



# ***PLANNING FOR THE FAR WEST SIDE***

**New York Metro Chapter American Planning Association**

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NEW YORK CITY | HUDSON VALLEY | LONG ISLAND

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## **NY Metro Chapter of the American Planning Association Responses to the Proposed Hudson Yards Rezoning and Development Plan**

### **Introduction**

The New York Metro Chapter of the American Planning Association (APA) represents more than 1,000 practicing planners, designers, engineers and others involved in planning for the region's communities. The Chapter addresses planning issues affecting the physical, social, and economic environment of the metropolitan region, encompassing New York City, Long Island (Nassau and Suffolk Counties) and the Hudson Valley (Rockland, Westchester, Putnam, Orange, Dutchess, Ulster and Sullivan Counties). We are part of a national organization of over 35,000 members, which is dedicated to the encouragement of planning that will meet the needs of people and society more effectively.

As planners, we seek to utilize our technical skills in the service of comprehensive planning, sound economic development, the prudent use of scarce public dollars, and the responsible use and preservation of environmental, cultural and historic resources. We promote responsible, sustainable and fair development to meet the changing needs of people and institutions, as well as planning processes that serve to illuminate and balance competing needs, interests and priorities. In promoting these values, NY Metro APA is particularly dedicated to public education, maximizing dissemination of planning-related information, and promoting opportunities for broad participation in planning decisions. To carry out this mission we conduct a wide range of advocacy and educational activities. We also collaborate with other civic and professional organizations to advocate the highest standards of planning throughout the region.

As individuals, our members work for government agencies, nonprofit organizations and the private sector (indeed, some of us have worked on aspects of the Hudson Yards proposal). Because we represent a broad and diverse spectrum of planning professionals with a wide range of perspectives and interests, we have not attempted to review comprehensively all aspects of the plan, or to present a fixed or unanimous position on every planning issue raised by the highly complex proposals for the Hudson Yards. However, with continuing participation by our members and our organization during the Uniform Land Use Review Procedure (ULURP) process, we hope that we will illuminate and contribute to the discussion, and to the improvement of the plan for this last undeveloped part of Manhattan.

In the following sections, Metro APA offers its perspectives on a range of issues and questions raised by the proposed program. These include the review process itself, discrete elements of the program, broader zoning and urban design issues, access to the Hudson River waterfront, economic development considerations, transportation components, the proposed implementation schedule, and others.

## **APA Commends the City for Taking a Comprehensive, Flexible Approach to Planning for this Last Frontier in Manhattan**

New York City has been challenged in the last decades, and especially since 9/11, to maintain its pre-eminent place among the cities of the world. The Bloomberg Administration is meeting this challenge with a dedication to comprehensive planning. It has recognized that the City is at a crossroads and must move decisively toward a path of growth and development. Although recent studies come to different conclusions about future needs of the City and region, there is an emerging consensus that continued growth and well being of the region will depend on efforts to identify and exploit opportunities for sustainable and equitable development. Clearly, the Hudson Yards area is vastly underdeveloped in relation to its potential, and we support the City's efforts to tap this potential by pursuing a strategy of "smart-growth" high-density, multi-use, transit-oriented development of the area, with enhancement of the waterfront and open space, together with the creation of a range of housing opportunities and choices. We welcome the City's objective of enhancing Manhattan as the economic engine for the City and the region by means of westward expansion of the Midtown Business District, together with its plans for new commercial centers in Brooklyn and Queens and elsewhere.

It is also praiseworthy that, in this Hudson Yards proposal, the City has used its technical resources to clearly and openly articulate its planning principles and to make its goals evident. Leading up to the ULURP certification of the proposed plan, the City has been open and ready to meet with everyone who asked, and we are all pleased that this has occurred. NY Metro APA acknowledges the Administration's responsiveness to issues expressed by local community organizations, and proposals from civic groups and other stakeholders, and the City's willingness to modify some components of the plan in response to constructive critique and feedback.

