that the City deems to be appropriate for commercial properties located in the new "Vanderbilt Corridor" zoning sub-district -- comprised of the five blocks bounded by 42nd Street on the south, 47th Street to the north, and Madison and Vanderbilt Avenues to the east and west -- that was established pursuant to the Vanderbilt Corridor Zoning, and accordingly, achieving the highest and best use of the Property will entail replacement of the Existing Office Buildings with an entirely New Building;

WHEREAS, on June 19, 2013, MTA, with the assistance of its advisor C&W, issued and thereafter publicly advertised an initial RFP (as subsequently modified or supplemented pursuant to four addenda), from prospective lessee/developers for a proposed 99-year triple net lease transaction, which RFP stipulated that the selected lessee/developer would be required, at its own cost, to demolish the Existing Office Buildings, and to erect in their stead a New Building that would utilize the full zoning floor area authorized pursuant to the then current zoning, cantilever over, and thereby accommodate, the Vent Building, and incorporate the Required New Building Elements at its own cost;

WHEREAS, the fair market value of a long-term triple net lease of the Property was tested and evaluated through a competitive selection process that is summarized in detail in the Staff Summary, the methods, terms and conditions of which permitted full and free competition, involving public advertisement for proposals, the receipt of proposals, the conduct of discussions and negotiations with the proposers in order to maximize value;

WHEREAS, the compensation proposed by Boston Properties as summarized in the Staff Summary is consistent with an independent appraisal that MTA Real Estate has obtained from Landauer and Associates;

WHEREAS, the Pre-Lease Agreement, upon execution by the MTA and Boston Properties, (1) will serve to designate Boston Properties as the exclusive developer with whom MTA will enter into a Lease for the Property (the form of which will be annexed to the Pre-Lease Agreement), upon the terms and conditions set forth in the Pre-Lease Agreement, and (2) will provide that (A) the execution of the Lease is conditioned upon, among other things, the pre-lease execution conditions set forth in the Staff Summary, including (i) issuance by CPC of the Special Permit for the construction of a New Building having FAR of not less than 24.0, (ii) agreement between MTA and the City as to the scope and description of the GCT Public Realm Improvements to be performed by, and at the cost of, MTA which when added to the Required Building Elements required to be constructed by the successful developer, would be sufficient to permit a New Building of not less than 24.0 FAR, (iii) compliance by MTA and all other involved governmental agencies with SEQRA as it relates to the Lease and the Special Permit (the "Proposed Action"); and (iv) approval of the overall transaction by the MTA Board, following such SEQRA compliance, and (B) term commencement is conditioned upon, among other things, delivery by MTA of vacant possession of the Property and completion by MTA of certain work adjacent to the Property to permit developer commencement of demolition work at the Property; and

WHEREAS, the proposed disposition of the Property pursuant to the Lease is for not less than fair market value and is proposed to be made upon proper terms and conditions, and an appraisal of the value of such property rights has been made by an independent appraiser as set forth in the Staff Summary and included in the record of the transaction; and

WHEREAS, based upon the recommendation of the MTA Selection Committee, the proposal of the recommended designated developer is the most advantageous to MTA, rent and other factors set forth in the RFP having been considered; and

WHEREAS, the disposition of the Property on terms and conditions consistent with the proposal of the recommended designated developer is intended to further the public welfare and to advance the transportation interests of MTA by, inter alia, enhancing the ability of MTA to develop and improve commuter transportation and other services related to the same within the Metropolitan Commuter Transportation District and creating substantial sources of revenue to MTA, and that, in addition, the disposal of the property rights in question is intended to advance the economic development interest of the State and City as well as the interest of MTA in transit-oriented development, by furthering the purposes embraced by the Vanderbilt Corridor Zoning in revitalizing currently obsolete office and retail space in midtown east and providing much needed Grand Central Public Realm Improvements, which is expected to result in the creation and retention of substantial number of job opportunities and the creation or retention of substantial sources of revenues to the State, City and MTA; and

NOW THEREFORE, BE IT
RESOLVED, that:

1. The Chairman and Chief Executive Officer of MTA or his designee is authorized to negotiate, execute and deliver the Pre-Lease Agreement with Developer on the material terms and conditions described above and in the Staff Summary and such other terms or conditions as he or his designee deems necessary or appropriate, and to execute and deliver any and all other necessary or appropriate agreements, documents, writings and other instruments, including modifications and supplements, and to take all such actions as shall be necessary or desirable in order to pursue satisfaction of the pre-conditions to Lease execution and term commencement described above and in the Staff Summary, provided that the Pre-Lease Agreement shall provide that such other project documents relating thereto shall not be binding on the MTA unless and until (a) CPC shall have completed the environmental review of the proposed action in accordance with the requirements of SEQRA and CEQR, (b) on the basis of that review, the MTA Board shall have made written findings concerning the environmental impacts of the proposed action in accordance with the requirements of SEQRA and its implementing regulations, 6 NYCRR, Part 617, and (c) thereafter, the MTA Board shall have approved the material terms of the Lease and other project documents.
2. The Chairman and Chief Executive Officer and his designees are hereby further authorized to take any and all actions as may be necessary, desirable or convenient to satisfy applicable legal or regulatory requirements in connection with the foregoing actions.

This Resolution shall take effect immediately upon its adoption.

Dated: February 26, 2016

Schedule A
Base Rent for As-of-Right FAR (15.0X)

Upfront Payment	\$15 million (the Good Faith Deposit Under the Pre-Lease Agreement), applied on the Term Commencement Date	
Additional Consideration	\$10 million, paid on the Term Commencement Date	
Rent Commencement Date	2 years following the Term Commencement Date	
Years 1 – 5	\$6,378,350.00 per annum	\$531,529.17 per month
Years 6 – 10	\$7,016,185.00 per annum	\$584,682.08 per month
Years 11 – 15	\$7,717,803.50 per annum	\$643,150.29 per month
Years 16 – 20	\$8,489,583.85 per annum	\$707,465.32 per month
Years 21 – 25	\$9,338,542.24 per annum	\$773,211.85 per month
Years 26 – 30	\$10,272,396.46 per annum	\$856,033.04 per month
Year 31 (30 th Anniversary of the Rent Commencement Date)	On the 30th, 60th and 90th anniversaries of the Rent Commencement Date (each, a “Base Rent Adjustment”), the Base Rent will be reset to be the greater of (i) the scheduled Base Rent for such date, taking into account the scheduled annual increases set forth in Schedule A and (ii) 15% of the average annual actual gross revenues for the New Building for the preceding five years (including operating expense pass-throughs) plus PILOT escalations solely in the year of the Base Rent Adjustment, less PILOT solely in the year of the Base Rent Adjustment. Notwithstanding the foregoing, in no event will a Base Rent Adjustment be less than the prior year’s Base Rent plus the average Percentage Rent for the preceding five years.	

Monthly Base Rent payments will increase by ten percent (10.0%) every five years from the Rent Commencement Date

Schedule A

Formulas for Determining the Basic Rent Increases attributable to Utilization of Additional Development Rights

FAR	Cost Per Annum
As-of-Right FAR: 15.0X	As described in Base Rent table above
Bonus FAR Onsite Improvements FAR: 3.0X Building Size = 18.0X	To be compensated by means of construction of the Required New Building Elements at Lessee’s cost.
Minimum Special Permit FAR: 6.0X Building Size = up to 24.0X	Commencing on the Rent Commencement Date (i.e., two years after the Term Commencement Date), Lessee will pay \$18 per year for each zoning square foot of Minimum Special Permit FAR. Such rent will increase by 10.0% every 5 years in accordance with the Basic Rent Schedule for the As-of-Right FAR.
Maximum Special Permit FAR: 6.0X Building Size = up to 30.0X	Lessee will pay \$18 per year for each zoning square foot of Maximum Special Permit FAR. Rent abatements applicable to increments of Maximum Special FAR are set forth below and the abatement periods shall apply to all of the Maximum Special Permit FAR. Such rent will increase by 10.0% every 5 years in accordance with the Base Rent Schedule for the As-of-Right FAR.

Additional Rent Abatements applicable to Maximum Special FAR:

Incremental FAR	1.0X	2.0X	3.0X	4.0X	5.0X	6.0X
Incremental FAR SF	25,105	50,210	75,315	100,420	125,525	150,630
Cumulative FAR	25.0X	26.0X	27.0X	28.0X	29.0X	30.0X
Additional Free Rent (mos.)	10 months	16 months	23 months	30 months	37 months	48 months

Staff Summary

Subject AGREEMENTS WITH AMTRAK TO PERMIT THE CONSTRUCTION OF ITS HUDSON TUNNEL CONCRETE CASING UNDER THE LIRR WESTERN RAIL YARD
Department TRANSIT ORIENTED DEVELOPMENT
Department Head Name ROBERT PALEY
Department Head Signature
Project Manager Name

Date JUNE 27, 2023
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
/Order	To	Date	Approval	Info	Other
1	Finance Committee	06/26/23	X		
2	Board	06/27/23	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Legal		
2	Chief Development Officer		
3	Chief Financial Officer		

AGENCY/LESSOR: Metropolitan Transportation Authority ("MTA")
 MTA Long Island Rail Road ("LIRR")

LICENSEE: AMTRAK

LOCATION: John D. Caemmerer West Side Storage Yard

ACTIVITY: Grant of construction license and permanent easement to construct within the Western Rail Yard ("WRY") portion of the John D. Caemmerer West Side Storage Yard

ACTION REQUESTED: Approval of Agreements

COMPENSATION: Fair Market Value for the Permanent Easement

BACKGROUND:

In April 2013, the Board authorized the MTA and LIRR to enter into certain agreements with the National Railroad Passenger Corporation ("Amtrak") to permit Amtrak to construct a segment ("Segment 1") of an underground concrete casing underneath the Eastern Rail Yard ("ERY") section of the John D. Caemmerer West Side Storage Yard ("West Side Yard") in order to protect and preserve a future subsurface rights of way (the "ROW Preservation") beneath the ERY so that Amtrak can, in the future, connect to a new rail tunnel under the Hudson River to Penn Station, New York (the "Hudson Tunnel Project").

