



January 29, 2024

Via E-mail and Certified Mail Return Receipt Requested

Thomas P. DiNapoli
New York State Comptroller
Office of the State Comptroller
110 State Street
Albany, New York 12236

Hon. Carl E. Heastie
Speaker
New York State Assembly
Legislative Office Building, Room 932
Albany, New York 12248

Hon. Jeanette M. Moy
Commissioner
New York State
Office of General Services
41st Floor, Corning Tower
Empire State Plaza
Albany, New York 12242

Mr. Blake Washington
Director
New York State Division of Budget
State Capitol
Albany, New York 12225

Hon. Andrea Stewart-Cousins
President Pro Tempore & Majority Leader
Room 907, Legislative Office Building
Albany, New York 12247

Mr. Jeffrey Pearlman
Director of the NYS
Authorities Budget Office
240 State Street
P.O. Box 2076
Albany, New York 12220-0076

**RE: 90-Day Notice Letter Under the Public Authorities Law §2897(6)(d)
New York Convention Center Development Corporation, subsidiary of
New York State Urban Development Corporation d/b/a Empire State Development
Jacob K. Javits Convention Center – Grant of Certain Easement and Restriction to The
City of New York**

Dear Sir or Madam:

This explanatory statement is given pursuant to Public Authorities Law §2897(6)(d) on behalf of New York Convention Center Development Corporation (“**CCDC**”), a subsidiary of the New York State Urban Development Corporation d/b/a Empire State Development (“**ESD**”), regarding the proposed grant of a light and air easement and restrictive declaration to the City of New York (“City”) in order to facilitate the construction of a mixed-used development on City-owned property adjacent to the recently-completed expansion project at the Jacob K. Javits Convention Center (“Javits”).

Background

The City of New York (“NYC”) owns vacant and undeveloped real property located at 495 11th Avenue (on the southwest corner of 40th Street and 11th Avenue; Manhattan Tax Block 685, Lot 38; the “City Premises”). On its western border, the City Premises are directly contiguous with CCDC’s

recently completed Javits Expansion Project. *See* map attached as Exhibit A. The footprint of the City Premises totals approximately 24,690 square feet (125 feet east-west by 197 feet 6 inches north-south). The City plans to develop the City Premises, inclusive of a convention center hotel and affordable and supportive housing, and has conditionally designated a private developer to undertake the development. The City seeks the below-referenced light and air easement and access rights from CCDC in order to accommodate such proposed development. The current development plan for the City Premises proposes two towers over a multi-story podium. Proposed uses include permanently affordable residential units, office, retail, a police garage and an up to 755 key convention center hotel.

Specifically, the City seeks from CCDC: (1) a light and air easement west of the City Premises beginning at or above the highest point of the Javits Expansion Project's new Truck Marshalling Facility, (the "Easement"), with the horizontal dimensions of the Easement measuring 60 feet in depth and 197.5 feet in width; and (2) a declaration that CCDC will not develop a 30-foot at-grade portion of the former 39th Street south of the City Premises (the "Restriction"). Currently, CCDC owns the proposed Easement area and controls, pursuant to legislation, the proposed Restriction area.

Pursuant to the Easement, CCDC would commit not to build in the easterly-most 60-by-197 foot 6 inch area above the current highest point of the Truck Marshalling Facility (including the roof of Javits Greenhouse, which is located on the roof of the Truck Marshalling Facility). This would still leave the westerly-most 615 feet (91%) of the Truck Marshalling Facility's total 675-foot east-west length free for CCDC overbuild if future circumstances warrant.

Pursuant to the Restriction, CCDC would commit not to build in a 30-by-125 foot area at grade directly south of the City Premises, an area which is currently (and expected in the future to remain) undeveloped. The Developer of the City Premises would be allowed to use this Restriction space only for access to the proposed development and for an open space plaza available to the public, CCDC, and CCOC.

If the hotel is not completed by a date to be agreed between CCDC, the City, and the Developer, the Easement and the Restriction will automatically terminate. On January 24, 2024, the CCDC Directors approved granting the Easement and Restriction to the City, subject to certain conditions including that the City's designated developer consult and coordinate with CCDC and the New York Convention Center Operating Center (CCOC) regarding construction and undertaking efforts to avoid impacts to the operation of Javits.

Under these circumstances, Public Authorities Law Section 2897(7)(b) requires disclosure of the following information:

1. Description of the parties involved in the property transaction:

CCDC owns the proposed Easement area (described below) and controls, pursuant to legislation, the proposed Restriction area. CCDC would grant both the Easement and Restriction to the City to facilitate the construction of a mixed-used development on adjacent City-owned property.

2. Justification for disposing of property by negotiation:

First, the grantee/transferee the City of New York is a municipal corporation and a governmental entity under the laws of the State of New York.