### **Opportunities and Dilemmas Within the Hudson Yards Area**

The City's plan is far-reaching and ambitious, because this part of the city is highly unusual in its history, character, contrasts and existing conditions. It contains extraordinary transportation links which people use to pass to their destinations—the Lincoln Tunnel as well as bus and rail facilities—and yet it is not itself an area that one can get to with ease and convenience, either as a pedestrian or a passenger. It is proximate to a thriving community of residences and businesses in the Clinton and adjacent Chelsea neighborhoods, and it continues to have important connections historically and economically to those communities. But residents of these communities and visitors alike are separated from each other, and from the natural assets of the Hudson Yards area, such as the waterfront, by formidable obstacles. These obstacles include the blank walls of the Javits Center, the Quill Bus Depot and the City Tow Pound; sprawling parking lots; numerous Lincoln Tunnel entrance ramps; open rail cuts and the as-yet-undeveloped High-Line; the rail yards and the West Side Highway. These important facilities and regional transportation arteries contribute to a sense of fragmentation and isolation in the area. They present tangible obstacles to commercial,

retail and residential development, and have contributed to the area's underdevelopment and under-occupancy in relation to its potential.

The prevalent manufacturing and low-density zoning of the area is no longer appropriate to the current and anticipated needs of a 21st Century city. Yet, within this underutilized neighborhood there are some signs of continuing and new uses characteristic of New York City's pioneering and entrepreneurial spirit including theatres, post-production film facilities and small-scale information technology and graphics businesses. These entrepreneurial efforts take place in old, adaptively-reused buildings, next to blocks given over to parking lots and municipal facilities.

A notable characteristic of this area, which contributes to both the complexity and opportunities of the proposed re-zoning plan, is the fact that a significant portion of the land is held by public entities. This raises questions of intergovernmental coordination, sale of development rights over publicly held sites and use of those proceeds.

Another set of planning opportunities highlighted by the plan is related to the area's adjacency to the waterfront. There is not yet easy access to the rapidly evolving and improving edge of the Hudson River. The current proposals include measures designed to address these opportunities, although with varying degrees of success.

The area contains one of the City's most important economic development facilities, the Javits Convention Center, but that facility turns its back on and blocks off the waterfront from the surrounding neighborhood. This significant feature of New York's economy, say the City and State, no longer serves New York City's future interests since it is inadequate for most of today's exhibitions and trade shows.

The entire under-utilized area is close to, but at the same time isolated from, the entertainment district in Times Square and the Midtown commercial core. The need to promote long-term growth of the Midtown Business District is at the heart of the City's proposal.

In short, this 60-block area is now the focus of almost every desired element of the City's growth and development: additional modern office space, new market-rate and affordable housing, new open space and enhanced utilization of the waterfront asset, as well as new sports, exhibition and entertainment spaces.

### **Public Review Process and Public Discussion**

It would be difficult to overstate the complexity, or the potential benefits and pitfalls, of the Hudson Yards program. Unfortunately, the public review process, and decision-making actions by public bodies, are each unnecessarily fragmented. As a result, some advantages of a comprehensive planning process have been lost and the transparency and credibility of the review process have suffered. When the stakes are this high, and the proposals are this complex, the planning processes must be vigorous, transparent, open

for broad participation and informed by the best information available. All key elements of the proposed development program should be subject to review in a unified ULURP, or should be reviewed on a concurrent schedule.

The “convention corridor” proposals for the expansion of the Javits Center and construction of the sports/convention center are not explicitly part of current ULURP action because they are under State control. However, these convention corridor proposals are incorporated, and appropriately so, into the draft EIS prepared by the MTA and the City Planning Commission in connection with the subway extension and Hudson Yards rezoning. This incomplete and fragmented process detracts from full public discussion and from a complete integration of all information necessary to evaluate the proposed plans, alternate proposals, and the proposed public investments.

