STATE OF NEW YORK

5706--A

2011-2012 Regular Sessions

IN SENATE

June 10, 2011

Introduced by COMMITTEE ON RULES -- read twice and ordered printed, and when printed to be committed to the Committee on Rules -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to authorize the city of New York to discontinue certain land as parkland and alienate such land for purposes of such consolidation project, in accordance with and subject to a memorandum of understanding; and to amend chapter 345 of the laws of 1968, relating to establishing a United Nations development district, in relation to an additional reuse project and a consolidation project for the United Nations; and providing for the repeal of such provisions upon expira-·tion thereof

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Notwithstanding any provision of law to the contrary, the city of New York is hereby authorized to discontinue the use as parkland of the land described as follows, and to use such land or sell, lease or otherwise transfer such land and interests therein to the United Nations development corporation for such purposes as are consistent with the provisions of chapter 345 of the laws of 1968, as amended:

An area in the borough of Manhattan, city of New York, bounded on the west by the east side of United Nations Plaza (First Avenue); on the south by the north side of Forty-first Street; on the north by the south 10 side of Forty-second Street; and on the east by a line that begins on 11 the north side of Forty-first Street, is located one hundred forty-six feet seven eighths inches east of and parallel to United Nations Plaza

(First Avenue) and runs north for a distance of one hundred ninety-seven

14 feet six inches, ending at the south side of Forty-second Street, such

15 area being sixty-six hundredths and twenty-three ten thousandths of an

16 acre (.6623 acres).

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EXPLANATION -- Matter in italics (underscored) is new; matter in brackets [-] is old law to be omitted.

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§ 2. The authorization contained in section one of this act shall take effect only (a) upon the condition that a memorandum of understanding is completed and signed by the mayor of the city of New York, the temporary president of the senate, and the speaker of the assembly, after consultation with the members of the senate, the assembly and the city council of the city of New York representing the area in which the parkland described in section one of this act is located, which memorandum of 7 understanding shall, among other matters: (i) identify the extent of, the sources for and the procedures applicable to funding for parkland 10 and other recreational space in the borough of Manhattan to replace the parkland described in section one of this act; (ii) provide for the city of New York to designate and map parkland in the borough of Manhattan 13 that will, in conjunction with parkland that the city of New York so designates and maps pursuant to section three of this act, have a fair 15 market value in the aggregate of no less than the fair market value of the parkland described in section one of this act; (iii) provide for the 17 city of New York to take possession of the area within the borough of 18 Manhattan, city of New York, known as the ConEd Waterside Pier between Thirty-eighth and Forty-first Streets, for the prior user of said area to make a payment for the structural rehabilitation of said area and for 21 the city of New York to commence said rehabilitation after such payment 22 is made; and (iv) provide for a portion of amounts available to the city of New York in the future in the event of an ownership transfer by sale or otherwise or a refinancing involving the existing buildings at One and Two United Nations Plaza (First Avenue) in the borough of Manhattan, city of New York, to be dedicated toward the costs of a continuous walk-27 way and bike path along the East River or the costs of other parkland in the borough of Manhattan; and (b) upon the further condition that the city of New York satisfies the obligations as described in such memoranunderstanding as being required to be satisfied prior to the alienation of the parkland described in section one of this act. The authorization contained in section one of this act shall be negated if the city of New York fails to satisfy such obligations described in such memorandum of understanding as being required to be satisfied prior to alienation of the parkland described in section one of this act. Any 36 obligations of the city of New York set forth in such memorandum of understanding and not described therein as being required to be satisfied prior to the alienation of the parkland described in section one of 39 this act, shall, to the extent stated in such memorandum of understandsurvive such alienation and be enforceable against the city of New 41 York with the same effect as if included in this act. Persons described in such memorandum of understanding as having standing to pursue equitable remedies against the city of New York to enforce any obligation that the city of New York may be required to satisfy as described in such memorandum of understanding shall have standing to pursue such equitable remedies. The preceding two sentences shall not limit any other remedies that may be available as provided in such memorandum of understanding. § 3. Notwithstanding anything to the contrary contained in any gener-48 49 al, special or local law, including the New York city charter and administrative code of the city of New York, and provided that the memorandum of understanding is completed and signed as provided in section two of this act, and provided further that the city of New York has satisfied the obligations as described in such memorandum of understanding as being required to be satisfied prior to the provisions of this section three being effective, the city of New York, acting by its mayor alone, or his or her designee, is hereby authorized and empowered to take such

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administrative and other actions as are necessary or desirable, all of which shall be deemed ministerial, to demap, discontinue and close as part of public streets of the city of New York, located in the borough of Manhattan, the following area of approximately sixty-two hundredths and sixty-seven ten thousandths of an acre (.6267 acres), located in the borough of Manhattan, city of New York, for purposes of designating and 7 mapping such area as parkland, such administrative and other actions being also authorized for such designation and mapping as parkland: Beginning at the northwest corner of the intersection of East Twenty-10 third Street and Asser Levy Place, as those streets were heretofore laid out on the map of the city of New York, thence running approximately sixty feet in an easterly direction along the southerly line of Asser Levy Place to a point, thence running approximately four hundred fiftyfive feet in a northerly direction, said course forming a deflection 15 angle to the left with the previous course of ninety degrees, no minutes and no seconds, thence running approximately sixty feet in a westerly direction, said course forming a deflection angle to the left with the previous course of ninety degrees, no minutes and no seconds, thence running approximately four hundred fifty-five feet in a southerly direction, said course forming a deflection angle to the left of ninety 21 degrees, no minutes and no seconds to the place or point of beginning. 22

§ 4. Section 1 of chapter 345 of the laws of 1968, relating to establishing a United Nations development district, is amended by adding five new subdivisions 10-a, 13, 13-b, 14 and 15 to read as follows:

10-a. "Further development plan at 42nd Street." A development plan for the United Nations 42nd Street consolidation area, including improvements within said area and any improvements incidental thereto outside said area.

13. "Reuse project." The initial reuse project and the additional reuse project described in subdivisions thirteen-a and thirteen-b, respectively, of section one of this chapter.

"Additional reuse project." The acquisition of land, easement and other rights within or appurtenant to the area in the borough of Manhattan, city of New York, described in this subdivision, and the maintenance, repair, operation, alteration and renovation, from time to time, of improvements located on such land, exclusively for use by the United Nations, including its organs, subsidiary bodies and specialized and other agencies and members of the public visiting United Nations headquarters in the city of New York. The area referred to above is bounded and described as follows: Beginning at the northwest corner of Forty-fifth Street and United Nations Plaza (First Avenue), running thence westerly along Forty-fifth Street a distance of one hundred feet, running thence northerly, parallel to United Nations Plaza (First Avenue), a distance of eighty feet five inches, running thence easterly, parallel to Forty-fifth Street, a distance of twenty feet, running thence southerly, parallel to United Nations Plaza (First Avenue), a distance of forty feet, running thence easterly, parallel to Forty-fifth Street, a distance of eighty feet, and running thence southerly along United Nations Plaza (First Avenue) a distance of forty feet five inches to the place or point of beginning. Provided that the memorandum of understanding is completed and signed as provided in section two of the chapter of the laws of 2011 that added this subdivision and provided further that the city of New York shall have satisfied the obligations as described in such memorandum of understanding as being required to be satisfied prior to the corporation undertaking the additional reuse

project, the additional reuse project and the site thereof shall for all

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purposes be deemed to be located within the district and be deemed also to be a project as defined in this chapter and shall, except for any new construction or any increase in the height or floor area of any previously constructed building, be deemed for all purposes to be part of and to conform to a development plan for a portion of the district, which has been formulated, reviewed and approved in accordance with section seven of this chapter.

14. "United Nations 42nd Street Consolidation Project." The acquisition by lease or otherwise from the city of New York and other parties, 9 10 if any, of land, easement and other rights within the United Nations 42nd Street consolidation area, and associated property interests 11 related thereto, and from time to time thereafter, the construction, 12 alteration, renovation and rebuilding, and the ownership or operation, 13 including repair and maintenance, of office space and related facilities, a tunnel (to provide secure passage from and to United Nations permanent headquarters), and space and facilities related to the forego-16 ing, exclusively for use by the United Nations, including its organs, 17 subsidiary bodies and specialized and other agencies; the construction 19 within, and improvement, alteration, use and operation of, below but not 20 above-grade volumes of space, after the same are demapped, discontinued 21 and closed as part of public streets of the city of New York, located in 22 the borough of Manhattan east of United Nations Plaza (First Avenue) below Forty-second Street or below the roadway of the Franklin D. 23 Roosevelt (East River) drive, for purposes of such tunnel; the creation, 24 improvement, alteration and renovation of space, facilities and improve-26 ments within or outside the United Nations 42nd Street consolidation 27 area to the extent incidental to such office space and tunnel; and the 28 corporation's cooperation with and assistance to the city of New York concerning planning for, and the corporation's payment of costs of, parkland replacement to compensate for discontinuing the use as parkland 31 of a portion of Robert Moses Playground in the borough of Manhattan for purposes of the United Nations 42nd Street consolidation project. Provided that the memorandum of understanding is completed and signed as 34 provided in section two of the chapter of the laws of 2011 that added 35 this subdivision, the land, buildings and other improvements included in or otherwise part of the United Nations 42nd Street consolidation project shall for all purposes be deemed to be located within the 37 district and be deemed also to be part of a project as defined in this 38 39 chapter.