In December 2020, the Board also authorized the MTA and LIRR to enter into an agreement with Amtrak to permit Amtrak to perform certain early work ("Early Work") in advance of the third segment of concrete casing for the Hudson Tunnel Project ("Segment 3") in the Western Rail Yard ("WRY") section of the West Side Yard. The Early Work involved the relocation of existing facilities in the WRY for the Segment 3 right-of-way path of the concrete casing. The December 2020 MTA Board authorization was limited to the construction of the Early Work, which involved the relocation of utilities within the WRY, including the infrastructure housed within LIRR's

AMTRAK HUDSON TUNNEL CASING WORK IN THE WESTERN RAIL YARD (cont'd.)

Page 2 of 5

Emergency Services Building (“ESB”) to a new Interim ESB and out of the way of the path of planned alignment for the Segment 3 concrete casing for the Hudson Tunnel Project.

Amtrak has completed “Segment 1” of the concrete casing under the ERY, as well as “Segment 2” underneath the 11th Avenue roadway bridge, comprising approximately 900 feet of casing from beneath 10th Avenue through and under the 11th Avenue viaduct at 30th Street, and has commenced the Early Work. Amtrak is now preparing to begin construction of the Segment 3 concrete casing for the Hudson Tunnel Project under the WRY, acting as “Supporting or Executing Partner” on behalf of the Gateway Development Commission, and has been in negotiations with The Related Companies, L.P. (the “Developer”), the selected developer of the mixed-used commercial Hudson Yards overbuild projects at the West Side, to prepare for and allow the Segment 3 concrete casing to be built, including a significant portion of such casing underneath property that is currently ground leased by the Developer adjacent to LIRR’s operating maintenance yard.

In line with this, Amtrak also approached the MTA and LIRR for a temporary construction license and, ultimately a permanent easement, for the Segment 3 concrete casing under the WRY. MTA and LIRR have been negotiating a temporary construction license agreement to permit the construction of Segment 3 of the concrete casing for the Hudson Tunnel Project. The permanent easement rights would be granted to Amtrak upon substantial completion of the applicable work.

The MTA also anticipates that it will perform certain Superstorm Sandy related mitigation work (including a flood wall, drainage and other improvements, the “Sandy Work”) around the Western Rail Yard, which may be undertaken concurrently with a some or all of the Segment 3 concrete casing work and, as a result, Amtrak has agreed to assume certain risks and contractor delay costs in the event that Amtrak causes delays to the MTA’s Sandy Work. Additionally, as part of the negotiations with Amtrak on the types and amounts of insurances that Amtrak will be required to put into place prior to and through completion of the Segment 3 concrete casing work, Amtrak and MTA utilized the opportunity to concurrently develop and pre-negotiate certain insurance-related provisions, including standardized terms, for: (1) work that will be performed by MTA Construction and Development in Harold Interlocking in the near future, as well as (2) for certain future temporary work agreements where either Amtrak or MTA (including its subsidiaries and affiliates) may be performing work on the property of the other, which the MTA anticipates will result in cost savings and/or efficiencies to the MTA.

Based on the foregoing, MTA Transit Oriented Development requests authorization to enter into such agreements as are necessary and desirable to effectuate the Segment 3 concrete casing for the Hudson Tunnel Project (including, without limitation, a temporary construction license for the construction of the Concrete Casing and permanent easement(s)) with Amtrak, which shall be consistent with the following:

1. The Segment 3 concrete casing work will be performed without financial contribution by the MTA or LIRR.
2. Amtrak will pay or reimburse the MTA and LIRR for costs and expenses incurred as a result of MTA/LIRR’s support of the Amtrak’s Segment 3 concrete casing work.
3. Amtrak will be required to pay or reimburse the MTA for certain costs incurred by the MTA as a result of delays caused by Amtrak to the Sandy Work.
4. The types and limits of insurances required to be maintained for the Segment 3 concrete casing work on MTA owned property will be reviewed and approved by MTA Risk Management.
5. Developer will waive any and all claims it might otherwise have against the MTA resulting from the MTA’s and LIRR’s cooperation with the Hudson Tunnel Project and the Segment 3 concrete casing work.

RECOMMENDATION:

AMTRAK HUDSON TUNNEL CASING WORK IN THE WESTERN RAIL YARD (cont'd.)

Page 3 of 5

Based on the foregoing, MTA Transit Oriented Development requests that the MTA Board approve the attached resolution authorizing the MTA to grant to Amtrak a Construction License Agreement and a permanent easement to Amtrak for Segment 3 of the Hudson Tunnel concrete casing under the Western Rail Yard, and to execute and delivery any and all other agreements, documents, writings, and other instruments, and to take all such actions, as deemed necessary, desirable or convenient in order to effectuate Segment 3 of the concrete casing.

Attachments

Staff Summary dated April 2013
Staff Summary dated December 2020

AMTRAK HUDSON TUNNEL CASING WORK IN THE WESTERN RAIL YARD (cont'd.)

RESOLUTION

BOARDS OF THE METROPOLITAN TRANSPORTATION AUTHORITY LONG ISLAND RAIL ROAD COMPANY

WHEREAS, the Board previously authorized the MTA and LIRR to enter into certain agreements with the National Railroad Passenger Corporation (“Amtrak”) to permit Amtrak to construct a segment (“Segment 1”) of an underground concrete casing underneath the Eastern Rail Yard (“ERY”) section of the John D. Caemmerer West Side Storage Yard (“West Side Yard”) in order to protect and preserve and alignment for the future rail tunnel beneath the West Side Yard;

WHEREAS, in December 2020, the Board also authorized the MTA and LIRR to enter into an agreement with Amtrak to permit Amtrak to perform certain early work (“Early Work”) in advance of the planned third segment of concrete casing for the Hudson Tunnel Project (“Segment 3”) in the Western Rail Yard (“WR”) section of the West Side Yard;

WHEREAS, Amtrak has completed “Segment 1” of the concrete casing under the ERY, as well as “Segment 2” underneath the 11th Avenue roadway bridge, comprising approximately 900 feet of casing from beneath 10th Avenue through and under the 11th Avenue viaduct at 30th Street;

WHEREAS, Segment 1 and Segment 2 of the concrete casing work were undertaken in order to preserve a future subsurface right-of-way (the “ROW Preservation”) that Amtrak will ultimately connect to a new rail tunnel under the Hudson River to Penn Station, New York (the “Hudson Tunnel Project”);

WHEREAS, Amtrak has requested MTA and LIRR cooperation and consent to construct Segment 3 of the concrete casing under the WR;

WHEREAS, the West Side Yard is also the location for the Hudson Yards mixed-use commercial overbuild project that a joint venture between affiliates of The Related Companies, L.P. and Oxford Properties (“Developer”) is progressing pursuant to existing agreements with MTA/LIRR (“the Overbuild Project”);

WHEREAS, given the regional importance of the proposed Hudson Tunnel Project to commuter transportation, and so as to avoid the Overbuild Project precluding the ROW Preservation in the WR, MTA and LIRR have been cooperating with this effort;

WHEREAS, the MTA and LIRR will further facilitate the Hudson Tunnel Project, by agreeing, among other things, to grant a temporary construction license and subsequently, a permanent easement to accommodate the placement of the Segment 3 concrete casing in the WR (the “Segment 3 Project”);

WHEREAS, as part of MTA/LIRR's participation, MTA/LIRR will require Amtrak to pay or reimburse MTA and LIRR for its activities in support of the Segment 3 Project;

WHEREAS, MTA and LIRR will enter into one or more agreements with Developer to ensure that the existing Overbuild Project agreements between MTA/LIRR and Developer are not adversely affected by MTA's and LIRR's participation in the Segment 3 Project;

AMTRAK HUDSON TUNNEL CASING WORK IN THE WESTERN RAIL YARD (cont'd.)

Page 5 of 5

WHEREAS, in furtherance of the Segment 3 Project and in compliance with the Public Authorities Law, an appraisal of the value of any permanent easement rights required by the Segment 3 concrete casing will be undertaken, and MTA will require that Amtrak provide consideration not less than the fair market value of such easement rights, prior to or as part of granting permanent easement rights in connection with the Segment 3 Project concrete casing;

WHEREAS, any transaction with Amtrak and/or Developer to effectuate the Segment 3 Project concrete casing shall be consistent with the terms and conditions set forth in this resolution and the accompanying staff summary; and

WHEREAS, the Boards of the MTA and LIRR find the terms and conditions set forth herein and in the attached staff summary to be advantageous to the MTA and LIRR, and that the actions proposed are necessary to preserve the potential Hudson Tunnel Project, a program of regional importance and significance to the development and improvement of commuter transportation.