State projects are not generally subject to the City’s ULURP. But the convention corridor proposals are closely intertwined and interdependent with the larger program in many respects, and with the other actions subject to ULURP. We believe that everything in the draft EIS should be included in this ULURP review. Alternatively, a process of local public review of the convention corridor proposals should be made a condition of any approval of the rezoning, and consideration should be given to suspending full legal approval until the entire review process is completed. In this light, the recent delay in review and approval of funding for the Javits Center expansion, which occurred in the State Legislature, can be taken as an opportunity for comprehensive and integrated public review of all interrelated proposals for the Hudson Yards area.

### **The Olympics, the Sports/Convention Center and the Hudson Yards Plan**

Metro NY APA recognizes that this specific re-zoning plan must be viewed against the background of decades in which proposals designed to tap the full potential for redevelopment of the Far West Side of Manhattan have languished, or have been repeatedly derailed. There is no doubt that the City’s long-range master plan for the Hudson Yards has been spurred on by the prospect of hosting the 2012 Summer Olympics. A new stadium on the West Side is an important component of New York’s bid for the Olympics. As planners, we know that unique, external events are often needed to drive the planning process, and that these factors can often be the best political and economic catalyst for making big plans happen, and happen with energy and enthusiasm. But, also, as planners, we believe that the overall proposal has to be evaluated on its merits, irrespective of the outcome of the City’s Olympic bid.

We are well aware that even before the prospect of the Olympics coming to New York City, a sports facility (for the Yankees, for other teams) had been part of City thinking and planning about the redevelopment of this area. This controversial idea has now taken the form of the Jets football team’s offer to move their franchise to New York City from New Jersey and to invest \$800 million in private dollars in such a facility. This proposed 75,000 seat stadium has been transformed into a multipurpose facility that would not only function as a venue for professional football, but would also provide another 210,000

square feet of flexible space linked to the Javits Center for exhibitions and meetings, and could host mega entertainment events and large plenary sessions.

APA believes that development of the proposed stadium in Hudson Yards is problematic in urban planning terms, i.e., with respect to urban design and land use, as well as economic development and fiscal considerations. Is this the highest and best use for this crucial site?

We question the appropriateness of locating a colossal stadium/exhibition facility at this important location on the waterfront. The designers of the facility have presented creative concepts aimed at mitigating the inherent challenges of the site. However, we find that legitimate concerns have been expressed regarding the large scale of the proposed stadium (equivalent to a 30-story building 3 blocks wide, with its base well above grade)—that it may overwhelm the relatively narrow Hudson River Park. It would limit opportunities to integrate the park into the upland neighborhood.

With respect to economic and fiscal impacts, the Jets and the City cite economic development projections and survey data to bolster their arguments in support of development of a stadium over the rail yards. However, we share the view of many commentators that the development of a stadium in the midst of what is expected to be a prime commercial and residential area is questionable. Most reliable and objective studies of the public benefits of sports facilities across the country show that they do not usually overcome public costs.

The planning and economic data offered to justify projections for the level of convention, exhibition and event use, and the consequent fiscal benefits are soft. The City's Independent Budget Office and others question the Jets' revenue projections and cite the uncertain nature of the convention business, and the very mixed record of new convention centers in attracting business. As described in the IBO analysis, more than half of the stadium's projected economic and fiscal impacts derive from using the facility in ways beyond a traditional stadium. In this realm there are conflicting or soft estimates and projections of net benefits.

The \$800 million to be invested by the Jets is held out by the City as a windfall since it is guaranteed and it is "money in hand." However, the financial deal concerning rent revenue to MTA for use of the air rights at the site is not completed, and we have not seen a cost/benefit analysis weighing the public investment of \$600 million that the City and State would lend toward the total \$1.4 billion cost of the sports/convention center, or a comprehensive analysis of alternatives. We find ourselves asking whether there are other, better developments options over the rail yards—options that would maximize revenue to the MTA and be attractive to private developers—given that the estimated \$400 million public investment for the rail platform would be needed for any development of the site. We quote the IBO, "...the development potential of the rail yards will presumably increase if plans for the rest of the Hudson Yards area come to fruition." An in-depth feasibility study, for a new stadium/convention facility and alternatives, should be pursued, and should consider the highest and best use of the site,

existing and future supply of competing facilities throughout the region, and the relative merits of stadium development in the eventuality of a losing bid for the Olympics.