15. "City council." The city council of the city of New York.

§ 4-a. Subdivisions 10 and 13-a of section 1 of chapter 345 laws of 1968, relating to establishing a United Nations development district, subdivision 13-a as added by chapter 34 of the laws of 1993, are amended to read as follows:

10. "Development plan." A plan or plans, including a further development plan at 42nd Street, and including any supplements, additions or amendments to such plan or plans, for the development of all or part of the district which shall include but shall not be limited to: A statement of proposed land uses; proposed land acquisition, demolition and removal of structures; proposed acquisition of air rights and concomitant easements or other rights of user necessary for the use and development of such air rights; proposed public, semi-public, private or community facilities or utilities, with a site plan and drawings therefor; a statement as to the relationship between the development plan and 55 a comprehensive plan for the development of the municipality as a whole; 56 a statement as to proposed new codes and ordinances and amendments to

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existing codes and ordinances as are required or necessary to effectuate the plan or plans; a proposed time schedule for the effectuation of such plan or plans, and such additional statements or documentation as the corporation may deem appropriate.

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13-a. [Reuse] "Initial reuse project." The acquisition and alteration, 6 renovation or rebuilding, from time to time, without any increase in the 7 any previously constructed building and without any construction on any vacant land, of real property consisting of any previously constructed commercial building or buildings, or any portion 10 thereof, and the land and associated property interests related thereto, primarily for use by the United Nations, including its organs, iary bodies and specialized and other agencies, provided that: any such 12 acquisition shall occur before December 31, 1998; such building or 13 buildings shall be located at 633 Third Avenue, 685 Third Avenue or 845 United Nations Plaza in the borough of Manhattan, city of New York; not more than eight hundred thousand square feet of floor area shall be acquired if such floor area is located in more than one of such buildings; and the corporation shall not transfer any unused development rights from any of such buildings or add to any of such buildings any unused development rights from any other property. The reuse project shall for all purposes be deemed to be located within the district and be deemed also to be a project and to be part of and to conform to a 23 development plan for a portion of the district, which has been formu-24 lated, reviewed and approved in accordance with section seven of this 25 chapter.

§ 5. Chapter 345 of the laws of 1968, relating to establishing a United Nations development district, is amended by adding a new section 3-a to read as follows:

Establishment of United Nations 42nd Street consolidation The following area lying south of the permanent headquarters of the United Nations, in the borough of Manhattan, city of New York, and bounded and described as follows, is hereby designated as the "United Nations 42nd Street consolidation area": Beginning at the northeast corner of United Nations Plaza (First Avenue) and Forty-first Street, running easterly along the northerly side of Forty-first Street a distance of three hundred five feet seven eighths inches, running thence northerly, parallel to United Nations Plaza (First Avenue), a distance of one hundred sixty-eight feet, running thence westerly, parallel to Forty-first Street, a distance of one hundred fifty-nine feet, running thence northerly, parallel to United Nations Plaza (First Avenue), a distance of twenty-nine feet six inches, running thence westerly, along the southerly side of Forty-second Street, a distance of one hundred forty-six feet seven eighths inches, and running thence southerly, along the easterly side of United Nations Plaza (First Avenue), a distance of one hundred ninety-seven feet six inches, to the point or place of beginning. Provided that the memorandum of understanding is completed and signed as provided in section two of the chapter of the laws of 2011 that added this section, the land included in the United Nations 42nd Street consolidation area shall for all purposes be deemed to be located within the district.

51 § 6. Section 6 of chapter 345 of the laws of 1968, relating to estab-52 lishing a United Nations development district, subdivision 3 as amended 53 by chapter 623 of the laws of 1971, is amended to read as follows:

§ 6. Powers and duties of corporation. The powers and duties of the corporation shall be:

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(1) to undertake surveys of the present and anticipated need: for [locations for missions,] office space, meeting facilities, [and] housing and recreational facilities [for] and other facilities for the United Nations, delegations and delegates to the United Nations, personnel of delegations to the United Nations, and members of the United Nations staff; for office space, auditorium and meeting facilities for related nongovernmental organizations; for hotel accommodations for visiting heads of state and other dignitaries; for bus terminals, dining facilities, and other facilities for visiting persons and groups[7]; for parking[7]; and for housing, commercial, industrial and other facilities necessary or appropriate to carry out the purposes of this chapter,

- (2) subject to the approval of the [board of estimate and the] commission and the city council as hereinafter provided, to formulate a development plan or plans [including supplements, additions and amendments thereto,] in accordance with the foregoing present and anticipated needs, with provision for relocation of individuals and commercial establishments outside or within the district,
- (3) [to undertake or cause its subsidiary corporation or corporations] to undertake, or otherwise to have undertaken on behalf of the corporation, the execution of a development plan or of a portion thereof, and the financing, acquisition, construction, rehabilitation, improvement, operation and management of any project or portion thereof, including attendant relocation facilities, provided however, that all contracts let by the corporation [or by a subsidiary (rather than a sponsor or a person, firm or corporation acting as sponsor in lieu of the corporation or its subsidiaries) for the erection, construction, or alteration of buildings shall be let in conformity with the provisions of section one hundred thirty-five of the state finance law, except that provisions shall not be applied to restrict the corporation's pre-qualification of bidders for purposes of the United Nations 42nd Street consolidation project, and provided further that execution of a further development plan at 42nd Street may not proceed unless and until the approval thereof by the commission and the city council as hereinafter provided and unless and until the memorandum of understanding referred to in section two of the chapter of the laws of 2011 amending this section has been completed and signed as provided in that section.
- [44] when, in the opinion of the board of directors, it would be more appropriate or convenient to have the execution of a particular development plan or portion thereof undertaken by a sponsor rather than by the corporation or one or more of its subsidiaries, to select a proposed sponsor or sponsors financially responsible and otherwise qualified by experience and training to undertake the execution of the development plan and to relocate residents and businesses to be displaced thereby,
- (5) to advise and generally supervise such sponsor or sponsors or successors thereto in connection with such relocation and development,
- (6) with the approval of the board of estimate, (a) to enter into agreements with a qualified sponsor or sponsors for the implementation and execution of all or a portion of a development plan, or, (b) where such implementation and execution is to be undertaken by the corporation or one or more of its subsidiaries, to enter into agreements for the implementation and execution of such development plan or portion thereof with persons, firms or corporations acting as sponsors in lieu of the corporation or its subsidiaries, and (c) to enter into agreements amending, modifying or superseding such agreements, and
- $\frac{(7)}{(4)}$ to furnish advice, technical assistance and liaison with federal, state and city authorities and with users and occupants of the

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facilities to be created within the district with respect to educational, social and cultural activities within the district, and otherwise to foster and encourage greater public knowledge of, and participation in, the activities of the United Nations and affiliated organizations, and

- (5) to provide advice and services with respect to real estate needs and development as requested by the state or city of New York, the United States or the United Nations.
- § 7. Subdivision a of section 7 of chapter 345 of the laws of 1968, relating to establishing a United Nations development district, is amended to read as follows:
- a. The corporation shall prepare or cause to be prepared a development plan for the district, or, if the corporation deems it necessary or advisable that the development of the district or a portion thereof be 15 carried out in stages, development plans for parts or portions 16 district. Any development plan shall include a requirement that relocation benefits be provided to individuals and businesses to be displaced in the course of redevelopment which are at least equal to those for which such individuals and businesses would be eliqible under federal law at the time of their relocation if the development plan were an urban renewal plan.
 - § 7-a. Section 7 of chapter 345 of the laws of 1968, relating to establishing a United Nations development district, is amended by adding two new subdivisions e and f to read as follows:
 - e. The provisions of subdivisions b, c and d of this section shall not apply to any further development plan at 42nd Street or any development plan for any new construction or any increase in the height or floor area of the previously constructed building located on land acquired as part of the additional reuse project or any amendment of any development plan. Any such development plan or amendment shall be subject to review pursuant to section one hundred ninety-seven-c and section one hundred ninety-seven-d of the charter of the city of New York in the same manner as if such development plan or amendment were described in paragraph one of subdivision b of section one hundred ninety-seven-d of the charter of the city of New York. Approval of any such development plan or amendment shall include, without limitation, land use review authorization for any disposition by the city of New York of the land described in the second sentence of subdivision 1 of section 16-a of this chapter and any and all land or other rights, and any demapping, discontinuing and closing by the city of New York of any and all volumes of space under any public streets, for purposes of a further development plan at 42nd Street.
- 43 f. No portion of a further development plan at 42nd Street is permitted to be effectuated in any respect, including without limitation, any 44 acquisition by the corporation of any interest in the United Nations 42nd Street consolidation area, any commencement of construction by the 47 corporation within the United Nations 42nd Street consolidation area and any other physical activity by the corporation on, or other interference 49 by the corporation with use of or access to, the United Nations 42nd 50 Street consolidation area, unless and until a further development plan 51 at 42nd Street has been reviewed as provided in subdivision e of this section and a memorandum of understanding is completed and signed as 53 provided for in section two of the chapter of the laws of 2011 that added this subdivision.