NOW, THEREFORE, the Boards of the MTA and LIRR resolve as follows:

1. The Chair and Chief Executive Officer (CEO) of the MTA and the designees of the Chair and CEO, acting singly, are hereby authorized to negotiate, execute and deliver contracts, agreements, and/or other instruments as are necessary, desirable and convenient to effectuate the Segment 3 Project, including, without limitation, a temporary construction license and permanent easement(s), in conformity with the terms and conditions set forth in this in the accompanying staff summary and such other terms as deemed necessary, desirable or convenient by the Chair and CEO and the designees of the Chair and CEO, in order to effectuate the Segment 3 Project.
2. The Chair and CEO of the MTA and the designees of the Chair and CEO, acting singly, are hereby authorized to take any and all actions as may be necessary, desirable or convenient to satisfy all applicable legal or regulatory requirements in connection with the foregoing actions.

Staff Summary

Subject CONSTRUCTION LICENSE AGREEMENT WITH AMTRAK - WESTERN RAIL YARD, WEST SIDE STORAGE YARD
Department REAL ESTATE
Department Head Name JOHN N. LIEBER
Department Head Signature
Project Manager Name ROBERT PALEY

Date DECEMBER 16, 2020
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	12/16/20	X		
2	Board	12/16/20	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Legal		
2	Chief Development Officer		
3	Chief Financial Officer		

AGENCIES: Metropolitan Transportation Authority ("MTA")
 MTA Long Island Rail Road ("LIRR")

LICENSEE: AMTRAK

ACTIVITY: Grant of construction license to relocate certain facilities within the Western Rail Yard ("WRY") portion of the John D. Caemmerer West Side Storage Yard

ACTION REQUESTED: Approval of Terms

COMMENTS:

In April 2013, the Board authorized the MTA and LIRR to enter into certain agreements with the National Railroad Passenger Corporation ("Amtrak") to permit Amtrak to construct a segment ("Segment 1") of an underground concrete casing underneath the Eastern Rail Yard ("ERY") section of the John D. Caemmerer West Side Storage Yard ("West Side Yard") so that Amtrak preserves a future subsurface Right of Way ("ROW Preservation") for the proposed Gateway Tunnel (a/k/a the "Hudson Tunnel Project"), which will allow Amtrak to ultimately connect a new rail tunnel under the Hudson River to Penn Station, New York. Amtrak has completed "Segment 1" of the concrete casing under the ERY, as well as "Segment 2", which passes underneath the bed of the 11th Avenue Road Bridge.

Although Amtrak is not at this time seeking approval from the MTA to permit construction of an additional segment ("Segment 3") of concrete casing under the WRY, Amtrak has instead proposed to perform certain early work involving the relocation of existing facilities out of the way of what would be the path for the "Segment 3" concrete casing ("Early Work"). Since the West Side Yard is the site of an overbuild development project (the "Overbuild Project") by the Related Companies ("Related") and provided that Related permits Amtrak to conduct such Early Work now so as to avoid any potential undue delay of its Overbuild Project, the MTA and LIRR are also willing to allow Amtrak to conduct such Early Work. Amtrak's Early Work will be coordinated with Related's Overbuild Project pursuant to a separate agreement between Amtrak and Related.

As such, MTA and LIRR will permit Amtrak to perform the Early Work, at its sole cost and expense, including to relocate certain of LIRR's existing utilities and infrastructure currently housed within LIRR's Emergency Services Building ("ESB") and within the WRY out of the way of the path of planned alignment for the concrete casing segment in the WRY, a portion of which facilities will be relocated to a new "Interim ESB". No concrete casing work will be permitted under the Early Work Construction License Agreement. Any future approval of the concrete casing work will require authorization by this Board.

FINANCE COMMITTEE MEETING

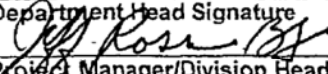
Construction License Agreement with Amtrak for the WRY, West Side Yard (Cont'd.) Page 2 of 2

Amtrak has bid out this work and has contracted with Skanska to perform the work. The types and limits of insurances required to be maintained for the work on MTA property will be reviewed and approved by MTA Risk Management. In order to avoid any disruptions to LIRR operations, the current ESB will not be decommissioned until the Interim ESB is finally constructed and approval is obtained from LIRR to transfer the utilities. The current ESB will be replaced with the Interim ESB because it is contemplated that Related, at its cost and expense, will later move the Interim ESB to a final, permanent location in order to make way for the overbuild development. If, however, within five (5) years after completion of the Interim ESB, Related has not yet permanently relocated the Interim ESB, Amtrak will undertake, at its sole cost and expense, certain further infrastructure enhancements to the Interim ESB, as directed by LIRR, in order to ensure long-term use and sustainability of the facilities. LIRR will have the right to review and approve all Amtrak work and any changes proposed to such designs and work plans by Amtrak (the initial design for the relocation has already been reviewed and approved by LIRR). Furthermore, Amtrak will pay or reimburse the MTA and LIRR for any costs and expenses incurred in relation to Amtrak's work.

RECOMMENDATION:

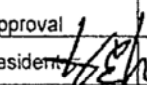

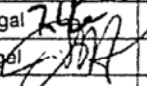
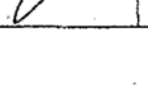
Based on the foregoing, the Real Estate Department requests authorization to enter into a Construction License Agreement with Amtrak to perform the Early Work pursuant to the outlined terms and conditions.

Staff Summary

Subject Gateway Project
Department Real Estate
Department Head Name Jeffrey Rosen
Department Head Signature 
Project Manager/Division Head Jeffrey Rosen

Date April 19, 2013
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	LI Committee	4.22	x		
2	Finance	4/22	x		
3	MTA Board	4/24	x		

Internal Approvals			
Order	Approval	Order	Approval
1	LIRR President 	4	MTA Chief Financial Officer 
2	LIRR Legal 		
3	MTA Legal 		

Purpose:

To obtain Board approval of the annexed resolution, authorizing negotiation and execution of agreements by MTA and LIRR to facilitate the construction of a concrete casing to preserve the future subsurface Right of Way ("ROW") for Amtrak's proposed Gateway Tunnel, underneath the LIRR's Eastern Rail Yard (the "Tunnel Casing Project"), including the granting of permanent easements with respect to such Project and the preserved ROW, consistent with the parameters as provided in this Staff Summary and the resolution.

Discussion:

Numerous planning studies indicate that the existing two 100-year-old, single-track tunnels under the Hudson River, connecting New Jersey and New York City, currently operate at maximum capacity and are insufficient to meet the projected increase in demand. As a key part of its planning for future service to and from New York City, Amtrak has developed a conceptual program, known as the "Gateway Program," to build a new tunnel under the Hudson River from New Jersey through the west side of Manhattan to connect with Penn Station. The Gateway Program would support expanded rail services to meet future demand as well as improve intercity and commuter rail system safety and reliability. In addition, the Gateway Program would be expected to further create resiliency in the passenger rail system in response to disasters, and particularly flooding, as new construction could be designed to withstand flood levels at new standards, using criteria that would have prevented the flooding caused by Superstorm Sandy.

Amtrak has evaluated potential options for locating the new tunnel between the Hudson River and Penn Station and determined that only a single underground alignment under the LIRR Hudson Yards facility between 10th and 11th Avenues in Manhattan can achieve a direct connection to the majority of Penn Station's existing tracks. Hudson Yards is also the location of the mixed-use commercial overbuild project that a joint venture between affiliates of The Related Companies and Oxford Properties ("Developer") is progressing pursuant to existing agreements with MTA/LIRR (the "Overbuild Project"). Amtrak is proposing to undertake the design and construction of an underground rectangular structure 800 feet long, 50 feet wide, and approximately 35 feet tall (the "Concrete Casing"), to be constructed within the ROW to allow for the potential future development of the Gateway Tunnel. The construction of the Concrete Casing, in advance of the completion of the Overbuild Project, will prevent the permanent loss of this ROW.

The Concrete Casing is the subject of an Environmental Assessment being undertaken by the FRA and Amtrak under NEPA. At the same time, Amtrak is in negotiations with Developer concerning agreements that will allow the construction of the Concrete Casing by a design/builder so as to ensure coordination of the construction of the Concrete Casing and the Overbuild Project, without unduly delaying or burdening the Overbuild Project. Amtrak, in cooperation with Developer, has requested that MTA and LIRR facilitate the Tunnel Casing Project, by agreeing, among other things, to (a) temporarily relocate certain LIRR Maintenance of Equipment ("MoE") functions; (b) permit the demolition and subsequent rebuilding of the MoE facility at the Eastern Rail Yard; and (c) grant a temporary construction license in the Yards Parcel portion of the Eastern Rail Yard for construction of the Concrete Casing and subsequently, a permanent easement for the location of the Concrete Casing in the ROW.