We would like to see more systematic, objective and integrated data on the costs and benefits of the proposed expansion of the Javits Convention Center, and a more thorough review of design alternatives. Convention centers—large ones in particular—are highly speculative ventures and present inherent urban design challenges. Integration of a large convention center into a pedestrian-friendly streetscape is a conundrum. Alternative development scenarios for Javits Center upgrades should be explored, including those that target specific market segments rather than trying to capture the largest events at all costs. An in-depth feasibility study of the proposed modernization and expansion of the existing Center should consider the idea that “bigger” or “biggest” is not necessarily better. Feasibility of the development of additional facilities in the outer boroughs to complement a modernized, mid-size Javits Center in Manhattan should also be studied.

The need for a thorough analysis of the proposed Javits Center expansion and alternative proposals is clear in light of many complicating factors: the current oversupply of convention facilities across the country; the relatively poor performance of some of the most recently completed, very large centers (Boston for instance), the high costs of New York City as a convention destination, the downsides of a winter season in the convention business, the difficult economics of operating both convention and headquarter hotel facilities, and the potential need for public subsidies for their operation.

### **Planning and Zoning and the Hudson Yards Plan**

The high densities proposed in the plan may be appropriate to the area, and may be necessary to accommodate the City’s future growth, but we are concerned that the assumptions regarding the amount of commercial space that will be needed, and the timing of the need for that space, rely too heavily on simplistic or dated projections. Studies that project the need for approximately thirty million square feet of commercial space in the area (including the Farley Post Office expansion) have been questioned by many economists, especially when viewed in light of the projected development of ten to twelve million square feet of such space in Lower Manhattan.

APA is also cautious about the high threshold of office space that must be developed on many sites before residential development is permitted. While it is understandable that the City Planning Department wants to avoid an overbuild of residential units in the early years of development, the plan, we think, should be more flexible in order to allow mixed uses to be created in response to the market. Modifications to the zoning proposals, as put forward by the Department of City Planning on August 30, 2004, represent steps in the right direction, and have added some desirable flexibility to the plan. In general, identification of certain sites at which commercial development is mandated, to the complete exclusion of the option for residential development, is overly restrictive. We do believe, however, that the commercial zoning at 34<sup>th</sup> Street is appropriate since office use should be encouraged on this street.

The plan identifies a number of sites and possible assemblages that would be suitable for development of buildings with the large floor plates currently sought by major commercial tenants. But the plan does not seem flexible enough to allow for a variety of innovative commercial uses and built forms that may eventually become part of a new 21<sup>st</sup> Century New York City. We appreciate that this plan is meant to encourage rapid initial development, followed by sustained development over a thirty-year period, but the restrictive zoning regulations and design guidelines for each site lead us to ask what will happen if full-block site assemblages do not, in fact, occur, or if the proposed built forms lack market appeal? How can flexibility and response to market forces be assured?

Related to this overall point on zoning, we would like to see more detailed justification for the proposed FAR limits in this district of 24 and higher--FARs that are higher than the highest density districts, even with bonuses, permitted elsewhere in New York City.

### **Urban Design and Waterfront Access and the Hudson Yards Plan**

We welcome the City's attempt to create green open space on the new north/south boulevard. However, the proposed boulevard ("10<sup>th</sup> and 1/2 Avenue"), running between 33<sup>rd</sup> and 39<sup>th</sup> Streets, does not appear to be well integrated with one of the area's major cross-town streets (42<sup>nd</sup> Street). Based on the limited information available, it is not clear how the proposed avenue will succeed in relation to the City's existing north/south avenues.

Eleventh Avenue, which is already occupied by the formal and colossal façade of the Javits Center on its west side, needs to have more animated, mandated ground floor retail frontage where new development will occur on its east side. We also urge that the Javits Center explore ground floor retail on the building's 11<sup>th</sup> Avenue frontage. In general, the proposed expansion of the Convention Center and construction of the Multi-Purpose facility would extend a wall of big-box uses twelve blocks long, facing 12<sup>th</sup> Avenue and the Hudson River waterfront.