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§ 8. Section 9 of chapter 345 of the laws of 1968, relating to establishing a United Nations development district, is amended by adding a new subdivision d to read as follows:

Notwithstanding anything to the contrary contained in any general, special or local law, including the charter and administrative code of 6 the city of New York, the city of New York, acting by its mayor alone, 7 or his or her designee, shall be authorized, for the effectuation of a further development plan at 42nd Street when approved pursuant to section one hundred ninety-seven-c and section one hundred ninety-sev-10 en-d of the charter of the city of New York in the same manner as if development plan or amendment were described in paragraph one of 11 subdivision b of section one hundred ninety-seven-d of the charter of 13 the city of New York, and when otherwise permitted to be executed as 14 provided in this chapter, to take such actions as are necessary or 15 desirable, to demap, discontinue and close below but not above-grade volumes of space part of the public streets of the city of New York, 17 located in the borough of Manhattan east of United Nations Plaza (First 18 Avenue), below Forty-second Street, or below the roadway at the Franklin D. Roosevelt (East River) drive, for purposes of a tunnel as part of the United Nations 42nd Street consolidation project, and to sell, lease for 21 a term not exceeding ninety-nine years, or otherwise dispose of to the 22 corporation any land and other interests in real property owned by the city of New York, regardless of how acquired, and included in the United 24 Nations 42nd Street consolidation project, including any discontinued, 25 demapped and closed part of the public streets of the city of New York, without any payment of money therefor and without further review or 27 approvals, other than said approval of the further development plan at 28 42nd Street, and the completion and signature of the memorandum of 29 understanding as provided in section two of the chapter of the laws of 2011 that added this subdivision, and without public auction or sealed 31 or competitive bids.

32 § 9. Section 13 of chapter 345 of the laws of 1968, relating to estab-33 lishing a United Nations development district, is amended to read as 34 follows:

34 35 § 13. Exemption from taxation. It is hereby found, determined and 36 declared that the creation of the corporation and the carrying out of its purposes is in all respects for the benefit of the people of the city and state of New York and is a public purpose, and that the corpo-39 ration will be performing an essential governmental function in the exercise of the powers conferred upon it by this chapter. The income and 41 operations of the corporation shall be exempt from taxation. Obligations 42 issued by the corporation or a subsidiary pursuant to this chapter, 43 together with income therefrom, shall be free from taxation, except for transfer and estate taxes. [Any] The land, buildings and other improvements from time to time included as part of the United Nations 42nd 45 Street consolidation project shall, unless owned by the United Nations, 47 be subject to real property taxation in the same manner and to the same extent as real property in the city of New York used for office purposes generally, except that such land, buildings and other improvements shall 50 be exempt from such taxation if the same are owned by the city of New 51 York and leased to the corporation for not more than ninety-nine years and otherwise on terms satisfactory to the city of New York, acting by 53 mayor alone, provided that the corporation enters into an agreement requiring that it pay to the city of New York or its designee amounts 55 time to time in lieu of such real property taxation, and in the case of any such agreement, the city of New York or its designee shall

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be authorized, notwithstanding anything to the contrary contained in any general, special or local law, including the charter and administrative code of the city of New York, to pledge, assign or otherwise transfer, on terms satisfactory to the city of New York, acting by its mayor alone, the amounts payable under such agreement and the right to receive such amounts, for the purpose of providing a source of payment of, and as security for, the financing of the United Nations 42nd Street consolidation project. Except as otherwise provided above in this section, any facilities within the district owned by the corporation[, or by a 10 subsidiary or a sponsor, which are found and determined by the [board 11 of estimate] city council to be public facilities shall be exempt from taxation or assessment by and from the payment of any fees to the city 13 of New York, and, if such finding and determination is approved by the state tax commission, from taxation or assessment by and from the payment of any fees to the state or any subdivision thereof or to any officer or employee of the state or any subdivision thereof. The [board 17 of estimate] city council, upon application by the corporation[, a 18 subsidiary, or a sponsor, may find and determine that all or part of the real property owned by the corporation[, the subsidiary, or the sponsor] within the district is devoted exclusively to public facilities. Such tax exemption shall continue so long as such facility is devoted exclusively to public use. Except as hereinabove provided, and except as may otherwise specifically be provided, nothing contained in this chapter shall confer exemption from any tax, assessment or fee upon any person, firm, corporation or other entity, or upon the obligations of any of them.

- § 10. Section 16-a of chapter 345 of the laws of 1968, relating to establishing a United Nations development district, as added by chapter 623 of the laws of 1971, is amended to read as follows:
- 16-a. Development limitation. 1. The corporation, notwithstanding any other provision of law and unless further authorized by act of the legislature, shall not in the execution of the development plan heretofore approved under section seven of this chapter undertake the execution of any portion of such development plan on real property within the district lying westerly of a line parallel to, and three hundred twenty-five feet westerly from the westerly side of United Nations The corporation, notwithstanding any other provision of law and unless further authorized by act of the legislature, shall not in the execution of a further development plan at 42nd Street develop or construct any building or other structure above grade on any portion of the United Nations 42nd Street consolidation area other than the following portion of such area: the area bounded on the west by the east side of United Nations Plaza (First Avenue), on the south by the north side of Forty-first Street; on the north by the south side of Forty-second Street; and on the east by a line that begins on the north side Forty-first Street, is located one hundred forty-six feet seven eighths inches east of and parallel to United Nations Plaza (First Avenue) and runs north for a distance of one hundred ninety-seven feet six inches, ending at the south side of Forty-second Street.
- 2. All properties in the district, lying easterly of a line parallel to and three hundred twenty-five feet westerly from the westerly side of United Nations Plaza, even though separated by a street, not including the United Nations 42nd Street consolidation area, and not including any property that is part of any reuse project, shall be deemed, notwithstanding any other provision of law, to be one zoning lot for all purposes, and the maximum floor area ratio of such properties, deemed to

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1 <u>be part of one zoning lot and</u> taken as a whole, shall not exceed 2 fifteen.

- 3. The corporation may undertake or cause to be undertaken the execution of any portion of the development plan heretofore approved under section seven of this chapter without requiring any amendment to or modification of such development plan and without further approval under section seven of this chapter.
- 4. No portion of any structure permitted to be developed pursuant to a further development plan at 42nd Street, if and when effectuation of such further development plan at 42nd Street is permitted under this chapter, may be built to a height greater than the height of the United Nations secretariat building. Subject to compliance with the foregoing limitation in this subdivision, nine hundred thousand square feet of floor area as defined in any applicable zoning resolution shall be deemed attributable under such zoning resolution to the land that is a portion of the United Nations 42nd Street consolidation area and is described in the second sentence of subdivision one of this section, and a maximum of nine hundred thousand square feet of such floor area shall be permitted to be incorporated in such structure as part of a further development plan at 42nd Street.
- 21 This act shall take effect immediately, and if and when the § 11. 22. memorandum of understanding is completed and signed as provided in section two of this act, the provisions thereof shall, to the extent stated therein, have the same effect as if they were included in this act; provided, that the mayor of the city of New York shall notify the legislative bill drafting commission upon the completion and signing of 27 the memorandum of understanding as provided in section two of this act in order that the commission may maintain an accurate and timely effective data base of the official text of the laws of the state of New York in furtherance of effectuating the provisions of section 44 of the legislative law and section 70-b of the public officers law. Notwith-32 standing the foregoing, the provisions of this act shall expire and be deemed repealed if on or before October 10, 2011, the memorandum of understanding has not been completed and signed as provided in section 35 two of this act.

NEW YORK STATE SENATE INTRODUCER'S MEMORANDUM IN SUPPORT submitted in accordance with Senate Rule VI. Sec 1

BILL NUMBER: S5706A

REVISED 06/17/11

SPONSOR: RULES

TITLE OF BILL:

An act to authorize the city of New York to discontinue certain land as parkland and alienate such land for purposes of such consolidation project, in accordance with and subject to a memorandum of understanding; and to amend chapter 345 of the laws of 1968, relating to establishing a United Nations development district, in relation to an additional reuse project and a consolidation project for the United Nations; and providing for the repeal of such provisions upon expiration thereof

PURPOSE:

To authorize the city of New York (the "City") to alienate a portion of the parkland on part of the block between East 41st and East 42nd Streets on the east side of First Avenue in Manhattan for use by the United Nations, in accordance with and subject to a memorandum of understanding (the "MOU") to be signed by October 10, 2011, with the authorization to expire and this act to be deemed repealed if, by that date, the MOU is not completed and signed.

