

**MINUTES OF THE MEETING  
OF THE BOARD OF DIRECTORS  
OF  
PUBLIC REALM IMPROVEMENT FUND GOVERNING GROUP, INC.**  
*April 29, 2021*

The Meeting of the Members and Directors of the East Midtown Public Realm Improvement Fund Governing Group was held at 11:20 a.m. on April 29, 2021 via video teleconference.

Public notice of this meeting was given in accordance with the Open Meetings Law.

The meeting was chaired by Council Member Powers, Vice-Chairperson of the Governing Group, on behalf of Deputy Mayor Been, Chairperson of the Governing Group.

The following Members were present:

- Hon. Keith Powers, Council Member for District 4
- Hon. Gale Brewer, Manhattan Borough President
- Dan Garodnick, Designee of Speaker of the Council
- Sandy McKee, Member and Designee of Manhattan Community Board Six
- Susan Chin, Representative of the Design Trust for Public Space

The following Members acted by proxy:

- Vicki Been, Deputy Mayor of Housing and Economic Development
- Marisa Lago, Director of the NYC Department of City Planning
- Rachel Loeb, President of the NYC Economic Development Corporation
- Jacques Jiha, Director of the NYC Office of Management and Budget
- Henry B. Gutman, Commissioner of the NYC Department of Transportation
- Mitchell Silver, Commissioner of the NYC Department of Parks and Recreation
- Jamie Torres-Springer, Commissioner of the NYC Department of Design & Construction
- Vikki Barbero, Member and Designee of Manhattan Community Board Five

The following Directors and Alternate Directors were present:

- Hon. Keith Powers, Council Member for District 4
- Hon. Gale Brewer, Manhattan Borough President
- Dan Garodnick, Designee of the Speaker of the Council
- Layla Law-Gisiko, Member and Alternate Director of Manhattan Community Board Five
- Sandy McKee, Member and Alternate Director of Manhattan Community Board Six
- Susan Chin, Representative of the Design Trust for Public Space
- Pedram Mahdavi, Alternate Director for Deputy Mayor of Housing and Economic Development
- Bob Tuttle, Alternate Director for the Director of the Department of City Planning

- Fred D'Ascoli, Alternate Director of the President of the Economic Development Corporation
- Sallina Yung, Alternate Director for the Director of the Office of Management and Budget
- Ed Pincar, Alternate Director for the Department of Transportation
- Nicholas Molinari, Alternate Director for the Commissioner of the Department of Parks and Recreation
- Jessica Mathew, Alternate Director for the Commissioner of the NYC Department of Design & Construction

The Meeting of Members commenced, a quorum being present.

1. **Directors and Alternate Directors:** It was announced that elections were in order to elect alternate directors of the Corporation. There were no questions or comments. Upon a motion made and unanimously carried, a resolution was adopted for the membership sections at issue to elect the following alternate directors.

<b>Member</b>	<b>Alternate Director</b>
Henry B. Gutman	Ed Pincar
Rachel Loeb	Fred D'Ascoli
Jamie Torres Springer	Jessica Mathew
Vikki Barbero	Layla Law-Gisiko

The Meeting of Directors commenced, a quorum being present.

1. **Adoption of Meeting Minutes:** It was announced that adoption of the meeting minutes from the Meeting of Members and Directors, held on December 14, 2020, was in order. There were no questions or comments. Upon a motion made and unanimously carried, the meeting minutes were adopted.
2. **Review and Approval of Annual Budget:** Director D'Ascoli presented the annual budget report to the Governing Group. He noted that the report follows the PAAA requirements and, in line with these requirements, must be filed by May 1, 2021. However, in light of Covid-19, he believed that they may be permitted an extension, but nevertheless wanted to be in compliance with the original date. Director D'Ascoli highlighted that the report contained last year's actuals and the current year's estimate, which is based on nine months worth of actuals and the projection through 2025. He relayed that there was \$800,000 in income in last year's actuals, which was reduced to \$235,000 for FY 2021, and would be estimated to increase marginally over the following four years. He explained that this reflected a decrease in interest rates associated with the investments. He reviewed the types of investments in which the guidelines permit the PRIF to invest, noting that they are all interest rate-sensitive.