Our Zoning, Waterfront, and Urban Design Committees all agree that the east-west connections to the waterfront in the proposed plan are weak. The Plan appears to include open space uses by means of the new boulevard and the cultural park. APA is concerned, however, that the allocation of open space is hardly sufficient to accommodate the expansive development envisioned. We recommend that the City Planning Department provide the public with a more in-depth open space plan. Green space has been proposed for the roof of the Javits Center and at a raised elevation in the Culture Park and adjacent to the stadium/convention facility. We are aware that most elevated parks fail, and we recommend that open space be kept at grade, with the unique exception of the hoped-for renovated High Line Linear Park. The plan does propose additional open space sites above the "spaghetti" infrastructure around the Lincoln Tunnel. Such potential open space should be an integral part of the total plan and not rely on private developers for completion.

Related urban design questions include the following: First, the scale of development along the proposed 10<sup>th</sup> and 1/2<sup>nd</sup> Boulevard may overwhelm the rest of the neighborhood if the envelopes, with bonuses, are fully built out. Secondly, the terracing of the park spaces along the north and west edges of the western rail yards platform may be very steep in sections, resembling “green walls” more than terraced park spaces. In fact, it is not clear how much the terraces along the western edge will impose on Hudson River Park, which in this location is very narrow. Finally, despite the articulation facades of the convention center/stadium complex, the sides of this structure would be an enormous wall, unrelieved by any changes in massing. As mentioned above, the proposed expansion of the convention center to the north would create a greater barrier to the park and the river, especially in the location of the new Ferry Terminal at West 38<sup>th</sup> Street.

We must reiterate that the most significant natural asset of the Far West Side is the Hudson River. The plan’s proposed relocation of the City Tow Pound and Sanitation Department facilities away from the waterfront are key to restoring public access to this resource, yet several aspects of the City and State proposals for the area reduce the value of this asset and of Hudson River Park, its most promising public amenity. We believe that the overpowering scale of the stadium’s height and bulk may overwhelm the relatively narrow Hudson River Park, and would restrict integration of the park into the upland neighborhood. When the stadium is combined with the expansion of the convention center, access points over several blocks are obstructed, which would reduce the usefulness, attractiveness and safety of the park. The commercial buildings proposed on 11<sup>th</sup> Avenue would cut off Hudson River views for many upland sites, reducing the development potential of the area as a whole.

Many of these urban design, circulation and access issues revolve around the deficiencies of the existing Javits Center. If there is a clear justification to expand the Javits Center for the economic growth of the City and for the success of West Side development, then our planning obligation is to do it in such a way as to correct or mitigate past mistakes. We have addressed some of those mistakes in this paper—long blank walls along the river, cutting off access to the river, dead space on 11<sup>th</sup> Avenue with a five-block façade that has no life or animation during the day or night, to name a few features. Are we losing an opportunity now to think more creatively about alternatives for a new convention center? We recommend that serious discussion and scrutiny be given to alternatives put forward by other civic organizations, architects and planners to truly change this facility and to improve the entire plan. These alternative scenarios show how access to the water could be improved through and above the Javits Center; others take a more radical and creative approach by showing how a completely new facility could be located on an east/west, rather than north/south axis, thus improving street circulation, design and waterfront access.

We believe that there is a need and that there is still time to have a full discussion of the potential of these alternatives as we implement the Hudson Yards Plan.

## **Housing and the Hudson Yards Plan**

APA believes that redevelopment of this area should incorporate a mix of market-rate housing and housing affordable to low/moderate income people. Smart-growth planning and implementation means ensuring that a wide range of housing options is available for varying income and demographic groups. Although the plan does provide for the possibility of over 12,000 units of housing, we would like the plan to incorporate greater creativity and flexibility, and additional incentives to encourage development of units affordable to households with a broad range of incomes, and development of many different housing forms (including live/work space). A mixture of residential and commercial uses would serve to create a “walk-to-work” option for potential new residents. As we have stated elsewhere in this paper, the entire plan should provide for greater flexibility in encouraging developers to build housing within all or most of the sub-districts. The prescriptive zoning regulations in the initial plan tend to encourage the big-footprint office building on many sites and may not permit the flexibility that is needed over time to meet diverse housing needs. Recent City Planning Department modifications to the proposed zoning move the plan toward increasing flexibility, but may not go far enough.