SUMMARY OF PROVISIONS:

Section 1 authorizes the City to discontinue the use as parkland of the western portion (an area of 0.6623 acres) of the Robert Moses Playground (the "Western RMP Portion") located between Forty-first and Forty-second Streets on the east side of First Avenue in Manhattan, as described in the act, and to use the same or sell, lease or otherwise transfer the same to the United Nations Development Corporation (the "UNDC") for purposes consistent with the UNDC's enabling legislation, as amended, including as amended by this act. The authorization for alienation of the Western RMP Portion will take effect only if the conditions set forth in Section 2 of this act are satisfied.

Section 2 provides that the authorization granted in Section 1 of this act for the alienation of the Western RMP Portion will take effect only if the MOU is completed and signed as provided in the act and the City satisfies obligations to be described in the MOU that are required under the MOU to be satisfied prior to such alienation. Any obligations of the City set forth in the MOU and required to be satisfied after such alienation, shall, to the extent stated in the MOU, survive such alienation and be enforceable against the City with the same effect as if included in the act. Persons described in the MOU as having standing to pursue equitable remedies against the City to enforce the City's obligations as described in the MOU shall have standing to pursue those equitable remedies. The preceding will not limit any other remedies that may be available as provided in the MOU.

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The act provides for the MOU to be signed by the Mayor of the City, the Temporary President of the New York State Senate and the Speaker of the New York State Assembly, after consultation with the members of the Senate, the Assembly, and the City Council whose districts include the area in which the Robert Moses Playground is located. The MOU would, among other matters: (i) identify the extent of, the sources for, and the procedures applicable to funding for parkland and other recreational space in Manhattan to replace the Western RMP P011ion; (ii) provide for the City to designate and map other parkland in Manhattan that would, together with parkland that the City designates and maps pursuant to Section 3 of the act, have a value in the aggregate at least equal to the value of the Western RMP Portion; (iii) provide for the City to take possession of and rehabilitate the ConEd Waterside Pier between Thirtyeighth and Forty-first Streets on the east side of Manhattan, and provide for the prior user of that area to make a payment to the City for such rehabilitation; and (iv) provide for a portion of amounts available to the City in the future in the event of an ownership transfer, by sale or otherwise, or a refinancing involving the existing buildings at One and Two United Nations Plaza (First Avenue) in Manhattan, to be directed toward the costs of a continuous walkway and bike path along the East River or the costs of other parkland.

Section 3 authorizes the City, acting by the Mayor alone, to take such administrative and other actions, all of which are deemed ministerial, to demap, discontinue and close the part of the public streets of the City known as Asser Levy Place (an area of approximately 0.6267 acres) in Manhattan, and to designate and map such area as parkland, provided that the MOU is completed and signed as provided in the act and the City satisfies obligations described in the MOU that are required under the MOU to be satisfied prior to the provisions of Section 3 being effective.

Sections 4 through 10 amend the UNDC's 1968 enabling legislation, except that the amendments have no effect unless and until the MOU is completed and signed as provided in the act and certain other conditions as specified in the act are satisfied.

Sections 4 and 4-a amend the UNDC's enabling legislation to define the "United Nations 42nd Street Consolidation Project," referred to in this Summary of Provisions as the "Consolidation Project." The definition of a development plan in the UNDC's enabling legislation is updated to include the Consolidation Project, and to define an "additional reuse project" consisting of the possible future acquisition and renovation by the UNDC of the "UNIT AR" building, located at 45th Street and United Nations Plaza and currently owned and occupied by the United Nations (the "UN"). As part of the Consolidation Project, the UNDC is authorized to cooperate with and assist the City in the planning for, and paying the costs of, parkland replacement for the Western RMP Portion.

Section 5 amends the UNDC's enabling legislation to establish and add a definition of the "United Nations 42nd Street consolidation area." This area includes the Western RMP Portion, which is uniquely suited for use by the UN and which would be the site for the building permitted to be constructed as part of the Consolidation Project, referred to in this Summary of Provisions as the "Consolidation Building." The Western RMP Pollion does not include the dog run or the basketball and handball courts located at the eastern portion of the Robert Moses Playground. The Consolidation Building could not exceed the height of the existing UN Secretariat Building and could not include more than 900,000 square feet of floor area.

RETRIEVE BILL Page 3 of 5

Section 6 amends the UNDC's enabling legislation to update certain provisions describing the UNDC's powers (such as replacing an obsolete reference to the New York City Board of Estimate with a reference to the City Council), without increasing or diminishing those powers, except to provide that requirements under the New York State Finance Law for public bidding are not to be applied to restrict the UNDC's pre-qualification of bidders for purposes of the Consolidation Project. The UNDC would not be permitted to carry out the development plan for the Consolidation Project unless and until the MOU is completed and signed and the development plan is approved by the City Planning Commission and the City Council pursuant to the City's Uniform Land Use Review Procedure ("ULURP") under the City Charter.

Section 7-a amends the UNDC's enabling legislation to provide for review pursuant to ULURP of the development plan for the Consolidation Project and possibly for the additional reuse project. Approval of the development plan for the Consolidation Project would include, without limitation, land use review authorization for any disposition by the City of any and all land or other rights, including the Western RMP Portion, for purposes of such development plan and land use review authorization for any demapping, discontinuing and closing by the City of any and all volumes of space and any other portions of any public streets for such purposes. The UNDC would not be permitted to carry out the development plan for the Consolidation Building unless and until the MOU is completed and signed and the development plan is approved pursuant to ULURP.

Section 8 amends the UNDC's enabling legislation to authorize the City, acting by the Mayor alone, but subject to approval of the development plan for the Consolidation Project pursuant to ULURP as referred to above and completion and signature of the MOU as provided in the act, to sell, lease for a term not exceeding 99 years, or otherwise transfer land or other real property included within the United Nations 42nd Street consolidation project to the UNDC for purposes of carrying out such development plan.

Section 9 amends the UNDC's enabling legislation to provide that the land, buildings, and other improvements included as part of the Consolidation Project will be subject to real property taxation, unless owned by the City and leased to the UNDC for not more than 99 years, with an agreement by the UNDC to pay the City or its designee amounts in lieu of real estate taxes? which payments the City or its designee will be authorized to pledge, on terms satisfactory to the City, acting by the Mayor alone, as security for the financing of the Consolidation Project.

Section 10 amends the UNDC's enabling legislation to confirm that the area within the United Nations 42nd Street consolidation area on which UNDC may construct the Consolidation Building is limited to the Western RMP Portion, and also limits the height of the Consolidation Building to no greater than the height of the UN Secretariat Building and the floor area of the Consolidation Building to a maximum of 900,000 square feet.

Section 11 provides that the provisions of the MOU shall, to the extent stated therein, have the same effect as if they were included in the act, and that the provisions of this act will expire and be deemed repealed on October 10, 2011, if by that date, the MOU is not completed and signed as provided in the act.

JUSTIFICATION:

This legislation provides authorization for the City, subject to the MOU required in the legislation and described above, in consultation with the legislative representatives of the affected community on the east side of Manhattan, and also subject in key respects to the City's existing land use review process, to take major steps toward addressing several important needs.

The United Nations requires an additional building adjacent to its existing campus in order to increase the security of its workers and visitors, and to consolidate its offices, which are currently spread among various buildings owned by the city or by private landlords. The continued presence of the United Nations in New York is of local, statewide, national, and international importance. Essential public purposes are served and significant economic activity and tax revenues are generated for the City and the State of New York, by providing for the facilities, space, and security needs of the United Nations permanent headquarters, which serves as a gathering place for the world community and the 192 United Nations member states.

If the MOU provided for in the legislation and described above is signed by October 10, 2011 this legislation would alienate a portion of the public parkland located on part of a city block immediately south of the United Nations, and authorize the land to be transferred to the UNDC, and provide the authorizations necessary for the UNDC and the City to facilitate the construction of the new building needed by the United Nations.

In addition to benefitting the United Nations, generating substantial economic activity, and ensuring that revenue from the presence of the United Nations continues to flow to the City and State, this legislation creates the opportunity to provide resources necessary to fund and build greater public recreational access to the East River waterfront-a major step toward completing the greenway around Manhattan-and increase the limited open space in the area.

LEGISLATIVE HISTORY:

This is a new bill.

FISCAL IMPACT:

To be determined.

EFFECTIVE DATE:

This act shall take effect immediately, and if and when the memorandum of understanding is completed and signed as provided in section two of this act, the provisions thereof shall, to the extent stated therein, have the same effect as if they were included in this act; provided, that the mayor of the city of New York shall notify the legislative bill drafting commission upon the completion and signing of the memorandum of understanding as provided in section two of this act in order that the commission may maintain an accurate and timely effective data base of the official text of the laws of the state of New York in furtherance of effectuating the provisions of section 44 of the legislative law and section 70-b of the public officers law. Notwithstanding the foregoing, the provisions of this act shall expire and be deemed repealed if on or before October 10, 2011, the memorandum of understanding has not been

completed and signed as provided in section two of this act.