Director D'Ascoli noted an increase in expenses from last year's actuals, as EDC had absorbed the cost of the audit fees in FY 2021, and that these are charged to the PRIF moving forward. He also reviewed the banking fees, which increased from FY 2020 to estimated FY

2021, and would increase marginally in the four out-year projections. He noted that for FY 2021 and the four estimated out-years, net income would be in the vicinity of \$200,000.

Director Garodnick asked for confirmation whether the change in revenue from \$797,000 to \$235,000 was strictly based on changes in interest rates, which seemed surprising to him given that interest rates have been low for an extended period already. He asked whether interest rates were actually 75 percent lower in FY 2021. Director D'Ascoli noted that the decrease in income was due to changes in interest rates, which yielded a loss in income for certain portions of the investment portfolio, and that, per the Governing Group's investment guidelines, the investment strategy is conservative.

Director Mahdavi noted that the budget showed no expenditures, but reminded the Governing Group that there are projects under the rezoning that are currently moving forward and using City capital dollars.

There were no further questions or comments. Upon a motion made and unanimously carried, the annual budget for FY 2022 was approved.

- 3. Project Updates:** It was announced that DDC and DOT would present an update on several projects within East Midtown. Director Matthew provided an update on two items: (1) Pershing Square East pedestrian plaza, and (2) the Lexington Avenue Thoroughfare Improvements.

Pershing Square East pedestrian plaza

- Capital budget | \$15M
- Project schedule | Design completion in fall 2020
- Current phase | Preliminary design
- Amenities | Seating, trees and plantings, wayfinding, LinkNYC, bikeshare, lighting
- Additional components | pedestrian security measures, emergency vehicle access

Director Mathew noted that procurement is underway and that they are on track to register the contract this fiscal year for a summer commencement of construction. She emphasized that DDC will coordinate with GCP and other local stakeholders regarding groundbreaking and construction.

Lexington Avenue thoroughfare improvements, between 45th and 57th streets

- Capital budget | \$12.8M
- Current phase | Scoping
- Components | Pedestrian safety improvements

Director Mathew relayed that design-build procurement is underway for the Lexington Avenue thoroughfare improvements resulting in a single, integrated team responsible for project design and build out. This approach will have a three-year total from procurement start to construction completion and eliminates an entire procurement cycle by allowing construction to begin while finalizing design. She noted that contracts are based on

overall value rather than the lowest bidder, which improves timing and costs. Currently, DDC is reviewing qualifications and will establish a short list and issue an RFP in early June. She noted that DDC is hoping for contract registration by the end of the calendar year.

#### 43rd Street shared street, between Lexington and Third avenues

- Capital budget | \$17.7M
- Project schedule | Construction in summer 2023
- Current phase | Preliminary design

Director Pincar reiterated that the 43rd Street shared street was still in interim treatment and that DOT and GCP were working together to develop a permanent design for the space. He noted that a stakeholder meeting would be convened the following week where property owners and businesses could provide their insights and discuss operational needs. He noted that any future design would be closely coordinated with DDC.

Director Garodnick asked about the anticipated timeline and vision for the space, noting that the interim design felt skimpy and less than what many stakeholders had envisioned. Director Pincar noted that the design process for the capital build out had been anticipated to commence in 2020, but that the Covid-19 pandemic had delayed those plans. Additionally, he noted that there had been Con Edison work on the block and scaffolding on the Chrysler building, which complicated their plans and further. Director Pincar noted that, while they were considering some tweaks to the temporary furniture, their focus would be on initiating the capital design as quickly as possible but likely not until 2022. Director Garodnick clarified that in the interim DOT would continue to work with GCP and the local stakeholders to determine needs and priorities for the final design. Director Pincar confirmed.