The Plan and the draft EIS assumes that developers will continue to use the 80/20 financing mechanism and the Inclusionary Housing Program to create affordable housing units. These existing programs may be the only ones available today, but in the context of this far-reaching Hudson Yards plan the city should seek to incorporate new funding incentives and creative mechanisms to foster development of a diverse community of residents and workers. The entire plan should provide incentives to develop a broad mixture of affordable housing for diverse groups and a wide range of incomes.

## **Transportation and the Hudson Yards Plan**

APA supports the extension of the #7 subway line early in the process of development of the neighborhood. Adequate access is a key to the new district and redevelopment requires new transportation and infrastructure improvements to stimulate private investment. The plan provides for an extension of the #7 subway line from Times Square to a new station adjacent to the proposed new sports/convention center at 34<sup>th</sup> Street and 11<sup>th</sup> Avenue, with another station planned for 41<sup>st</sup> Street and 10<sup>th</sup> Avenue in a later phase. We believe that it is important to ensure that the subway extension takes place, irrespective of the building of the stadium, since this transportation improvement is an important catalyst to the growth of the area. There needs to be more public discussion of the ranking of this project in the MTA list of priorities. Although the Hudson Yards program includes a proposal to fund this important extension without direct reliance on the capital budgets of the City or the MTA, the proposed financing plan involves risks

and trade-offs (discussed elsewhere in this paper) and dedication of valuable MTA assets to the overall program. As such, it should not be evaluated in isolation from other key transportation priorities (e.g., East Side Access improvements and the Second Avenue Subway).

The draft EIS describes a considerable increase in crowding that is likely to occur at Grand Central Station as a consequence of the #7 line extension, but it does not propose effective mitigations or alternatives to remedy this condition. Overall, as others have stated, it seems unfortunate that the #7 extension as proposed does not connect directly Penn Station and Grand Central Station. We believe that comprehensive transportation planning should include further review of innovative options such as light rail to connect east and west, to connect with Penn Station and to link Grand Central and the West Side.

The City has plans to expand the ferry terminal and operations at West 38<sup>th</sup> Street and the Hudson River. An opportunity for better transit and pedestrian connections will be lost, however, if the ferry is isolated from the extended #7 line. We urge City agencies to give attention to making this important transportation linkage.

In terms of long-range planning and the success of the Hudson Yards area, we support RPA's analysis of the need to increase commuter rail connections from New Jersey and west of the Hudson. APA supports the study, and development, of an additional rail tunnel from New Jersey to the West Side of Manhattan.

### **Sustainability, the Environment and the Hudson Yards Plan**

APA would like to raise one urgent concern here. The plan does not adequately encourage or require high-performance, energy-efficient building design, and thereby misses a huge opportunity to advance the state of green building in NYC. The draft EIS mentions some proposed elements of green design, such as the use of building-integrated photovoltaic technology at the Convention Center and utilization of sustainable energy sources in the stadium. However, the goals should be much more ambitious, including the achievement of a LEED (Leadership in Energy and Environmental Design) rating for all major buildings in the area. The City should use this opportunity to move the cause of energy efficiency and the use of sustainable building materials forward in this most comprehensive and significant of rebuilding plans.

### **Financing of the Hudson Yards Program**

The City has proposed a set of innovative and ambitious financing mechanisms to fund the public investment in transportation improvements and other infrastructure necessary to implement the Hudson Yards program. A complete discussion of these complex financing mechanisms is beyond the scope of this paper. However, review of certain financing elements is warranted in the context of planning considerations.