STATE OF NEW YORK

8305--A

2011-2012 Regular Sessions

IN ASSEMBLY

June 10, 2011

Introduced by M. of A. KAVANAGH -- read once and referred to the Committee on Cities -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to authorize the city of New York to discontinue certain land as parkland and alienate such land for purposes of such consolidation project, in accordance with and subject to a memorandum of understanding; and to amend chapter 345 of the laws of 1968, relating to establishing a United Nations development district, in relation to an additional reuse project and a consolidation project for the United Nations; and providing for the repeal of such provisions upon expiration thereof

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Notwithstanding any provision of law to the contrary, the city of New York is hereby authorized to discontinue the use as parkland of the land described as follows, and to use such land or sell, lease or otherwise transfer such land and interests therein to the United Nations development corporation for such purposes as are consistent with the provisions of chapter 345 of the laws of 1968, as amended:

An area in the borough of Manhattan, city of New York, bounded on the west by the east side of United Nations Plaza (First Avenue); on the south by the north side of Forty-first Street; on the north by the south 10 side of Forty-second Street; and on the east by a line that begins on the north side of Forty-first Street, is located one hundred forty-six feet seven eighths inches east of and parallel to United Nations Plaza (First Avenue) and runs north for a distance of one hundred ninety-seven feet six inches, ending at the south side of Forty-second Street, such area being sixty-six hundredths and twenty-three ten thousandths of an acre (.6623 acres).

1.7 § 2. The authorization contained in section one of this act shall take effect only (a) upon the condition that a memorandum of understanding is

EXPLANATION -- Matter in italics (underscored) is new; matter in brackets [-] is old law to be omitted.

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completed and signed by the mayor of the city of New York, the temporary president of the senate, and the speaker of the assembly, after consultation with the members of the senate, the assembly and the city council the city of New York representing the area in which the parkland described in section one of this act is located, which memorandum of understanding shall, among other matters: (i) identify the extent of, the sources for and the procedures applicable to funding for parkland 8 and other recreational space in the borough of Manhattan to replace the parkland described in section one of this act; (ii) provide for the city 10 of New York to designate and map parkland in the borough of Manhattan that will, in conjunction with parkland that the city of New York so designates and maps pursuant to section three of this act, have a fair market value in the aggregate of no less than the fair market value of the parkland described in section one of this act; (iii) provide for the 15 city of New York to take possession of the area within the borough of 16 Manhattan, city of New York, known as the ConEd Waterside Pier between 17 Thirty-eighth and Forty-first Streets, for the prior user of said area to make a payment for the structural rehabilitation of said area and for the city of New York to commence said rehabilitation after such payment 20 is made; and (iv) provide for a portion of amounts available to the city of New York in the future in the event of an ownership transfer by sale otherwise or a refinancing involving the existing buildings at One 23 and Two United Nations Plaza (First Avenue) in the borough of Manhattan, city of New York, to be dedicated toward the costs of a continuous walkway and bike path along the East River or the costs of other parkland in the borough of Manhattan; and (b) upon the further condition that the 27 city of New York satisfies the obligations as described in such memorandum of understanding as being required to be satisfied prior to the 29 alienation of the parkland described in section one of this act. The authorization contained in section one of this act shall be negated if 31 the city of New York fails to satisfy such obliqations described in such memorandum of understanding as being required to be satisfied prior to alienation of the parkland described in section one of this act. Any obligations of the city of New York set forth in such memorandum of understanding and not described therein as being required to be satisfied prior to the alienation of the parkland described in section one of 37 this act, shall, to the extent stated in such memorandum of understandsurvive such alienation and be enforceable against the city of New York with the same effect as if included in this act. Persons described 40 in such memorandum of understanding as having standing to pursue equita-41 ble remedies against the city of New York to enforce any obligation that the city of New York may be required to satisfy as described in such 43 memorandum of understanding shall have standing to pursue such equitable remedies. The preceding two sentences shall not limit any other remedies 45 that may be available as provided in such memorandum of understanding. 46 3. Notwithstanding anything to the contrary contained in any gener-47 al, special or local law, including the New York city charter and admin-48 istrative code of the city of New York, and provided that the memorandum of understanding is completed and signed as provided in section two of this act, and provided further that the city of New York has satisfied the obligations as described in such memorandum of understanding as being required to be satisfied prior to the provisions of this section

three being effective, the city of New York, acting by its mayor alone, or his or her designee, is hereby authorized and empowered to take such

which shall be deemed ministerial, to demap, discontinue and close as

administrative and other actions as are necessary or desirable,

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part of public streets of the city of New York, located in the borough of Manhattan, the following area of approximately sixty-two hundredths and sixty-seven ten thousandths of an acre (.6267 acres), located in the borough of Manhattan, city of New York, for purposes of designating and mapping such area as parkland, such administrative and other actions being also authorized for such designation and mapping as parkland: Beginning at the northwest corner of the intersection of East Twentythird Street and Asser Levy Place, as those streets were heretofore laid out on the map of the city of New York, thence running approximately sixty feet in an easterly direction along the southerly line of Asser 10 Levy Place to a point, thence running approximately four hundred fiftyfive feet in a northerly direction, said course forming a deflection angle to the left with the previous course of ninety degrees, no minutes and no seconds, thence running approximately sixty feet in a westerly direction, said course forming a deflection angle to the left with the previous course of ninety degrees, no minutes and no seconds, thence 17 running approximately four hundred fifty-five feet in a southerly direction, said course forming a deflection angle to the left of ninety degrees, no minutes and no seconds to the place or point of beginning. 20

- § 4. Section 1 of chapter 345 of the laws of 1968, relating to establishing a United Nations development district, is amended by adding five new subdivisions 10-a, 13, 13-b, 14 and 15 to read as follows:
- 10-a. "Further development plan at 42nd Street." A development plan for the United Nations 42nd Street consolidation area, including improvements within said area and any improvements incidental thereto outside said area.
- 13. "Reuse project." The initial reuse project and the additional reuse project described in subdivisions thirteen-a and thirteen-b, respectively, of section one of this chapter.
- 30 "Additional reuse project." The acquisition of land, easement 31 and other rights within or appurtenant to the area in the borough of Manhattan, city of New York, described in this subdivision, and the maintenance, repair, operation, alteration and renovation, from time to 34 time, of improvements located on such land, exclusively for use by the 35 United Nations, including its organs, subsidiary bodies and specialized and other agencies and members of the public visiting United Nations 37 headquarters in the city of New York. The area referred to above is bounded and described as follows: Beginning at the northwest corner of 38 39 Forty-fifth Street and United Nations Plaza (First Avenue), running thence westerly along Forty-fifth Street a distance of one hundred feet, running thence northerly, parallel to United Nations Plaza (First 41 Avenue), a distance of eighty feet five inches, running thence easterly, 42 43 parallel to Forty-fifth Street, a distance of twenty feet, running 44 thence southerly, parallel to United Nations Plaza (First Avenue), a 45 distance of forty feet, running thence easterly, parallel to Forty-fifth 46 Street, a distance of eighty feet, and running thence southerly along 47 United Nations Plaza (First Avenue) a distance of forty feet five inches to the place or point of beginning. Provided that the memorandum of 48 understanding is completed and signed as provided in section two of the 49 chapter of the laws of 2011 that added this subdivision and provided further that the city of New York shall have satisfied the obligations 52 as described in such memorandum of understanding as being required to be satisfied prior to the corporation undertaking the additional reuse project, the additional reuse project and the site thereof shall for all 55 purposes be deemed to be located within the district and be deemed also to be a project as defined in this chapter and shall, except for any new

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construction or any increase in the height or floor area of any previously constructed building, be deemed for all purposes to be part of and to conform to a development plan for a portion of the district, which has been formulated, reviewed and approved in accordance with section seven of this chapter.

14. "United Nations 42nd Street Consolidation Project." The acquisition by lease or otherwise from the city of New York and other parties, if any, of land, easement and other rights within the United Nations 42nd Street consolidation area, and associated property interests related thereto, and from time to time thereafter, the construction, alteration, renovation and rebuilding, and the ownership or operation, including repair and maintenance, of office space and related facilities, a tunnel (to provide secure passage from and to United Nations permanent headquarters), and space and facilities related to the foregoing, exclusively for use by the United Nations, including its organs, subsidiary bodies and specialized and other agencies; the construction within, and improvement, alteration, use and operation of, below but not above-grade volumes of space, after the same are demapped, discontinued and closed as part of public streets of the city of New York, located in the borough of Manhattan east of United Nations Plaza (First Avenue) below Forty-second Street or below the roadway of the Franklin D. Roosevelt (East River) drive, for purposes of such tunnel; the creation, improvement, alteration and renovation of space, facilities and improve-24 ments within or outside the United Nations 42nd Street consolidation area to the extent incidental to such office space and tunnel; and the 26 corporation's cooperation with and assistance to the city of New York concerning planning for, and the corporation's payment of costs of, 27 parkland replacement to compensate for discontinuing the use as parkland of a portion of Robert Moses Playground in the borough of Manhattan for purposes of the United Nations 42nd Street consolidation project. 30 Provided that the memorandum of understanding is completed and signed as provided in section two of the chapter of the laws of 2011 that added 33 this subdivision, the land, buildings and other improvements included in or otherwise part of the United Nations 42nd Street consolidation project shall for all purposes be deemed to be located within the district and be deemed also to be part of a project as defined in this chapter.