Director Chin voiced concerns regarding the impacts of the pandemic and the implementation of PRIF projects. She asked if there were opportunities to use public space to encourage people to return to Midtown. Director Pincar noted that DOT had moved forward with an interim treatment on the west side of Lexington Avenue to create a pedestrian extension. DOT hoped to make it a fuller project and would be going to the community boards in the spring or summer of 2021 with that proposal. Director Pincar flagged that if it's a successful initiative, DOT may bring it back to the Governing Group for funding consideration. He noted that it's one of the most important sidewalk corridors in the city and is very narrow. Hon. Director Brewer put forward that DOT should consider putting out a policy white paper on best practices, challenges, and lessons learned from this process. Director Chin concurred.

Director McKee asked what DOT could do to improve the 43rd Street shared street in the intervening months before DOT would return to the Community Board 6 to discuss capital design. She noted that a lot of pedestrians try to utilize the space, but that there's limited seating to accommodate them. Director Pincar reiterated some of the challenges DOT has encountered with the interim treatments and flagged that he'd be happy to speak

with Director McKee about timing. He noted that the sidewalk extension closer to Third Avenue had been largely successful because of the presence of tables and chairs. He further noted that DOT had observed the space and learned a lot about what has worked well and what has not, and that this would inform the capital design.

There being no further questions and the project updates were concluded.

4. **Park Avenue Median Outreach Summary:** Director Pincar provided an overview on the results of their online stakeholder survey regarding the Park Avenue Median project. He provided a brief overview of the original project and noted that the project would be closely coordinated with the MNR's train shed rehabilitation. He highlighted that the first block to be rehabilitated and upgraded would be between 47th and 48th streets, as a result of the redevelopment of 270 Park Avenue, and that DOT is working closely with the stakeholders along that block.

Director Pincar discussed the survey, noting that they used an online public portal to ask the wider community what they would like to see the medians become. He cited examples including returning them to their current state as planters; making them spaces for passive use and providing tables and chairs; and creating a north-south greenway corridor, similar to the Pike and Allen Street malls. He thanked the local elected officials, the Community Boards, and GCP for their help in disseminating information regarding the portal and noted that they received many excellent responses.

Casey Gorrell, with the DOT Pedestrian Unit, provided the results and feedback from the survey. He stated that there were over 1,700 responses, and that the majority of respondents either work in the area or commute through it, followed by subway riders and bike users. The first question was whether respondents supported a redesign of the mall, to which 93 percent said "yes" that they did support it. The preferred option for a redesign was a promenade with bike lanes and a walkable path. He noted that most respondents navigate the area on foot or subway and that very few lived there. Primarily, respondents work, attend social venues, or run errands in the area. He noted that a large percentage of respondents either have personal bikes or use city bike, while smaller percentages navigate the area by taxi, bus, and personal vehicle.

Mr. Gorrell noted the four design options that were provided to respondents: (1) reconstruction in-kind that would replace the medians in their existing condition; (2) expanded medians that would replace the current typology with a wider footprint and no change in use; (3) creation of a median promenade that would restore the medians to their pre-1927 condition; and (4) creation of a median promenade and greenway that would create a median system akin to the Pike and Allen Street malls in Lower Manhattan. He noted that 92 percent of respondents supported redesigning the medians, while three percent weren't in support and four percent were unsure. The preferred design option was the fourth option followed by the third option. He further noted that respondents felt 'very poor to poor' regarding reconstruction in-kind.

Mr. Gorrell discussed the results of the question ‘if you could only pick one element on the malls, what would it be?’ The options included walkable paths, bike lanes, tables and chairs, mall-to-mall crossings, and concessions and events. ‘Walkable paths’ was the number one preferred option. Additionally, the overwhelming majority of respondents had very positive responses to these various design elements. Seventy-eight percent of respondents wanted to see art on the medians, while a large contingent expressed a desire for movable furniture, and, to a lesser degree, events.

