



Regional Plan Association Statement

Robert D. Yaro, President

RE: Sale of West Side Rail Yards

July 7, 2006

Regional Plan Association (RPA) welcomes the proactive step taken by the Mayor and City Council Speaker to begin negotiations over the sale of the MTA's Eastern and Western Rail Yards on the Far West Side of Midtown Manhattan. These properties are critical to the redevelopment of the area and should be controlled and planned for mixed-use development comprehensively by the City. At the same time, the MTA is in desperate need of the increased capital funding that the sale of these assets will provide. We look forward to the two sides reaching a mutually beneficial deal. There are many issues still to be resolved, including reaching a sale price that more closely reflects the site's appraised value, and it may not be possible or prudent to strike a deal before the end of July.

Western Yard

The Western Yard should be re-zoned by the City to ensure that any new development is consistent with the broader Hudson Yards redevelopment plan, as proposed by the Mayor and Speaker. We also strongly support the commitment to the City's full land use review process, which will give the public and the City Council a stronger voice in shaping the plans. We remain concerned that the proposed sale price remains far below the MTA's appraisal of the site, even when the cost of constructing a deck is considered. As this is an opening offer, we expect that the final sale price will be closer to the appraisal value.

Eastern Yard

Sale of the off-site development rights from the Eastern Yards also makes sense, but we encourage the City and MTA to go further with a sale of the on-site development rights to the City as well. While the Eastern Yard has already been re-zoned, it should be planned jointly with whatever occurs on the Western Yard. Only the City is in a position to provide this level of comprehensive planning. The MTA should not be in the real estate business, and if a fair price can be negotiated, all sides would be better off.

#7 Extension

Finally, before the MTA parts with some of its most valuable resources, a final agreement must be reached on construction of the 7 extension and aired to the public. While the 7 extension will be critical to the long-term growth of the Far West Side, it is not the

MTA's top priority and the MTA must have assurances that it will not be responsible for potentially costly project overruns. Control of the rail yards provides the agency with its main leverage in these negotiations, which must be resolved in concert.

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