15. "City council." The city council of the city of New York.

4-a. Subdivisions 10 and 13-a of section 1 of chapter 345 of the laws of 1968, relating to establishing a United Nations development district, subdivision 13-a as added by chapter 34 of the laws of 1993, are amended to read as follows:

10. "Development plan." A plan or plans, including a further development plan at 42nd Street, and including any supplements, additions or amendments to such plan or plans, for the development of all or part the district which shall include but shall not be limited to: A statement of proposed land uses; proposed land acquisition, demolition and removal of structures; proposed acquisition of air rights and concomitant easements or other rights of user necessary for the use and development of such air rights; proposed public, semi-public, private or community facilities or utilities, with a site plan and drawings therefor; a statement as to the relationship between the development plan and a comprehensive plan for the development of the municipality as a whole; a statement as to proposed new codes and ordinances and amendments to existing codes and ordinances as are required or necessary to effectuate 56 the plan or plans; a proposed time schedule for the effectuation of such

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l plan or plans, and such additional statements or documentation as the corporation may deem appropriate.

13-a. [Reuse] "Initial reuse project." The acquisition and alteration, renovation or rebuilding, from time to time, without any increase in the any previously constructed building and without any construction on any vacant land, of real property consisting of any previously constructed commercial building or buildings, or any portion thereof, and the land and associated property interests related thereto, primarily for use by the United Nations, including its organs, subsidiary bodies and specialized and other agencies, provided that: any such 10 acquisition shall occur before December 31, 1998; such building or buildings shall be located at 633 Third Avenue, 685 Third Avenue or 845 13 United Nations Plaza in the borough of Manhattan, city of New York; not than eight hundred thousand square feet of floor area shall be acquired if such floor area is located in more than one of such buildings; and the corporation shall not transfer any unused development 17 rights from any of such buildings or add to any of such buildings any unused development rights from any other property. The reuse project shall for all purposes be deemed to be located within the district and be deemed also to be a project and to be part of and to conform to a 21 development plan for a portion of the district, which has been formulated, reviewed and approved in accordance with section seven of this chapter. 23

§ 5. Chapter 345 of the laws of 1968, relating to establishing a United Nations development district, is amended by adding a new section 3-a to read as follows:

Establishment of United Nations 42nd Street consolidation The following area lying south of the permanent headquarters of the United Nations, in the borough of Manhattan, city of New York, and bounded and described as follows, is hereby designated as the "United Nations 42nd Street consolidation area": Beginning at the northeast corner of United Nations Plaza (First Avenue) and Forty-first Street, running easterly along the northerly side of Forty-first Street a distance of three hundred five feet seven eighths inches, running thence northerly, parallel to United Nations Plaza (First Avenue), a distance of one hundred sixty-eight feet, running thence westerly, parallel to Forty-first Street, a distance of one hundred fifty-nine feet, running thence northerly, parallel to United Nations Plaza (First Avenue), a distance of twenty-nine feet six inches, running thence westerly, along the southerly side of Forty-second Street, a distance of one hundred forty-six feet seven eighths inches, and running thence southerly, along the easterly side of United Nations Plaza (First Avenue), a distance of one hundred ninety-seven feet six inches, to the point or place of beginning. Provided that the memorandum of understanding is completed and signed as provided in section two of the chapter of the laws of 2011 that added this section, the land included in the United Nations 42nd Street consolidation area shall for all purposes be deemed to be located within the district.

- 49 § 6. Section 6 of chapter 345 of the laws of 1968, relating to estab-50 lishing a United Nations development district, subdivision 3 as amended 51 by chapter 623 of the laws of 1971, is amended to read as follows:
- 52 § 6. Powers and duties of corporation. The powers and duties of the 53 corporation shall be:
- (1) to undertake surveys of the present and anticipated need: for [locations for missions,] office space, meeting facilities, [and] house ing and recreational facilities [for the

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<u>United Nations, delegations and</u> delegates to the <u>United Nations</u>, personnel of delegations to the <u>United Nations</u>, and members of the <u>United Nations</u> staff; for office space, auditorium and meeting facilities for related nongovernmental organizations; for hotel accommodations for visiting heads of state and other dignitaries; for bus terminals, dining facilities, and other facilities for visiting persons and groups[7]; for parking[7]; and for housing, commercial, industrial and other facilities necessary or appropriate to carry out the purposes of this chapter,

- (2) subject to the approval of the [board of estimate and the] commission and the city council as hereinafter provided, to formulate a development plan or plans [including supplements, additions and amendments thereto,] in accordance with the foregoing present and anticipated needs, with provision for relocation of individuals and commercial establishments outside or within the district,
- (3) [to undertake or cause its subsidiary corporation or corporations] to undertake, or otherwise to have undertaken on behalf of the corporation, the execution of a development plan or of a portion thereof, and the financing, acquisition, construction, rehabilitation, improvement, operation and management of any project or portion thereof, including attendant relocation facilities, provided however, that all contracts let by the corporation [or by a subsidiary (rather than a sponsor or a person, firm or corporation acting as sponsor in lieu of the corporation or its subsidiaries) for the erection, construction, or alteration of buildings shall be let in conformity with the provisions of section one hundred thirty-five of the state finance law, except that such provisions shall not be applied to restrict the corporation's pre-qualification of bidders for purposes of the United Nations 42nd Street consolidation project, and provided further that execution of a further development plan at 42nd Street may not proceed unless and until the approval thereof by the commission and the city council as hereinafter provided and unless and until the memorandum of understanding referred to in section two of the chapter of the laws of 2011 amending this section has been completed and signed as provided in that section.
- [4] when, in the opinion of the board of directors, it would be more appropriate or convenient to have the execution of a particular development plan or portion thereof undertaken by a sponsor rather than by the corporation or one or more of its subsidiaries, to select a proposed sponsor or sponsors financially responsible and otherwise qualified by experience and training to undertake the execution of the development plan and to relocate residents and businesses to be displaced thereby,
- (5) to advise and generally supervise such sponsor or sponsors or successors thereto in connection with such relocation and development,
- (6) with the approval of the board of estimate, (a) to enter into agreements with a qualified sponsor or sponsors for the implementation and execution of all or a portion of a development plan, or, (b) where such implementation and execution is to be undertaken by the corporation or one or more of its subsidiaries, to enter into agreements for the implementation and execution of such development plan or portion thereof with persons, firms or corporations acting as sponsors in lieu of the corporation or its subsidiaries, and (c) to enter into agreements amending, modifying or superseding such agreements, and
- (7) [4] to furnish advice, technical assistance and liaison with federal, state and city authorities and with users and occupants of the facilities to be created within the district with respect to educational, social and cultural activities within the district, and otherwise to foster and encourage greater public knowledge of, and partic-

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l ipation in, the activities of the United Nations and affiliated organizations, and

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- (5) to provide advice and services with respect to real estate needs and development as requested by the state or city of New York, the United States or the United Nations.
- § 7. Subdivision a of section 7 of chapter 345 of the laws of 1968, relating to establishing a United Nations development district, is amended to read as follows:
- a. The corporation shall prepare or cause to be prepared a development plan for the district, or, if the corporation deems it necessary or advisable that the development of the district or a portion thereof be carried out in stages, development plans for parts or portions of the district. Any development plan shall include a requirement that relocation benefits be provided to individuals and businesses to be displaced in the course of redevelopment which are at least equal to those for which such individuals and businesses would be eligible under federal law at the time of their relocation if the development plan were an urban renewal plan.
- § 7-a. Section 7 of chapter 345 of the laws of 1968, relating to establishing a United Nations development district, is amended by adding two new subdivisions e and f to read as follows:
- The provisions of subdivisions b, c and d of this section shall not apply to any further development plan at 42nd Street or any development plan for any new construction or any increase in the height or floor area of the previously constructed building located on land acquired as part of the additional reuse project or any amendment of any such development plan. Any such development plan or amendment shall be subject to review pursuant to section one hundred ninety-seven-c and section one hundred ninety-seven-d of the charter of the city of New York in the same manner as if such development plan or amendment were described in paragraph one of subdivision b of section one hundred ninety-seven-d of the charter of the city of New York. Approval of any such development plan or amendment shall include, without limitation, land use review authorization for any disposition by the city of New York of the land described in the second sentence of subdivision 1 of section 16-a of this chapter and any and all land or other rights, and any demapping, discontinuing and closing by the city of New York of any and all volumes of space under any public streets, for purposes of a further development plan at 42nd Street.
- f. No portion of a further development plan at 42nd Street is permitted to be effectuated in any respect, including without limitation, any acquisition by the corporation of any interest in the United Nations 42nd Street consolidation area, any commencement of construction by the corporation within the United Nations 42nd Street consolidation area and any other physical activity by the corporation on, or other interference by the corporation with use of or access to, the United Nations 42nd Street consolidation area, unless and until a further development plan at 42nd Street has been reviewed as provided in subdivision e of this section and a memorandum of understanding is completed and signed as provided for in section two of the chapter of the laws of 2011 that added this subdivision.
- \$ 8. Section 9 of chapter 345 of the laws of 1968, relating to estab-13 lishing a United Nations development district, is amended by adding a 154 new subdivision d to read as follows:
- 55 <u>d. Notwithstanding anything to the contrary contained in any general,</u> 56 <u>special or local law, including the charter and administrative code of</u>