Given the regional importance of the Gateway Program, its inclusion in Governor Cuomo's 2100 Commission Report following Superstorm Sandy, and the need to preserve the ROW so as not to have the Overbuild Project preclude the Gateway Program from going forward, MTA and LIRR have been cooperating with this effort, with the understanding that, as fundamental principles of MTA/LIRR's participation, (1) MTA/LIRR will not incur any financial obligations or liabilities as a result of the Tunnel Casing Project, and (2) the Tunnel Casing Project will not adversely affect MTA/LIRR's rights under its existing agreements with Developer in any material respect.

In furtherance of the Tunnel Casing Project, and preservation of the ROW, MTA and LIRR accordingly request Board approval of the accompanying resolution, authorizing the entry into such agreements as are necessary and desirable to effectuate the Tunnel Casing Project (including a temporary construction license for the construction of the Concrete Casing Work and permanent easement(s) and/or covenants in favor of Amtrak and/or Related, as their interests may lie), in accordance with the fundamental principles as stated above and consistent with the following terms:

- (1) LIRR will arrange for the expedited vacating of the MoE facility, and subsequently allow the demolition of that facility and certain tracks therefor, provided that Amtrak agrees to pay directly, or as necessary to reimburse LIRR for, LIRR's incremental increased operational expense of performing MoE operations at an alternate location, and all costs and expenses associated with (1) LIRR's relocation out of the MoE, (2) the rebuilding of the MoE, (3) LIRR's relocation back into the MoE once such rebuilding is completed, (4) LIRR's review and approval of plans and specifications for the demolition of the MoE, the construction of the Concrete Casing and the rebuilding of the MoE, and (5) LIRR force account and field personnel required by LIRR in connection with the demolition of the MoE, the construction of the Concrete Casing and the rebuilding of the MoE.
- (2) Amtrak or Developer agrees to complete the reconstruction of the MoE facility, to the same specifications as the existing MoE facility, as will be approved by LIRR, entirely at Amtrak's or Developer's own cost, to be completed within 26 months of the demolition of such facility, together with any upgrades to facilities as may be necessary in order to comply with current building codes.
- (3) Amtrak will reimburse all other costs incurred by MTA/LIRR in connection with the Tunnel Casing Project, including but not limited to legal fees incurred in the drafting and negotiating of all agreements.
- (4) Amtrak and Developer will waive any and all claims they might otherwise have against MTA/LIRR based upon its cooperation with or participation in the Tunnel Casing Project, such that MTA/LIRR will have no liability to Amtrak or Developer and neither Amtrak nor Developer will be excused from any monetary obligation to MTA/LIRR (under the agreements relating to the Tunnel Casing Project and/or

the Overbuild Project or otherwise) by reason of any act or omission other than willful misconduct of MTA/LIRR relating to the Tunnel Casing Project, or by reason of any act or omission whatsoever of Amtrak or any other Tunnel Casing Project participant apart from MTA/LIRR.

- (5) In addition, such agreements will provide MTA/LIRR with rights to approve and inspect elements of the work affecting LIRR operations, and such other rights and protections as are deemed prudent. In order to facilitate the timely completion of the Tunnel Casing Project, MTA/LIRR agree to provide specification, design review or other approvals in accordance with a schedule agreed to by the parties, and at an agreed point in the development of plans and specifications for both the MoE replacement facility and the Concrete Casing, LIRR will agree to limit any further design comments, and/or requirements for any stoppages of work, to instances where public safety, service reliability or legal compliance are implicated.

Recommendation:

It is recommended that the Board authorize the annexed resolution, authorizing entry into agreements necessary to effectuate the Tunnel Casing Project in conformity with the terms as set forth in this Staff Summary.

RESOLUTION

BOARDS OF THE

METROPOLITAN TRANSPORTATION AUTHORITY

LONG ISLAND RAIL ROAD COMPANY

WHEREAS, Amtrak has developed a conceptual program, known as the "Gateway Program", to build a new tunnel under the Hudson River from New Jersey through the west side of Manhattan to connect with Penn Station; and

WHEREAS, Amtrak has evaluated potential options for locating the new tunnel between the Hudson River and Penn Station and determined that only a single underground alignment under the LIRR Hudson Yards facility between 10th and 11th Avenues in Manhattan (the East Rail Yard) can achieve this direct connection; and

WHEREAS, the Hudson Yards is also the location for the mixed-use commercial overbuild project that a joint venture between affiliates of The Related Companies and Oxford Properties is progressing pursuant to existing agreements with MTA/LIRR ("the Overbuild Project"); and

WHEREAS, subject to the ongoing environmental review being progressed by Amtrak and the Federal Railroad Administration pursuant to NEPA, Amtrak is proposing to undertake the design and construction of an underground rectangular structure under the East Rail Yard, to be constructed within the future subsurface Right of Way ("ROW") (the "Tunnel Casing Project"), to allow for the potential future development of the Gateway Tunnel; and

WHEREAS, given the regional importance of the proposed Gateway Program to commuter transportation, and the need to preserve the ROW, so as not to have the Overbuild Project preclude the Gateway Program from going forward, MTA and LIRR have been cooperating with this effort; and

WHEREAS, Amtrak's plans for the Tunnel Casing Project would require the LIRR to vacate the Maintenance of Equipment facility in an expedited manner to allow for the demolition of that facility and certain tracks therefor, and that MTA and LIRR further facilitate the Tunnel Casing Project, by agreeing, among other things, to grant a temporary construction license and subsequently, a permanent easement to accommodate the placement of a concrete casing in the Eastern Rail Yard; and

WHEREAS, as fundamental principles of MTA/LIRR's participation, MTA/LIRR will require Amtrak and/or the Developer to incur (or reimburse MTA/LIRR for) any financial obligations that result from the Tunnel Casing Project, and that the existing Overbuild Project agreements between MTA/LIRR and Related not be adversely affected by participation in the Tunnel Casing Project; and

WHEREAS, in furtherance of the Tunnel Casing Project and in compliance with the Public Authorities Law, an appraisal of the value of any permanent easement rights required by the Tunnel Casing Project will be undertaken, and MTA will require that Amtrak provide consideration not less than the fair market value of such easement rights, prior to granting permanent easement rights in connection with the Tunnel Casing Project; and,

WHEREAS, any transaction with Amtrak to effectuate the Tunnel Casing Project shall be consistent with the terms and conditions set forth in this resolution and the accompanying staff summary; and-

WHEREAS, the Boards of the MTA and LIRR find the terms and conditions set forth herein and in the attached Staff Summary to be advantageous to the MTA and LIRR, and that the actions proposed are necessary to preserve the potential effectuation of the Gateway Program, a program of regional importance and significance to the development and improvement of commuter transportation;

NOW, THEREFORE, the Boards of the MTA and LIRR resolve as follows:

1. The Chairman, Vice Chairman and/or Interim Executive Director, and their designees, acting singly, are hereby authorized to negotiate, execute and deliver contracts and any other necessary or appropriate agreements or instruments as are necessary and desirable to effectuate the Tunnel Casing Project, in conformity with the terms and conditions set forth in this resolution and the attached Staff Summary, including but not limited to a temporary construction license for the construction of the Concrete Casing Work and permanent easement(s) and/or covenants in favor of Amtrak and/or Related, as their interests may lie, in accordance with the terms set forth in this resolution and attached Staff Summary.
2. The Chairman, Vice Chairman and/or Interim Executive Director, and their designees, acting singly, are hereby authorized to take any and all actions as may be necessary, desirable or convenient to satisfy all applicable legal or regulatory requirements in connection with the foregoing actions.

Dated: April 24, 2013

Subject ACQUISITION OF PROPERTY FOR THE CLAREMONT SUBSTATION PROJECT
Department REAL ESTATE
Department Head Name DAVID FLORIO
Department Head Signature
Project Manager Name JASON ORTIZ

Date JUNE 27, 2023
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	06/26/23	X		
2	Board	06/27/23	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Legal		
2	Chief Administrative Officer		
3	Chief Financial Officer		

AGENCY: MTA Metro-North Railroad (“MNR”)
SELLER: 1049 Ogden Realty Company, LLC
LOCATION: 3876-3880 Park Avenue, Bronx, NY 10457 (Block 2904, Lot 10)
ACTIVITY: Acquisition of property for a new electrical substation for Claremont Substation Project
ACTION REQUESTED: Authorization to acquire property through negotiated agreement or eminent domain
COMPENSATION: To be determined via negotiation or condemnation

COMMENTS:

In connection with the Claremont Substation project, the MTA is seeking to acquire a property located at 3876-3880 Park Avenue, Bronx, NY 10457 (the “Property”). The 7,405 square foot property currently contains a vacant three-story industrial building. Once acquired, the MTA will demolish the existing building to construct a new substation in support of MNR operations in the area. The Property satisfies the location and size requirements for construction of a substation, is free of occupants, and is currently listed for sale.

The MTA will endeavor to acquire the Property through a negotiated agreement. However, the MTA may not be able to reach agreement with the Seller and may be compelled to acquire the Property by eminent domain as no viable alternative sites have been identified. Thus, Board approval is being sought for the MTA to begin taking steps to satisfy the requirements of Eminent Domain Procedure Law in order to preserve the MTA’s rights and lessen the potential for future delays to the Project and ensure the timely acquisition of the Property. If a negotiated agreement to acquire the Property is reached prior to the filing of condemnation papers with the court, the terms of any such agreement will be presented to the Finance Committee and MTA Board for further approval.