Hon. Director Brewer inquired about the degree to which the survey pulled from the residents on Park Avenue and the immediate environs, as she noted that they are often very active in reaching out to her. Director Pincar relayed that the survey brought a diversity of opinions that would not have been reflected in an in-person meeting format. He noted that as they continue their outreach with the community boards, they expect some of the preferences expressed to change.

Director Garodnick asked how this project would be achieved in a thoughtful, complete, structured manner, and with a cohesive vision for the malls. He noted that certain stakeholders had sent a letter inquiring about onboarding a landscape architect for this process. He asked if progress had been made on this matter. Director Pincar noted that the challenge is that reconstruction of the malls can only move forward on a block-by-block basis as MNR rehabilitates the train shed below a given block. He noted that MNR wasn’t originally intending to start with the block in front of 270 Park Avenue but changed its plans due to that site’s redevelopment. Therefore, he noted that, in the event that the 47th-48th Street block’s median was reconstructed with a walkable path, it would not be connected to the blocks north and south. Director Pincar flagged that there are ongoing discussions between DOT, NYPD, and other agencies about the long-term vision, and that DOT Commissioner Gutman has been briefed on the project and is very excited. Director Pincar further added that DOT has been discussing the landscape architect issue but flagged that there may be budget restrictions. Director Garodnick clarified that his concerns were over the absence of an overall vision, concept, and plan and that the final design would be tantamount to design by committee. Director Chin also noted that this would be an ideal juncture for a vision and reiterated the question of whether Governing Group funds could be used to hire a landscape architect. Director Mahdavi discussed the complexity of using funds and said that a determination regarding whether or not the Zoning Resolution would need to be amended in order to allow for funds to be used for this purpose was underway. He noted that if it were the case that the zoning would need to be changed, this process could take over a year. Director Chin inquired as to whether funding could be tied to a preliminary study for the 47th-48th Street block’s reconstruction. Director Mahdavi replied that that may be possible, but OMB would need to opine. Director Law-Gisiko noted that MTA has a line item in their budget for train shed reconstruction, and asked if there would be any way to connect those funds to the redesign of the malls. Douglas Adams, a representative from Deputy Mayor Been’s office, clarified that MNR’s budget does include funding for the design of the block between 47th and 48th streets, and that City Hall is working with MNR to advance those discussions. He relayed that they have a standing weekly meeting with MNR and are coordinating very effectively with them, and that there would be opportunity for the Governing Group to provide input. Director Garodnick asked what the minimum capital

allocation would be for a PRIF expenditure on the median project that would allow for the hiring of a landscape architect. Director Yung clarified that this figure would be \$50,000. Director Gardonick asked about the mechanics of tying a minimum expenditure to a landscape architect. Director Yung noted that OMB could explore this approach. Director Garodnick emphasized that the goal would be to determine whether the Governing Group would need to make a de minimis capital allocation to the Park Avenue medians project, or if funds could be used outright for the hiring of the landscape architect. He inquired as to whether a motion would need to be made in order to have this discussed and investigated prior to the next Governing Group meeting. Mr. Adams noted that MNR may ask the City for a capital contribution and that the design work could be associated with that. OMB noted that more discussion would be needed, and that they would discuss with their Counsel's Office.

Director Chin and Director Garodnick wanted to know more detail about the restrictions placed on spending and allocating PRIF monies. Director Mahdavi noted that there would be two important topics to discuss and report back on at the next Governing Group meeting: (1) how to bring on board the landscape architect for the Park Avenue medians project, and (2) whether a zoning text amendment would be needed to add flexibility to how the PRIF spends its monies, particularly with note to preliminary studies associated with future capital projects and the use of funds raised by interest. He noted that the Deputy Mayor's Office would explore whether MNR would be open to paying for the landscape architect as well. Director Chin noted that a text amendment may not be needed, and that she wanted to further explore the limits of what the PRIF monies could be spent on. Director Garodnick added that he wanted to better understand whether the restrictions were legal or matter of policy, and whether there was any room for a different interpretation.