The proposed financing plan is designed to be internally self-funding, and would be administered outside of the City's capital and operating budgets. It would therefore be exempt from review by local elected officials. A new quasi-governmental entity—the Hudson Yards Investment Corporation—would administer the dedicated revenues captured from new development as real estate taxes, Payments in Lieu of Taxes (PILOT), payment for various zoning, density and development incentive bonuses, and the sale of assorted development rights, etc. This dedicated revenue would be used to retire debt incurred to build the #7 subway extension, the decks over the eastern rail yard and various rail cuts, as well as new streets and open space (but not the deck/foundation for the stadium over the western rail yard or the Javits Center, which are funded separately). In many respects, the proposed financing devices are similar to those employed in Tax Increment Financing (TIF) districts, but more complex and on a much larger scale.

The City proposes to use short-term, floating-rate debt funding to pay debt service during the initial period of development when there will be insufficient revenue to meet all long-term debt service obligations. This mechanism has potentially positive and negative effects; it allows Hudson Yards infrastructure to be financed without directly competing with other capital budget priorities. However, the use of short-term debt adds more than \$1 billion to the program cost according to estimates by the New York City Independent Budget Office (IBO). It also introduces a degree of risk into the financing.

Repayment of short-term debt would be secured by the City's Transitional Finance Authority, and in turn by city income tax revenue. If the infrastructure development incurs cost overruns, or if the development in Hudson Yards is slower than anticipated, this security arrangement could trigger the use of income tax revenue (normally used for the City operating budget) to pay debt service costs. The IBO points out that the City operating budget could be affected, even though, according to the Administration, City Council action is not required to approve the debt security arrangement.

The IBO and others have expressed concern that the financing structure is fragile in that it depends on relatively rapid development of high-density commercial space to pay for infrastructure costs. This risk could be mitigated by pursuing an incremental development strategy for Hudson Yards, or by allowing additional flexibility in the types of development (housing vs. commercial) that could be built in the early years of program implementation. The incremental approach may involve postponing development of certain infrastructure elements until such time as there is greater certainty concerning demand for the development sites in the area. These questions are not directly addressed during the current ULURP hearings, in part because City Council action would not be required to approve the proposed financing structure.

The participation and funding of various State agencies, including the Battery Park City Authority (BPCA), would be necessary to initiate the Javits Center expansion and construction of the stadium. The actions of these State agencies are not typically subject to the city's ULURP. This is another example of the fragmented review and approval

process that renders a comprehensive, integrated analysis of the many facets of the Hudson Yards program so difficult.

The proposed use of BPCA funds for the expansion of the Javits Center is controversial among elements of the planning profession. Old agreements between various City and State agencies called for dedication of approximately \$1 billion of net revenue from BPCA to affordable housing uses. However, according the IBO, much of this money was used instead to supplement the City's general operating budget over the years. Recent proposals to fund renovation of the Javits Convention Center call for use of BPCA's currently available reserves and revenues. Further public discussion of these proposals is warranted.

As planners, we recognize that the nature and timing of development activities, incentive structures and zoning features of the Hudson Yards program cannot be altered without affecting the carefully crafted financing structure necessary to fund the associated public improvements. In order to bring greater coherence to analysis of the proposed Hudson Yards program, and alternative development scenarios, Metro APA calls on the City and State to continue disclosing the information and assumptions needed for a unified review of all elements of the City and State financing proposals, and the associated risks and benefits. This includes, among other things:

- Proposed uses of Battery Park City Authority funds
- Proposed debt security arrangements that could result in the obligation of City capital or operating budget funds to pay debt service
- Zoning and development incentive bonus structures
- The nature and timing of projected public investment in the New York Sports and Convention facility and expansion of the Javits Center
- Projections for significant net income to the City that would accrue in the latter years of the program as debt is retired.
- Feasibility and economic impact of infrastructure improvements as adjusted for all redevelopment scenarios

### **Conclusion**

The NY Metro Chapter of the American Planning Association offers all of these comments with the hope that the redevelopment plans for Hudson Yards continue to be the subject of full debate with maximum public participation. This worthy public initiative can become even better. We stand ready to work with all public agencies and stakeholders towards that goal.