Based on the foregoing, MTA Real Estate requests authorization to proceed with the acquisition, by negotiated agreement or condemnation on the above-described terms and conditions.

Staff Summary

Subject SALE OF DEVELOPMENT RIGHTS IN PORT MORRIS, BRONX, NY
Department TRANSIT ORIENTED DEVELOPMENT
Department Head Name ROBERT PALEY
Department Head Signature
Project Manager Name NICHOLAS ROBERTS

Date JUNE 27, 2023
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	MNR Committee	06/26/23		X	
2	Finance Committee	06/26/23	X		
3	Board	06/27/23	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Legal		
2	Chief Development Officer		
3	Chief Financial Officer		

AGENCY: Metropolitan Transportation Authority (“MTA”) and MTA Metro-North Railroad (“MNR”)

GRANTEE: Waterfront Living II, LLC (the “Developer”)

LOCATION: East 135 Street and Park Avenue, The Bronx, New York
 Block 2323, Lot 18 (the “Subject Property”)

ACTIVITY: Sale of ± 55,174 square feet of excess transferrable development rights appurtenant to the Subject Property (the “Excess TDR’s”)

ACTION REQUESTED: Authorization to (i) conditionally designate the Developer as the successful proposer to the RFP described below, and (ii) enter into: a purchase and sale agreement with the Developer for the purchase and sale of the Excess TDR’s (the “Purchase and Sale Agreement”) for the compensation set forth below, and a declaration of zoning lot restrictions and zoning lot development agreement (collectively, the “ZLDA”) to effectuate the merger of the Subject Property with the adjacent property owned by the Developer located at 188 East 135 Street (the “Development Site”) into a single zoning lot and the transfer of the Excess TDR’s to the Development Site.

COMPENSATION: ± \$2,483,300.00 (\$45 per zoning square foot of Excess TDR’s)

COMMENTS:

The Subject Property is a single tax lot owned by the MTA located in the Port Morris section of the Bronx on the eastern edge of the Harlem River with frontage along East 135 Street. The Subject Property is improved with footings and tracks for the Harlem River Lift Bridge (“HRLB”), a vertical lift bridge that carries MNR’s Hudson, Harlem, and New Haven lines across the Harlem River between Manhattan and the Bronx.

The Developer is the fee owner of the Development Site which is located directly south of the Subject Property. The Developer intends to improve the Development Site with a multi-family rental building that will be developed on an “as-of-right” basis under applicable zoning law. The Developer approached MTA with a request to purchase all the Subject Property’s transferable development rights.

SALE OF DEVELOPMENT RIGHTS IN PORT MORRIS, THE BRONX, NY (cont'd)

Page 2 of 2

Upon receipt of the proposal from the Developer, MTA Transit Oriented Development (“TOD”) submitted the proposed disposition of the transferable development rights to MNR for its review and approval. MNR determined that the proposed disposition would not impact the operation or maintenance of the HRLB, or the MNR infrastructure located at the Subject Property, either now or in the future. In any event, TOD and MNR will be reserving 3,500 square feet of zoning floor area under the ZLDA to allow for the possibility of a future structure at the Subject Property that would require the use of zoning floor area under the local zoning law. Based on the foregoing, TOD issued a request for proposals (“RFP”) for the Excess TDR’s. The Developer was the only respondent to the Request for Proposals (“RFP”). In its response to the RFP, the Developer offered to pay a total of \$1,875,916 for the Excess TDR’s (\$34 per zoning square foot). Following extensive negotiations between TOD and the Developer, the parties negotiated a “Purchase Price” of \$2,483,300 (\$45 per zoning square foot) for the Excess TDR’s. The proposed Purchase Price exceeds the valuation of the Excess TDR’s provided by an independent appraisal obtained by TOD.

Based on the foregoing, TOD requests Board authorization for MTA (for itself and on behalf of MNR) to (i) conditionally designate the Developer as the successful proposer to the RFP, (ii) negotiate, execute and deliver the Purchase and Sale Agreement, the ZLDA and such other transaction documents and instruments deemed necessary or appropriate to effectuate and consummate the sale and transfer of the Excess TDR’s on the terms set forth above and such other terms and conditions as the Chair and Chief Executive Officer of the MTA or a designee deem necessary or appropriate, and to take all other actions as shall be necessary or desirable consistent with the foregoing to consummate the sale and transfer of the Excess TDR’s to the Developer for use at the Development Site.

Staff Summary

Subject REVISED ACQUISITION OF PERMANENT AND TEMPORARY EASEMENTS AND EXECUTION OF AGREEMENTS WITH THE CITY OF NEW YORK IN SUPPORT OF PARK AVENUE VIADUCT REPLACEMENT
Department REAL ESTATE
Department Head Name DAVID FLORIO
Department Head Signature
Project Manager Name ANDREW D. GREENBERG

Date JUNE 27, 2023
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	06/26/23	X		
2	Board	06/27/23	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Legal		
2	Chief Administrative Officer		
3	Chief Financial Officer		

AGENCY: MTA Metro-North Railroad (“MNR”)
GRANTOR: City of New York (the “City”)
LOCATION: Park Avenue from 97th Street to 134th Street in Manhattan, New York
ACTIVITY: Acquisition of permanent and temporary easements and temporary and permanent relocation of City occupants (ie: lessees/licensees)
ACTION REQUESTED: Authorization to enter into various agreements in support of the replacement of the Park Avenue viaduct
COMPENSATION: None

COMMENTS:

In May 2022 the MTA Board authorized funding for MTA C&D, as part of the MTA’s 2020 – 2024 Capital Program to undertake the Park Avenue Viaduct Replacement Project (the “Project”) and proceed with a design/build project that necessitates the replacement of sections of the Viaduct in phases between 115th Street to 123rd Street (“Phase 1”) and 127th Street to 132nd Street (“Phase 2”) and replacement of certain structural elements between East 123rd Street and East 128th St (“Phase 3”) into a state of good repair. A copy of that MTA Board approved Staff Summary is attached for reference.

MTA Real Estate was authorized by the Board to enter into “Other Related Agreements” between the MTA, the City of New York and various private occupants of space under the Viaduct, including commitment by the MTA to expend such funds as are necessary to comply with the terms and conditions of such agreements, as well as the Uniform Relocation Act. In addition to the Other Related Agreements already contemplated and approved by the Board, MTA Real Estate seeks authorization to enter into licenses and leases with third party landlords to facilitate the temporary relocation of occupants currently located under the Park Avenue Viaduct, and/or to potentially provide additional storage and staging areas in support of construction related activities.

Staff Summary

**FINANCE COMMITTEE MEETING
REVISED ACQUISITION OF PERMANENT AND TEMPORARY EASEMENTS AND EXECUTION
OF AGREEMENTS WITH THE CITY OF NEW YORK IN SUPPORT OF PARK AVENUE VIADUCT
REPLACEMENT (cont'd)**

Page 2 of 2

Based on the foregoing, MTA Real Estate requests authorization to enter into the above agreements (and any amendments and/or modifications to any of the same that the Project team determines to be necessary) and incur any associated costs and expenses on behalf of the MTA for performance of the Project based on the terms and conditions outlined in the above agreements and keeping within the current budget for the Project.

Staff Summary

Subject ACQUISITION OF PERMANENT AND TEMPORARY EASEMENTS AND EXECUTION OF AGREEMENTS WITH THE CITY OF NEW YORK IN SUPPORT OF PARK AVENUE VIADUCT REPLACEMENT
Department REAL ESTATE
Department Head Name DAVID FLORIO
Department Head Signature
Project Manager Name ANDREW D. GREENBERG

Date MAY 25, 2022
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	5/23/22	X		
2	Board	5/25/22	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Legal		
2	Chief Administrative Officer		
3	Chief Financial Officer		

AGENCY: MTA Metro-North Railroad ("Metro-North")
GRANTOR: City of New York (the "City")
LOCATION: Park Avenue from 9th Street to 134th Street in Manhattan, New York
ACTIVITY: Acquisition of permanent and temporary easements and temporary and permanent relocation of City occupants (ie: lessees/licensees)
ACTION REQUESTED: Authorization to enter into various agreements in support of the replacement of the Park Avenue viaduct
COMPENSATION: None

COMMENTS:

The Metro-North Railroad Park Avenue Viaduct (the "Viaduct") extends approximately 1.8 miles from East 97th Street through the Harlem River Lift Bridge at approximately East 134th Street in Manhattan and carries all Metro-North rail service for the Harlem, Hudson and New Haven lines through East Harlem to and from Grand Central Terminal. The viaduct extends over Park Avenue between East 111th Street and the Harlem River Lift Bridge. Original construction of the Viaduct dates back to 1893 with portions of the structural steel and deck having been replaced in 1953, 1973, 1975, and 1993.

As part of the MTA's capital plan, MTA C&D is undertaking the Park Avenue Viaduct Replacement Project (the "Project"). This is a design/build project that necessitates the replacement of sections of the Viaduct in phases between 115th Street to 123rd Street ("Phase 1") and 127th Street to 132nd Street ("Phase 2") and replacement of certain structural elements between East 123rd Street and East 128th St ("Phase 3") into a state of good repair. The exact project limits are subject to modification based on field conditions, engineering judgement, budget conditions and other customary developments. Phase 1 construction is scheduled to commence in 2023. Commencement of Phase 2 work is yet to be determined, however some of the work may be started concurrently with Phase 1. Funding for the Project was approved as part of the MTA's 2020 - 2024 Capital Program (M803-03-02-01 Park Avenue Viaduct Replacement Project).