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the city of New York, the city of New York, acting by its mayor alone, his or her designee, shall be authorized, for the effectuation of a further development plan at 42nd Street when approved pursuant to section one hundred ninety-seven-c and section one hundred ninety-seven-d of the charter of the city of New York in the same manner as if such development plan or amendment were described in paragraph one of subdivision b of section one hundred ninety-seven-d of the charter of the city of New York, and when otherwise permitted to be executed as provided in this chapter, to take such actions as are necessary or 9 desirable, to demap, discontinue and close below but not above-grade 10 volumes of space part of the public streets of the city of New York, 11 12 located in the borough of Manhattan east of United Nations Plaza (First 13 Avenue), below Forty-second Street, or below the roadway at the Franklin D. Roosevelt (East River) drive, for purposes of a tunnel as part of the United Nations 42nd Street consolidation project, and to sell, lease for 16 a term not exceeding ninety-nine years, or otherwise dispose of to the 17 corporation any land and other interests in real property owned by the city of New York, regardless of how acquired, and included in the United Nations 42nd Street consolidation project, including any discontinued, 20 demapped and closed part of the public streets of the city of New York, 21 without any payment of money therefor and without further review or approvals, other than said approval of the further development plan at 23 42nd Street, and the completion and signature of the memorandum of 24 understanding as provided in section two of the chapter of the laws of 2011 that added this subdivision, and without public auction or sealed 25 26 or competitive bids.

\$ 9. Section 13 of chapter 345 of the laws of 1968, relating to establishing a United Nations development district, is amended to read as 29 follows:

§ 13. Exemption from taxation. It is hereby found, determined and declared that the creation of the corporation and the carrying out of its purposes is in all respects for the benefit of the people of the city and state of New York and is a public purpose, and that the corporation will be performing an essential governmental function in the exercise of the powers conferred upon it by this chapter. The income and operations of the corporation shall be exempt from taxation. Obligations issued by the corporation or a subsidiary pursuant to this chapter, together with income therefrom, shall be free from taxation, except for transfer and estate taxes. [Any] The land, buildings and other improvements from time to time included as part of the United Nations 42nd Street consolidation project shall, unless owned by the United Nations, be subject to real property taxation in the same manner and to the same extent as real property in the city of New York used for office purposes generally, except that such land, buildings and other improvements shall be exempt from such taxation if the same are owned by the city of New and leased to the corporation for not more than ninety-nine years and otherwise on terms satisfactory to the city of New York, acting by its mayor alone, provided that the corporation enters into an agreement requiring that it pay to the city of New York or its designee amounts from time to time in lieu of such real property taxation, and in the case of any such agreement, the city of New York or its designee shall be authorized, notwithstanding anything to the contrary contained in any general, special or local law, including the charter and administrative code of the city of New York, to pledge, assign or otherwise transfer, terms satisfactory to the city of New York, acting by its mayor

alone, the amounts payable under such agreement and the right to receive

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such amounts, for the purpose of providing a source of payment of, and as security for, the financing of the United Nations 42nd Street consolidation project. Except as otherwise provided above in this section, any facilities within the district owned by the corporation[, or by a subsidiary or a sponsor, which are found and determined by the [board of estimate] city council to be public facilities shall be exempt from taxation or assessment by and from the payment of any fees to the city of New York, and, if such finding and determination is approved by the state tax commission, from taxation or assessment by and from the 10 payment of any fees to the state or any subdivision thereof or to any 11 officer or employee of the state or any subdivision thereof. The [board of estimate] city council, upon application by the corporation[, a subsidiary, or a sponsor,] may find and determine that all or part of the real property owned by the corporation[, the subsidiary, or the sponsor] within the district is devoted exclusively to public facilities. Such tax exemption shall continue so long as such facility is 17 devoted exclusively to public use. Except as hereinabove provided, and except as may otherwise specifically be provided, nothing contained in this chapter shall confer exemption from any tax, assessment or fee upon any person, firm, corporation or other entity, or upon the obligations 21 of any of them.

- S 10. Section 16-a of chapter 345 of the laws of 1968, relating to establishing a United Nations development district, as added by chapter 623 of the laws of 1971, is amended to read as follows:
- § 16-a. Development limitation. 1. The corporation, notwithstanding any other provision of law and unless further authorized by act of the legislature, shall not in the execution of the development plan heretofore approved under section seven of this chapter undertake the execution of any portion of such development plan on real property within the district lying westerly of a line parallel to, and three hundred twenty-five feet westerly from the westerly side of United Nations The corporation, notwithstanding any other provision of law and unless further authorized by act of the legislature, shall not in the execution of a further development plan at 42nd Street develop or construct any building or other structure above grade on any portion of the United Nations 42nd Street consolidation area other than the following portion of such area: the area bounded on the west by the east side of United Nations Plaza (First Avenue), on the south by the north side of Forty-first Street; on the north by the south side of Forty-second Street; and on the east by a line that begins on the north side of 41 Forty-first Street, is located one hundred forty-six feet seven eighths inches east of and parallel to United Nations Plaza (First Avenue) and runs north for a distance of one hundred ninety-seven feet six inches, ending at the south side of Forty-second Street.
 - 2. All properties in the district, lying easterly of a line parallel to and three hundred twenty-five feet westerly from the westerly side of United Nations Plaza, even though separated by a street, not including the United Nations 42nd Street consolidation area, and not including any property that is part of any reuse project, shall be deemed, notwithstanding any other provision of law, to be one zoning lot for all purposes, and the maximum floor area ratio of such properties, deemed to be part of one zoning lot and taken as a whole, shall not
- 54 3. The corporation may undertake or cause to be undertaken the execution of any portion of the development plan heretofore approved under section seven of this chapter without requiring any amendment to

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or modification of such development plan and without further approval under section seven of this chapter.

4. No portion of any structure permitted to be developed pursuant to a further development plan at 42nd Street, if and when effectuation of such further development plan at 42nd Street is permitted under this chapter, may be built to a height greater than the height of the United Nations secretariat building. Subject to compliance with the foregoing limitation in this subdivision, nine hundred thousand square feet of floor area as defined in any applicable zoning resolution shall be deemed attributable under such zoning resolution to the land that is a portion of the United Nations 42nd Street consolidation area and is described in the second sentence of subdivision one of this section, and a maximum of nine hundred thousand square feet of such floor area shall be permitted to be incorporated in such structure as part of a further development plan at 42nd Street.

This act shall take effect immediately, and if and when the memorandum of understanding is completed and signed as provided in section two of this act, the provisions thereof shall, to the extent stated therein, have the same effect as if they were included in this act; provided, that the mayor of the city of New York shall notify the legislative bill drafting commission upon the completion and signing of the memorandum of understanding as provided in section two of this act in order that the commission may maintain an accurate and timely effective data base of the official text of the laws of the state of New York in furtherance of effectuating the provisions of section 44 of the legislative law and section 70-b of the public officers law. Notwithstanding the foregoing, the provisions of this act shall expire and be deemed repealed if on or before October 10, 2011, the memorandum of understanding has not been completed and signed as provided in section 30 two of this act.

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NEW YORK STATE ASSEMBLY MEMORANDUM IN SUPPORT OF LEGISLATION submitted in accordance with Assembly Rule III, Sec 1(f)

BILL NUMBER: A8305A

SPONSOR: Kavanagh

TITLE OF BILL: An act to authorize the city of New York to discontinue certain land as parkland and alienate such land for purposes of such consolidation project, in accordance with and subject to a memorandum of understanding; and to amend chapter 345 of the laws of 1968, relating to establishing a United Nations development district, in relation to an additional reuse project and a consolidation project for the United Nations; and providing for the repeal of such provisions upon expiration thereof

<u>PURPOSE</u>: To authorize the city of New York (the "City") to alienate a portion of the parkland on part of the block between East 41st and East 42nd Streets on the east side of First Avenue in Manhattan for use by the United Nations, in accordance with and subject to a memorandum of understanding (the "MOU") to be signed by October 10, 2011, with, the authorization to expire and this act to be deemed repealed if, by that date, the MOU is not completed and signed.