Moreover, Section 2 of the UDC Act notes that ESD was created “to promote the sound growth and development of our municipalities” through, among other things, redevelopment of underutilized or vacant properties, including through “the undertaking of ... private improvement programs related thereto”. The proposed Easement and Restriction will further these corporate statutory goals by assisting in the development of an underutilized site proximate to both West 42nd Street and Hudson Yards, thereby creating employment opportunity and enhancing the tax base. Further, pursuant to Section 1 of CCDC’s 1979 enabling legislation, CCDC exists (for among other reasons) to renovate and expand Javits “including the development of one or more hotels adjacent to the expanded facility” which is deemed to be “advantageous to the economy of the city and state of New York and is in the public interest”. The Easement and Restriction will contribute to the development of hotel accommodations, as well as affordable housing, adjacent to the recent Javits expansion. Therefore, the purpose of the proposed dispositions is consistent with the purpose, mission and governing statute of both ESD and CCDC.

No entity beyond an immediately contiguous adjoining land owner could utilize, or find value in, the proposed Easement or Restriction, and NYC is the only such adjoining landowner. Therefore, no competition is feasible under the circumstances.

The purpose of the transfer is to assist the City in the development of underutilized property, which will result in benefits to the public, including increased employment opportunities, increased residential housing opportunities; and an enhanced tax base. Further, a convention center hotel adjacent to Javits will provide to Javits and to the public the benefits as set forth in the CCDC enabling legislation quoted above. Hence, both proposed transfers are in furtherance of the corporate mission of CCDC and its parent entity ESD.

3. Identification of property, including its location:

The Easement area is located west of the City Premises beginning at or above the highest point of the Javits Expansion Project’s new Truck Marshalling Facility. The Restriction area is a 30-foot at-grade portion of the former 39th Street south of the City Premises. *See Exhibit A.*

4. Estimated fair market value of the property:

The appraised fair market value of the Easement is approximately \$500,000. The appraised value of the Restriction is nominal.

5. Proposed sale price of the property:

CCDC would grant the Easement and the Restriction to the City without compensation as an accommodation to assist in the development of the City Premises. However, CCDC would receive the public benefits described herein. The Easement and Restriction would be executed by CCDC and the City, not a private party. However, the City’s designated developer would benefit from the Easement and the Restriction.

6. Size of the property:

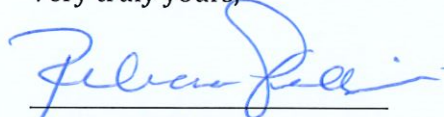
The Easement area is an approximately 60-by-197 foot 6 inch area above the current highest point of the Javits Truck Marshalling Facility. The Restriction area is a 30-by-125 foot area at grade directly south of the City Premises. See Exhibit A.

7. Expected date of sale of property:

CCDC anticipates granting the Easement and Restriction in May 2024, after the expiration of the required 90-day period hereunder.

Thank you for your consideration in this matter.

Very truly yours,

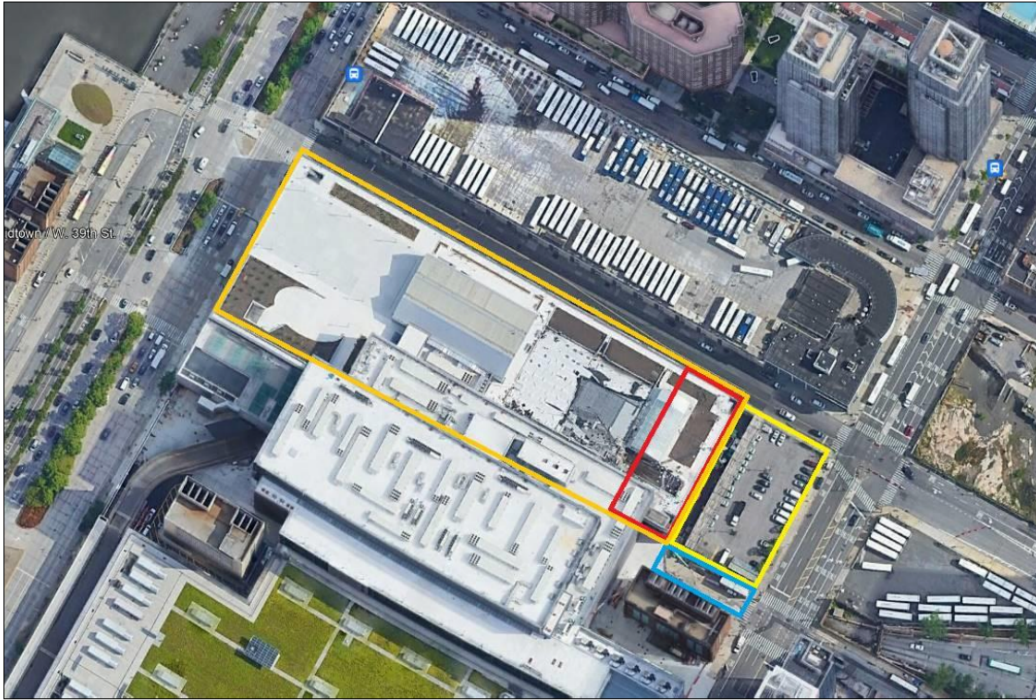






Rebecca Pellegrini

President

New York Convention Center Development Corp.

Attachment A



	Receiver Site – 495 11 th Avenue		Proposed Light and Easement Area
	Truck Marshalling Building – 608 West 40 th Street		Proposed Permanent Easement Area