Staff Summary

FINANCE COMMITTEE MEETING ACQUISITION OF PERMANENT AND TEMPORARY EASEMENTS AND EXECUTION OF AGREEMENTS WITH THE CITY OF NEW YORK IN SUPPORT OF PARK AVENUE VIADUCT REPLACEMENT

Page 2 of 3

The MTA owns the Viaduct and the City of New York owns the land beneath the Viaduct. The Viaduct was constructed in accordance with certain statutes, including Chapter 702 of the Law of New York (1872) and Chapter 339 of the Laws of New York (1892) and provides the MTA with certain rights for the control, placement, access and maintenance of the Viaduct. In order to clarify certain ambiguities in the 100- plus year-old statutes and modify, to some extent, the coverage areas of the Viaduct set forth in those statutes, the Project will require various agreements, including the acquisition of certain temporary and permanent easements from the City as well as accommodate the new and yet to be determined locations of foundations for the new support columns of the Viaduct.

Currently, the City uses certain areas under the Viaduct for parking and storage of vehicles and equipment by various City agencies. The City also has private occupants (primarily parking companies) beneath the Viaduct through various license and lease agreements. To accommodate construction of the Project, these occupants will have to be temporarily relocated (possibly more than once) in sequential stages and then relocated back into their original location or to some other place chosen by the displaced occupant. Such relocations will be governed by a relocation agreement between the City and the MTA, as well as pursuant to the statutory requirements for displacing occupants as set forth in the Uniform Relocation Assistance and Real Property Acquisition Policies Act, Title 49 CFR Part 24 (42 U.S.C. Section 4601, et seq.) (the "URA"). Costs associated with these relocations will be borne by the MTA pursuant to the requirements under the URA. Execution of the easements, relocation agreement and any other related documents that may be necessary to move the Project forward; as well as compliance with the URA, are prerequisites to (i) obtaining federal funding for the Project as well as (ii) release of the design/build construction contract. Approval of the design/build construction contract will be submitted by MTA C&D via a separate staff summary at the appropriate time.

MTA Real Estate seeks authorization from the Board to enter into the following agreements between the MTA, the City of New York and various private occupants of space under the Viaduct, including commitment by the MTA to expend such funds as are necessary to comply with the terms and conditions of such agreements, as well as the URA. These agreements include:

Viaduct Agreement

This is the master transaction agreement between the MTA and the City that governs the parties' obligations to: (i) enter into temporary and permanent easement agreements, at various times; (ii) address occupant relocations throughout the construction of the Project pursuant to the relocation agreement (see below); (iii) provide for and address MTA insurance and indemnification requirements; (iv) detail the City's review of MTA plans and certain construction activity requirements with agreed upon design and performance standards and criteria; (v) facilitate access to City property for preconstruction activities; and (vi) address restoration of City property following completion of construction.

Temporary Easement Agreement(s)

This is a separate easement agreement(s) between the MTA and the City to be entered into when the design/build contract(s) are awarded for each Phase of construction activities. This grants the MTA, and its affiliates, subsidiaries, contractors, consultants, and employees construction-related easements for the Project (including easements for staging, storage of equipment, and the temporary relocation of existing occupants pursuant with to the terms and conditions of the Relocation Agreement) to specific locations under and adjacent to the Viaduct.

Relocation Agreement

This agreement between the City and the MTA authorizes the MTA to engage with the City's private occupants and City agencies that occupy portions of the land under the Viaduct and facilitate their temporary relocation for the MTA's construction activities. This agreement further stipulates that all costs and expenses associated with such relocations would be borne by the MTA including but not limited to moving expenses, payment of rents to the City if occupants are relocated to places off of City property while occupants are relocated, and reimbursing occupants for any rent differential above what they would otherwise have paid to the City - all as required under the URA. If occupants relocate to property under the Viaduct governed by the temporary easements, then licenses or leases will be entered into between the MTA and those occupants governing their temporary occupancy of those locations.

Staff Summary

FINANCE COMMITTEE MEETING ACQUISITION OF PERMANENT AND TEMPORARY EASEMENTS AND EXECUTION OF AGREEMENTS WITH THE CITY OF NEW YORK IN SUPPORT OF PARK AVENUE VIADUCT REPLACEMENT

Page 3 of 3

Permanent Easement Agreement

The City will grant to the MTA, upon completion of each of the Phases of construction, an exclusive permanent easement for the entire stretch of the Viaduct and a non-exclusive easement right over the City property for purposes of operating, inspecting, maintaining, restoring, and repairing the Viaduct and installing, operating, maintaining and altering certain equipment and infrastructure on the Viaduct. The permanent easement also provides for certain City rights to maintain current, and (subject to Metro-North approval) to place new traffic control devices and their related utilities on the Viaduct. Further, it provides for the City to include provisions in all future City licenses and lease agreements for occupancies under the Viaduct, relating to the safety of the Viaduct.

Other Related Agreements

1. Field conditions, results of negotiations with the City and/or any occupants, or other matters unforeseen at present might necessitate the MTA's entering into ancillary or supplementary documents or instruments in furtherance of completion of the Project, including, without limitation, permits and applications related to the Project.
2. Licenses or leases MTA may need to enter into with those occupants needing relocation as described above.

Based on the foregoing, MTA Real Estate requests authorization to enter into the above agreements (and any amendments and/or modifications to any of the same that the Project team determines to be necessary) and incur any associated costs and expenses on behalf of the MTA for performance of the Project based on the terms and conditions outlined in the above agreements.

FOR REFERENCE PURPOSES ONLY

INFORMATION ITEMS

Staff Summary

Subject LEASE AGREEMENT WITH 2558 GRAND CONCOURSE, LLC FOR A SWING ROOM AT 2558 GRAND CONCOURSE, BRONX, NEW YORK
Department REAL ESTATE
Department Head Name DAVID FLORIO
Department Head Signature
Project Manager Name ARTURO ESPINOZA/CHRISTINE STODDARD

Date JUNE 27, 2023
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	06/26/23		x	
2	Board	06/27/23		x	

Internal Approvals			
Order	Approval	Order	Approval
1	Legal		
2	Chief Administrative Officer		
3	Chief Financial Officer		

AGENCY: MTA New York City Transit (“NYCT”)
LESSOR: 2558 Grand Concourse, LLC (“Landlord”)
LOCATION: Ground floor space at 2558 Grand Concourse, Bronx, New York
SIZE: Approximately 471 square feet
INITIAL TERM: Ten (10) years
OPTION TERM: One 5-year option term
RENT: \$60,000 per year with 3% annual escalations
TAXES: NYCT will be subject to any real estate tax escalations for its proportionate share over a base year 2022-2023

COMMENTS:

As part of a Collective Bargaining Agreement (“CBA”), NYCT is required to provide restroom facilities for use by union employees. The Location will be utilized as a swing room as outlined in the current CBA which stipulates the provision of accommodations for employee comfort and relief.

MTA Real Estate received an independent real estate market survey containing a list of comparable locations currently offered in the sub-market. The market survey outlines a fair market rental range of \$50 to \$127 per square foot. The annual rent is in line with the market survey. NYCT concurred with the rent and escalations. The rent schedule for the initial term and option term is provided on the following page.

MTA Legal prepared the lease agreement and approved to as form. MTA Real Estate executed the lease pursuant to MTA Board approved policy dated June 24, 2020, governing licensing and leasing of employee swing room and restroom facilities.

Staff Summary

Subject AMENDMENT TO THE AGREEMENT WITH A AND H LAUNDRY OF BROOKLYN, LLC
Department REAL ESTATE
Department Head Name DAVID FLORIO
Department Head Signature
Project Manager Name ARTURO ESPINOZA

Date JUNE 27, 2023
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	06/26/23		x	
2	Board	06/27/23		x	

Internal Approvals			
Order	Approval	Order	Approval
1	Legal		
2	Chief Administrative Officer		
3	Chief Financial Officer		

AGENCY: MTA New York City Transit (“NYCT”)
PERMITTOR: A and H Laundry of Brooklyn, LLC (“Permitter”)
LOCATION: 9814 4th Avenue, Brooklyn, New York (“Location”)
EXPIRATION DATE: December 31, 2029
COMPENSATION: \$1,800 per year (\$150.00 per month)
ESCALATION: 5% effective January 1 of each calendar year

COMMENTS:

As part of a Collective Bargaining Agreement (“CBA”), NYCT is required to provide restroom facilities for use by union employees. The Location will be utilized as a restroom as outlined in the current CBA.

The current restroom agreement with Permitter dated January 1, 2020, established a fixed compensation of \$1,200 per year (\$100 per month) with a 1-year term automatically renewable for successive 1-year terms. The current term ends December 31, 2023. The license is terminable at will upon 60 days’ notice by either party.