Hon. Director Brewer raised the point that the Fund for Park Avenue Malls and groups of residents do not like bicycles and may be prepared to take legal action over a Park Avenue proposal. She noted that they are litigious and do not typically show up at community board meetings, and inquired as to what the City's strategy would be either for engaging with them or anticipating possible legal action. Director Chin noted that part of the strategy would be to have a strong community relations plan and to show these specific groups and demographics how beautiful the future design will be, in order to create buy-in. Director Pincar noted that DOT would have a very ground-up outreach process. Hon. Director Brewer emphasized that these groups do not attend Community Board meetings and have limited interest in doing so. She noted that outreach with them may be productive but would require a different strategy than is typically employed. Director Pincar believed that these groups had been reached with the online portal and are generally understanding of the potential for the malls to be expanded. He said that he would confirm as to whether the groups had signed on to the letter from the previous year. Director Law-Gisiko and Director McKee noted that Community Board 5 and Community Board 6, respectively, would be eager to collaborate with DOT and welcome these groups into the outreach process.

There being no further questions, the presentation regarding Park Avenue median outreach was concluded.

5. **Business Improvement District Update:** Mr. Cerullo and Mr. Byrnes provided an update from the local BIDs, particularly with regard to the Park Avenue medians proposal. Mr. Cerullo thanked the Governing Group on behalf of the GCP for having these conversations around the future of the malls. He recognized that all stakeholders want to see this initiative executed in a way that continues to provide an iconic centerline befitting Park Avenue. He emphasized that the most immediate and pressing need was to engage a landscape architect and implored the Governing Group and City to use whatever means they could. Mr Cerullo noted that the BID would be happy to assist. He believed that a strong vision for the malls would be a key during a post-Covid return and would provide hope. He stated that it would be critical to be able to visually relay and communicate this vision during the outreach. He reiterated GCP's commitment to shepherding all stakeholders to the table to help facilitate the design, visioning, and outreach process. He noted that they're generally seeing more people return to the neighborhood, approximately twice the amount that they were seeing in January and February. He relayed that they're re-planting the 43rd Street shared street and will be tweaking the interim treatments.

Director Mahdavi asked whether businesses are re-opening in the area and how they're faring. Mr. Cerullo relayed that GCP is keeping track of vacancy and occupancy rates, and that the partnership has about 900 brick and mortar businesses, 750 of which are currently occupied and 150 of which are currently vacant. He noted that this vacancy rate was about 50% higher than before Covid-19 and that GCP had lost a number of businesses in the neighborhood.

There were no further questions and the update was concluded.

6. **Adjournment:** There being no further business to come before the meeting, the meeting of the Board of Directors was adjourned at 12:27 p.m.

## COMMON ABBREVIATIONS

**ABO** | NYS Authorities Budget Office  
**BID** | business improvement district  
**CPC** | NYC City Planning Commission  
**DCP** | NYC Department of City Planning  
**DDC** | NYC Department of Design and Construction  
**DEP** | NYC Department of Environmental Protection  
**DOB** | NYC Department of Buildings  
**EMP** | East Midtown Partnership BID  
**FDNY** | Fire Department of the City of New York  
**GCP** | Grand Central Partnership BID  
**LIRR** | Long Island Rail Road  
**MNR** | Metro-North Railroad  
**MTA** | Metropolitan Transportation Authority  
**NYCEDC** | NYC Economic Development Corporation  
**NYCT** | New York City Transit  
**NYPD** | NYC Police Department  
**OMB** | NYC Office of Management and Budget  
**PAAA** | Public Authorities Accountability Act  
**PDC** | Public Design Commission  
**POPS** | Privately owned public space  
**PRIF** | Public Realm Improvement Fund  
**ULURP** | Uniform Land Use Review Procedure