<u>SUMMARY OF PROVISIONS</u>: Section 1 authorizes the City to discontinue the use as parkland of the western portion (an area of 0.6623 acres) of the Robert Moses Playground (the "Western RMP Portion") located between Forty-first and Forty-second Streets on the east side of First Avenue in Manhattan, as described in the act, and to use the same or sell, lease or otherwise transfer the same to the United Nations Development Corporation (the "UNDC") for purposes consistent with the UNDC's enabling legislation, as amended, including as amended by this act. The authorization for alienation of the Western RMP Portion will take effect only if the conditions set forth in Section 2 of this act are satisfied.

Section 2 provides that the authorization granted in Section 1 of this act for the alienation of the Western RMP Portion will take effect only if the MOU is completed and signed as provided in the act and the City satisfies obligations to be described in the MOU that are required under the MOU to be satisfied prior to such alienation. Any obligations of the City set forth in the MOU and required to be satisfied after such alienation, shall, to the extent stated in the MOU, survive such alienation and be enforceable against the City with the same effect as if included in the act. Persons described in the MOU as having standing to pursue equitable remedies against the City to enforce the City's obligations as described in the MOU shall have standing to pursue those equitable remedies. The preceding will not limit any other remedies that may be available as provided in the MOU.

The act provides for the MOU to be signed by the Mayor of the City, the Temporary President of the New York State Senate and the Speaker of the New York State Assembly, after consultation with the members of the Senate, the Assembly, and the City Council whose districts include the area in which the Robert Moses Playground is located. The MOU would,

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among other matters: (i) identify the extent of, the sources for, and the procedures applicable to funding for parkland and other recreational space in Manhattan to replace the Western RMP Portion; (ii) provide for the City to designate and map other parkland in Manhattan that would, together with parkland that the City designates and maps pursuant to Section 3 of the act, have a value in the aggregate at least equal to the value of the Western RMP Portion; (iii) provide for the City to take possession of and rehabilitate the ConEd Waterside Pier between Thirtyeighth and Forty-first Streets on the east side of Manhattan, and provide for the prior user of that area to make a payment to the City for such rehabilitation; and (iv) provide for a portion of amounts available to the City in the future in the event of an ownership transfer, by sale or otherwise, or a refinancing involving the existing buildings at One and Two United Nations Plaza (First Avenue) in Manhattan, to be directed toward the costs of a continuous walkway and bike path along the East River or the costs of other parkland.

Section 3 authorizes the City, acting by the Mayor alone, to take such administrative and other actions, all of which are deemed ministerial, to demap, discontinue and close the part of the public streets of the City known as Asser Levy Place (an area of approximately 0.6267 acres) in Manhattan, and to designate and map such area as parkland, provided that the MOU is completed and signed as provided in the act and the City satisfies obligations described in the MOU that are required under the MOU to be satisfied prior to the provisions of Section 3 being effective.

Sections 4 through 10 amend the UNDC's 1968 enabling legislation, except that the amendments have no effect unless and until the MOU is completed and signed as provided in the act and certain other conditions as specified in the act are satisfied.

Sections 4 and 4-a amend the UNDC's enabling legislation to define the "United Nations 42nd Street Consolidation Project," referred to in this Summary of Provisions as the "Consolidation Project." The definition of a development plan in the UNDC's enabling legislation is updated to include the Consolidation Project, and to define an "additional reuse project" consisting of the possible future acquisition and renovation by the UNDC of the "UNITAR" located at 45th Street and United Nations Plaza and currently owned and occupied by the United Nations (the "UN"). As part of the Consolidation Project, the UNDC is authorized to cooperate with and assist the City in the planning for, and paying the costs of, parkland replacement for the Western RMP Portion.

Section 5 amends the UNDC's enabling legislation to establish and add a definition of the "United Nations 42nd Street consolidation area." This area includes the Western RMP Portion, which is uniquely suited for use by the UN and which would be the site for the building permitted to be constructed as part of the Consolidation Project, referred to in this Summary of Provisions as the "Consolidation Building." The Western RMP Portion does not include the dog run or the basketball and handball courts located at the eastern portion of the Robert Moses Playground. The Consolidation Building could not exceed the height of the existing UN Secretariat Building and could not include more than 900,000 square feet of floor area.

Section 6 amends the UNDC's enabling legislation to update certain provisions describing the UNDC's powers (such as replacing, an obsolete reference to the New York City Board of Estimate with a reference to the City Council), without increasing or diminishing those powers, except to

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provide that requirements under the New York State Finance Law for public bidding are not to be applied to restrict the UNDC's pre-qualification of bidders for purposes of the Consolidation Project. The UNDC would not be permitted to carry out the development plan for the Consolidation Project unless and until the MOU is completed and signed and the development plan is approved by the City Planning Commission and the

City Council pursuant to the City's Uniform Land Use Review Procedure ("ULURP") under the City Charter.

Section 7-a amends the UNDC's enabling legislation to provide for review pursuant to ULURP of the development plan for the Consolidation Project and possibly for the additional reuse project. Approval of the development plan for the Consolidation Project would include, without limitation, land use review authorization for any disposition by the City of any and all land or other rights, including the Western RMP Portion, for purposes of such development plan and land use review authorization for any demapping, discontinuing and closing by the City of any and all volumes of space and any other portions of any public streets for such purposes. The UNDC would not be permitted to carry out the development plan for the Consolidation Building unless and until the MOU is completed and signed and the development plan is approved pursuant to ULURP.

Section 8 amends the UNDC's enabling legislation to authorize the City, acting by the Mayor alone, but subject to approval of the development plan for the Consolidation Project pursuant to ULURP as referred to above and completion and signature of the MOU as provided in the act, to sell, lease for a term not exceeding 99 years, or otherwise transfer land or other real property included within the United Nations 42nd Street consolidation project to the UNDC for purposes of carrying out such development plan,

Section 9 amends the UNDC's enabling legislation to provide that the land, buildings, and other improvements included as part of the Consolidation Project will be subject to real property taxation, unless owned by the City and leased to the UNDC for not more than 99 years, with an agreement by the UNDC to pay the City or its designee amounts in lieu of real estate taxes, which payments the City or its designee will be authorized to pledge, on terms satisfactory to the City, acting by the Mayor alone, as security for the financing of the Consolidation Project.

Section 10 amends the UNDC's enabling legislation to confirm that the area within the United Nations 42nd Street consolidation area on which UNDC may construct the Consolidation Building is limited to the Western RMP Portion, and also limits the height of the Consolidation Building to no greater than the height of the UN Secretariat Building and the floor area of the Consolidation Building to a maximum of 900,000 square feet.

Section 11 provides that the provisions of the MOU shall, to the extent stated therein, have the same effect as if they were included in the act, and that the provisions of this act will expire and be deemed repealed on October 10, 2011, if by that date, the MOU is not completed and signed as provided in the act.

<u>JUSTIFICATION</u>: This legislation provides authorization for the City, subject to the MOU required in the legislation and described above, in consultation with the legislative representatives of the affected community on the east side of Manhattan, and also subject in key respects to

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the City's existing land use review process, to take major steps toward addressing several important needs.

The United Nations requires an additional building adjacent to its existing campus in order to increase the security of its workers and visitors, and to consolidate its offices, which are currently spread among various buildings owned by the city or by private landlords. The continued presence of the United Nations in New York is of local, statewide, national, and international importance. Essential public purposes are served and significant economic activity and tax revenues are generated for the City and the State of New York, by providing for the facilities, space, and security needs of the United Nations permanent headquarters, which serves as a gathering place for the world community and the 192 United Nations member states.

If the MOU provided for in the legislation and described above is signed by October 10, 2011 this legislation would alienate a portion of the public parkland located on part of a city block immediately south of the United Nations, and authorize the land to be transferred to the UNDC, and provide the authorizations necessary for the UNDC and the City to facilitate the construction of the new building needed by the United Nations.

In addition to benefitting the United Nations, generating substantial economic activity, and ensuring that revenue from the presence of the United Nations continues to flow to the City and State, this legislation creates the opportunity to provide resources necessary to fund and build greater public recreational access to the East River waterfront-a major step toward completing the greenway around Manhattan-and increase the limited open space in the area.

LEGISLATIVE HISTORY: This is a new bill.

FISCAL IMPACT ON THE STATE: To be determined.

EFFECTIVE DATE: This act shall take effect immediately, and if and when the memorandum of understanding is completed and signed as provided in section two of this act, the provisions thereof shall, to the extent stated therein, have the same effect as if they were included in this act; provided, that the mayor of the city of New York shall notify the legislative bill drafting commission upon the completion and signing of the memorandum of understanding as provided in, section two of this act in order that the commission may maintain an accurate and timely effective data base of the official text of the laws of the state of New York in furtherance of effectuating the provisions of section 44 of the legislative law and section 70-b of the public officers law. Notwithstanding the foregoing, the provisions of this act shall expire and be deemed repealed if on or before October 10, 2011, the memorandum of understanding has not been completed and signed as provided in section two of this act.