Permitter approached MTA Real Estate seeking to increase the compensation and memorialize increases to compensation each year. The compensation negotiated is \$1,800 per year (\$150 per month), effective immediately and the compensation increases thereafter by 5% on January 1 of each calendar year. Additionally, the agreement was amended to establish an expiration date of December 21, 2029.

MTA Legal prepared the amendment and approved to as form. MTA Real Estate executed the amendment pursuant to the MTA Board approved policy dated June 24, 2020, governing licensing and leasing of employee swing room and restroom facilities.

Staff Summary

Subject PERMIT AGREEMENT WITH NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION AT 65 COMMERCIAL STREET
Department REAL ESTATE
Department Head Name DAVID FLORIO
Department Head Signature
Project Manager Name ARTURO ESPINOZA

Date JUNE 27, 2023
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	06/26/23		x	
2	Board	06/27/23		x	

Internal Approvals			
Order	Approval	Order	Approval
1	Legal		
2	Chief Administrative Officer		
3	Chief Financial Officer		

AGENCY: MTA New York City Transit (“NYCT”)
PERMITTEE: New York City Economic Development Corporation (“EDC”)
LOCATION: 65 Commercial Street, Brooklyn, NY (Kings County Block 2472, Lot 425) (the “Premises”)
COMPENSATION: None

COMMENTS:

The City of New York, by way of the Economic Development Corporation (“EDC”), is developing the Premises, located in the Greenpoint neighborhood in Brooklyn, into a public park. The Premises was home to NYCT’s Paratransit unit until the EDC identified a substitute site in the Bronx and Paratransit relocated there in Q1 2023. The Paratransit portion of the Premises was therefore surrendered to the City of New York. At the Premises, NYCT’s Emergency Response Unit remains at 65 Commercial Street.

In advance of EDC’s capital work to convert the former Paratransit facility property into a park EDC, a public entity, requires an access agreement to enter upon the ERU building in order to remove and sever utility connections (“Utility Work”) located in the basement.

MTA Construction & Development’s External Partner Program (“EPP”) office will oversee EDC’s Utility Work and coordinate force account services needed for the performance of the aforementioned work.

MTA Legal prepared a permit agreement with EDC and approved to as form. MTA Real Estate is authorized to enter directly into an agreement pursuant to the MTA Board approved policy dated November 12, 2013, for agreements with public entities where compensation is nominal, and ownership & use of the property remains with the public entities.

Staff Summary

Subject ACCESS AGREEMENT WITH WOODSIDE LANDMARK REALTY LLC FOR PROPERTY IN QUEENS, NY FOR THE REHABILITATION OF SUBSTATION ROOFS AND ENCLOSURE PROJECT
Department REAL ESTATE
Department Head Name DAVID FLORIO
Department Head Signature
Project Manager Name CHRISTINE STODDARD

Date JUNE 27, 2023
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	06/26/23		X	
2	Board	06/27/23		X	

Internal Approvals			
Order	Approval	Order	Approval
1	Legal		
2	Chief Administrative Officer		
3	Chief Financial Officer		

AGENCY: MTA New York City Transit ("NYCT")
LICENSOR: Woodside Landmark Realty LLC
LOCATION: 57-16 Roosevelt Ave, Woodside NY 11377
ACTIVITY: Access agreements to allow NYCT to enter upon the adjacent properties for the purpose of inspecting and probing the NYCT substation
TERM: Two (2) weeks
COMPENSATION: None

COMMENTS:

In connection with NYCT's Rehabilitation of Substation Roofs and Enclosures Project, NYCT required access to the property adjacent to the Location noted above to conduct visual inspection and probing of the NYCT 58th Street substation building (the "Work"). The Work took no longer than two (2) weeks and was completed in May 2023.

MTA Real Estate entered into access agreements with the Licensor pursuant to MTA Board-approved policy dated November 12, 2013, which allows MTA Real Estate to negotiate access rights and privileges required by MTA operating agencies for capital projects, maintenance, or repairs of operating facilities. MTA Legal prepared an access agreement approved as to form.

Staff Summary

Subject ACCESS AGREEMENTS WITH BEIGE FAMILY REALTY COMPANY LLC FOR PROPERTY IN QUEENS, NY FOR THE REHABILITATION OF SUBSTATION ROOFS AND ENCLOSURE PROJECT
Department REAL ESTATE
Department Head Name DAVID FLORIO
Department Head Signature
Project Manager Name CHRISTINE STODDARD

Date JUNE 27, 2023
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	06/26/23		X	
2	Board	06/27/23		X	

Internal Approvals			
Order	Approval	Order	Approval
1	Legal		
2	Chief Administration Officer		
3	Chief Financial Officer		

AGENCY: MTA New York City Transit ("NYCT")
LICENSOR: Beige Family Realty Company LLC (Owner of two properties)
LOCATIONS: 120-08 Jamaica Ave, Jamaica NY 11418
 87-14 121 Street, Jamaica NY 11418
ACTIVITY: Two (2) access agreements to allow NYCT to enter upon the adjacent properties for the purpose of inspecting and probing the NYCT substation
TERM: Two (2) weeks
COMPENSATION: None

COMMENTS:

In connection with NYCT's Rehabilitation of Substation Roofs and Enclosures Project, NYCT required access to the properties adjacent to the Location noted above to conduct visual inspection and probing of the NYCT Jamaica substation building (the "Work"). The Work took no longer than two (2) weeks and was completed in May 2023.

MTA Real Estate entered into access agreements with the Licensor pursuant to MTA Board-approved policy dated November 12, 2013, which allows MTA Real Estate to negotiate access rights and privileges required by MTA operating agencies for capital projects, maintenance, or repairs of operating facilities. MTA Legal prepared access agreements approved as to form.

Staff Summary

Subject LICENSE AGREEMENT WITH JPA CONSOLIDATED, INC. FOR RETAIL SPACE AT THE MANHASSET STATION
Department REAL ESTATE
Department Head Name DAVID FLORIO
Department Head Signature
Project Manager Name SELINA STORZ

Date JUNE 27, 2023
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee		06/26/23	X	
2	Board		06/27/23	X	

Internal Approvals			
Order	Approval	Order	Approval
1	Legal		
2	Chief Administrative Officer		
3	Chief Financial Officer		

AGENCY: MTA Long Island Rail Road ("LIRR")
LICENSEE: JPA Consolidated, Inc. ("JPAC")
LOCATION: Manhasset Station, Nassau County, NY 11030
USE: Operation of three travel convenience stores
TERM: Ten (10) years
LICENSED AREAS: 188± square feet
 73± square feet
 120± square feet

COMPENSATION:

Year	Unit 04	Unit 05	Unit 08
1	\$ 3,080.00	\$ 2,000.00	\$ 3,080.00
2	\$ 3,187.80	\$ 2,070.00	\$ 3,187.80
3	\$ 3,299.37	\$ 2,142.45	\$ 3,299.37
4	\$ 3,414.85	\$ 2,217.44	\$ 3,414.85
5	\$ 3,534.37	\$ 2,295.05	\$ 3,534.37
6	\$ 3,658.07	\$ 2,375.37	\$ 3,658.07
7	\$ 3,786.11	\$ 2,458.51	\$ 3,786.11
8	\$ 3,918.62	\$ 2,544.56	\$ 3,918.62
9	\$ 4,055.77	\$ 2,633.62	\$ 4,055.77
10	\$ 4,197.72	\$ 2,725.79	\$ 4,197.72

COMMENTS:

Pursuant MTA Board approved policy modification dated July 22, 2020, for the licensing of real property for vacant spaces, extended June 29, 2022, MTA Real Estate advertised the three (3) vacant retail units via a Solicitation of Interest for available MTA retail units. The first qualified proposal received was from JPAC.

After careful evaluation of JPAC's proposal and a satisfactory background investigation, it was determined that JPAC's financials supported the proposed improvements as well as payment of compensation throughout the term. The present value of the projected rental stream is \$65,961.47. The proposed compensation falls within an acceptable competitive range,

Staff Summary

**FINANCE COMMITTEE MEETING
LICENSE AGREEMENT WITH JPA CONSOLIDATED FOR RETAIL SPACE AT THE MANHASSET
STATION (Cont'd.)**

determined by an independent opinion of value of the rent, particularly when taking into consideration the challenging market conditions caused by the Covid-19 pandemic.

JPAC intends to invest up to \$83,000.00 into the Licensed Areas to improve the retail units to operate various boutique style convenience locations selling retail, prepackaged foods, and other goods. JPAC will be responsible for the construction, operation, and maintenance of each of the Licensed Areas as well as providing liability and insurance coverage at their sole cost and expense.

Based on the foregoing, LIRR entered into a license agreement with JPA Consolidated, Inc. for the operation of a travel convenience stores in the Manhasset station.

Staff Summary

Subject LICENSE AGREEMENT WITH JPA CONSOLIDATED, INC. FOR RETAIL SPACE AT THE PORT WASHINGTON STATION
Department REAL ESTATE
Department Head Name DAVID FLORIO
Department Head Signature
Project Manager Name SELINA STORZ

Date JUNE 27, 2023
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee		06/26/23	X	
2	Board		06/27/23	X	

Internal Approvals			
Order	Approval	Order	Approval
1	Legal		
2	Chief Administrative Officer		
3	Chief Financial Officer		

AGENCY: MTA Long Island Rail Road ("LIRR")
LICENSEE: JPA Consolidated, Inc. ("JPAC")
LOCATION: Port Washington Station, Nassau County, NY 11050
USE: Operation of a travel convenience store
TERM: Ten (10) years
LICENSED AREA: 60 ± square feet
COMPENSATION: \$24,250.56 for the 10-year term, with 3.5% annual escalations

COMMENTS:

Pursuant MTA Board-approved policy modification dated July 22, 2020, for the licensing of real property for vacant spaces, extended June 29, 2022, MTA Real Estate advertised the two vacant retail units via a Solicitation of Interest for available MTA retail units. The first qualified proposal received was from JPAC.

After careful evaluation of JPAC's proposal and a satisfactory background investigation, it was deemed that JPAC's financials supported the proposed improvements as well as payment of compensation throughout the term. The present value of the projected rental stream is \$24,250.56. The proposed compensation falls within an acceptable competitive range, determined by an independent opinion of value of the rent, particularly when taking into consideration the challenging market conditions caused by the Covid-19 pandemic.

JPAC intends to invest up to \$32,000.00 into the Licensed Area to improve the retail unit to operate a boutique style convenience location selling retail, prepackaged foods, and/or other goods with the goal being to bolster local commerce as well as integrate Port Washington Station into the community. JPAC will be responsible for the construction, operation, and maintenance of the Licensed Area as well as providing liability and insurance coverage at their sole cost and expense.

Based on the foregoing, LIRR entered into a license agreement with JPA Consolidated, Inc. for the operation of a travel convenience store in the Port Washington station.

Staff Summary

Subject LICENSE AGREEMENT WITH JPA CONSOLIDATED, INC. FOR RETAIL SPACE AT THE LYNBROOK STATION
Department REAL ESTATE
Department Head Name DAVID FLORIO
Department Head Signature
Project Manager Name SELINA STORZ

Date JUNE 27, 2023
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee		06/26/23	X	
2	Board		06/27/23	X	

Internal Approvals			
Order	Approval	Order	Approval
1	Legal		
2	Chief Administrative Officer		
3	Chief Financial Officer		

AGENCY: MTA Long Island Rail Road (“LIRR”)
LICENSEE: JPA Consolidated, Inc. (“JPAC”)
LOCATION: Lynbrook Station, Nassau County, NY 11030
USE: Operation of a travel convenience store
TERM: Ten (10) years
LICENSED AREA: 80± square feet
COMPENSATION: \$18,187.92 NPV for the 10-year term, with 3.5% annual escalations

COMMENTS:

Pursuant MTA Board approved policy modification dated July 22, 2020, for the licensing of real property for vacant spaces, extended June 29, 2022, MTA Real Estate advertised one (1) vacant retail unit via a Solicitation of Interest for available MTA retail units. The first qualified proposal received was from JPAC.

After careful evaluation of JPAC’s proposal and a satisfactory background investigation, it was deemed that JPAC’s financials supported the proposed improvements as well as payment of compensation throughout the term. The present value of the projected rental stream is \$18,187.92. The proposed compensation falls within an acceptable competitive range, determined by an independent opinion of value of the rent, particularly when taking into consideration the challenging market conditions caused by the Covid-19 pandemic.

JPAC intends to invest up to \$36,000.00 into the Licensed Area to improve the retail unit to operate a boutique style convenience location selling retail, prepackaged foods, and/or other goods with the goal being to bolster local commerce as well as integrate Port Washington Station into the community. JPAC will be responsible for the improvements, including certain electrical installations and repair as well as the installation of new trade fixtures, flooring, lighting, fire alarm system and HVAC. JPAC will be responsible for the construction, operation, and maintenance of the Licensed Area as well as providing liability and insurance coverage at their sole cost and expense.

Based on the foregoing, LIRR entered into a license agreement with JPA Consolidated, Inc. for the operation of a travel convenience store in the Lynbrook station.

Staff Summary

Subject ACCESS AGREEMENT IN CONNECTION WITH THE YAPHANK STATION RELOCATION PROJECT
Department REAL ESTATE
Department Head Name DAVID FLORIO
Department Head Signature
Project Manager Name SELINA STORZ

Date JUNE 27, 2023
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	06/26/23		X	
2	Board	06/27/23		X	

Internal Approvals			
Order	Approval	Order	Approval
1	Legal		
2	Chief Administrative Officer		
3	Chief Financial Officer		

AGENCY: MTA Long Island Rail Road (“LIRR”)
PERMITTOR: Rose-Breslin Associates LLC / AVR Realty Company
LOCATION: A five (5) acre parcel of land in the Town of Brookhaven, County of Suffolk, State of New York designated as District 0200, Section 554.00, Block 01.00, Lot 002.001 (“Property”)
ACTIVITY: Access agreement to allow LIRR to enter upon the Property to perform certain tests and site assessments in connection with a potential transaction between AVR and LIRR to convey the property to LIRR for construction of a train station
TERM: 75 days with extensions at LIRR’s request as needed
COMPENSATION: None
COMMENTS:

MTA Real Estate is currently engaged in negotiations with Permitter to relocate the existing LIRR Yaphank Station from its current location to the above referenced Property owned by Permitter. While negotiations for potential transfer of the Property itself are ongoing, LIRR and its contractors required access to the Property to conduct a site survey, geotechnical borings, environmental site assessments, and other preliminary work (the “Work”), in advance of the potential transfer.

An access agreement (“Agreement”) was completed to allow LIRR and its contractors to complete the Work. The term of the Agreement is 75 days, with extensions as requested by LIRR and approved by Permitter as needed. In no event shall the term of the Agreement be extended beyond the time required to complete the Work. MTA Legal approved the Agreement as to form.

Pursuant to the MTA Board–approved policy dated November 1999, as amended in 2010, 2013, and 2021, allows MTA Real Estate to negotiate access rights and privileges required by MTA operating agencies for capital projects or maintenance or repairs of operating facilities.

Staff Summary

Subject SHORT TERM PERMIT FOR USE OF PARKING LOT AT THE BEACON STATION, BEACON, NY
Department REAL ESTATE
Department Head Name DAVID FLORIO
Department Head Signature
Project Manager Name JASON ORTIZ

Date JUNE 27, 2023
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	06/26/23		X	
2	Board	06/27/23		X	

Internal Approvals			
Order	Approval	Order	Approval
1	Legal		
2	Chief Administrative Officer		
3	Chief Financial Officer		

AGENCY: MTA Metro-North Railroad ("MNR")

PERMITTEE: Dia Art Foundation

LOCATION: MNR's Beacon station

ACTIVITY: Use of the station parking lot for overflow event parking and shuttle bus parking

TERM: Saturday, May 20, 2023, 9:00am to 7:00pm

SPACE: Lot 1, approximately 100 parking spaces

COMPENSATION: \$1; payment waived

COMMENTS:

Pursuant to the MTA Board approved policy dated October 24, 2002, governing the use of railroad facilities by municipal and not-for-profit corporations for non-commercial activities, Dia Art Foundation was granted permission to utilize parking lot #1 at the Beacon Station for the foundation's annual "Spring Benefit Luncheon" event on May 20, 2023, from 9:00am to 7:00pm.

MTA Legal drafted the permit agreement, approved as to form and Permittee provided appropriate insurance coverage and indemnification for the above use.

Subject LICENSE AGREEMENT FOR BANNER PLACEMENT ON SIR PROPERTY WITH THE STATEN ISLAND CHAMBER OF COMMERCE
Department REAL ESTATE
Department Head Name DAVID FLORIO
Department Head Signature
Project Manager Name RAYMOND SMYTH

Date JUNE 27, 2023
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	06/26/23		X	
2	Board	06/27/23		X	

Internal Approvals			
Order	Approval	Order	Approval
1	Legal		
2	Chief Administrative Officer		
3	Chief Financial Officer		
4			

AGENCY: Staten Island Rapid Transit Operating Authority (“SIR”)
 LICENSEE: Staten Island Chamber of Commerce Foundation, Inc. (“SICOC”)
 LOCATION: Block 476, 293 Bay Street, Staten Island, New York 10301
 ACTIVITY: Installation of wayfinding banner signage placed on fencing located on SIR property
 TERM: One (1) year with successive annual automatic renewal terms
 COMPENSATION: \$1, payment waived
 COMMENTS:

SICOC, a 501(c)(3) non-profit organization, approached SIR requesting to replace banner signage on exterior fencing on SIR property at the Clifton Shops (the “Shops”) located at 293 Bay Street, Staten Island, New York. SICOC intends to place colorful and inviting wayfinding signs on the exterior of the Shops’ fences indicating location, pointing out nearby neighborhoods St. George and Stapleton on either side, and welcoming people to Downtown Staten Island. Any further access to SIR’s property beyond the banner placement will not be permitted.

The banners are approximately sixty (60) feet in length. covering a portion of fencing fronting on Bay Street near Hannah Street. All signage specifications have been reviewed and approved by SIR.

The form of agreement was prepared and approved by MTA Legal. SICOC provided appropriate insurance coverage and indemnification and complied with SIR’s operating requirements.

This license was granted pursuant to the MTA Board approved policy dated July 27, 2022, governing certain License Agreements entered with individuals, not-for-profit entities, or public entities, to utilize MTA agency property for various uses including wayfinding signage.