

Authorities Budget Office

SEP 03 2025

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Metropolitan Transportation Authority
2 Broadway, 4th Floor
New York, NY 10004

Hudson Yards Infrastructure Corporation
255 Greenwich Street, 6th Floor
New York, NY 10007

August 22, 2025

Certified Mail #7017 1450 0000 0045 8303
The Honorable Thomas P. DiNapoli
New York State Comptroller
Office of the State Comptroller
110 State Street
Albany, New York 12236

Certified Mail #9589 0710 5270 1597 6194 98
The Honorable Andrea Stewart-Cousins
Temporary President and Majority Leader
New York State Senate
Legislative Office Building, Room 907
Albany, New York 12247

Certified Mail #9589 0710 5270 1597 6195 11
Jeanette M. Moy
Commissioner of General Services
Office of General Services
41st Floor, Corning Tower
Empire State Plaza
Albany, New York 12242

Certified Mail #9589 0710 5270 1597 6240 03
The Honorable Carl E. Heastie
Speaker of the Assembly
New York State Assembly
Legislative Office Building, Room 932
Albany, New York 12248

Certified Mail #9589 0710 5270 1597 6195 28
Blake G. Washington
Director
Division of the Budget
State Capitol
Albany, New York 12224

Certified Mail #9589 0710 5270 1597 6195 04
State of New York
Authorities Budget Office
P.O. Box 2076
Albany, New York 12220

Re: Disposition by Metropolitan Transit Authority and Hudson Yards Infrastructure Corporation of
Certain Transferable Development Rights

Reference is made to Section 2897(6)(d) of the New York State Public Authorities Law (the "Public Authorities Law") and the requirement set forth therein to prepare and transmit an explanatory statement of the circumstances of each disposal by negotiation of certain property by a public authority (as the term "disposal" is defined in Section 2895(2) of the Public Authorities Law). Section 2897(6)(d)(ii) of the Public Authorities Law requires that an explanatory statement be transmitted not less than 90 days prior to the disposal. As the transaction contemplated herein falls within the purview of Section 2897(6)(d)(i) and (ii) of the Public Authorities Law, we are submitting this explanatory statement in satisfaction of the applicable requirements of the Public Authorities Law.

This explanatory statement is transmitted jointly by the Metropolitan Transit Authority ("MTA") and the Hudson Yards Infrastructure Corporation ("HYIC"), a not-for-profit corporation created by the City of New York ("City") to finance the Hudson Yards Project, as co-owners of the transferable development rights ("ERY TDRs") allocable to the eastern portion of the John D. Caemmerer West Side Yard (the "Eastern Rail Yard").

In accordance with the September 28, 2006 and April 24, 2019 explanatory statements transmitted by the MTA pursuant to the Public Authorities Law (the "2006 Explanatory Statement"), on December

28, 2006, the MTA sold a fifty percent (50%) interest in the ERY TDRs to HYIC, and the MTA and HYIC authorized the Hudson Yards Development Corporation ("HYDC"), another not-for-profit corporation created by the City for purposes of the Hudson Yards Project, to effectuate the sale of ERY TDRs. As of May 30th, 2019, the MTA assumed responsibility to market and negotiate transfer amounts, purchase price, payment terms for, and effectuate the sale of, one hundred percent (100%) of the ERY TDRs.

Presently, the MTA and HYIC each intend to sell their respective fifty percent (50%) interests in approximately 110,227.30 square feet of certain ERY TDRs for conveyance to the Hudson Yards district parcel designated as Manhattan Tax Block 707, Lots 20, 39, and 7501 (fka 31), also known as 514 West 36th Street, New York, New York 10018 (the "Subject Receiving Parcel") (such sale, the "Subject ERY TDR Sale").

The PAAA authorizes the disposition of property interests by negotiation, subject to obtaining such competition as may be feasible under the circumstances. Due to limitations set forth in the New York City Zoning Resolution ("Zoning Resolution") as to which parcels may receive ERY TDRs and the maximum amount of ERY TDRs that such parcels may receive, it is not feasible to sell ERY TDRs by means of bids or other competitive process. However, in lieu of a competitive process, an "ERY TDR Disposition and Pricing Mechanism Policy" has been established by HYDC, with the approval of the MTA and HYIC, to ensure that ERY TDRs sales, including the Subject ERY TDR Sale, are effectuated at the fair market price of ERY TDRs.

The current ERY TDR Disposition and Pricing Mechanism Policy was established on the basis of a 2008 study, and study updates conducted in 2013, 2015 and 2016, commissioned by HYDC from a prominent appraisal firm. The study, together with the study updates, concluded that the appropriate way to determine the fair market value of ERY TDRs is as a percentage of the appraised value, on a price per square foot basis, of the fee parcel to which the ERY TDRs will be conveyed. The 2013, 2015 and 2016 study updates indicated that currently, the appropriate percentage is sixty-five percent (65%).

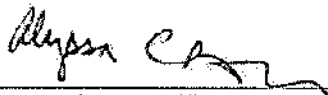
For purposes of the Subject ERY TDR Sale, MTA commissioned an appraisal of the Subject Receiving Parcel. That appraisal report, dated August 8, 2025, determined that the value of the Subject Receiving Parcel is \$350.00 per square foot. Therefore, the fair market value of ERY TDRs for purpose of the Subject ERY TDR Sale is \$227.50 per square foot. Pursuant to the ERY TDR Disposition and Pricing Mechanism Policy, that is the price at which the MTA and HYIC will sell their respective interests in the ERY TDRs for conveyance to the Subject Receiving Parcel.

We appreciate this opportunity to provide you with an explanatory statement describing the Subject ERY TDR Sale. Any questions or comments relating to the disposition may be sent to the attention of Alyssa Cobb Konon at 2 Broadway, 4th Floor, New York NY 1004.

Sincerely,

MTA

Hudson Yards Infrastructure Corporation

By: 
Name: Alyssa Cobb Konon
Title: Deputy CDO - Planning

By: _____
Name: David Womack
Title: President

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The current ERY TDR Disposition and Pricing Mechanism Policy was established on the basis of a 2008 study, and study updates conducted in 2013, 2015 and 2016, commissioned by HYDC from a prominent appraisal firm. The study, together with the study updates, concluded that the appropriate way to determine the fair market value of ERY TDRs is as a percentage of the appraised value, on a price per square foot basis, of the fee parcel to which the ERY TDRs will be conveyed. The 2013, 2015 and 2016 study updates indicated that currently, the appropriate percentage is sixty-five percent (65%).

For purposes of the Subject ERY TDR Sale, MTA commissioned an appraisal of the Subject Receiving Parcel. That appraisal report, dated August 8, 2025, determined that the value of the Subject Receiving Parcel is \$350.00 per square foot. Therefore, the fair market value of ERY TDRs for purpose of the Subject ERY TDR Sale is \$227.50 per square foot. Pursuant to the ERY TDR Disposition and Pricing Mechanism Policy, that is the price at which the MTA and HYIC will sell their respective interests in the ERY TDRs for conveyance to the Subject Receiving Parcel.

We appreciate this opportunity to provide you with an explanatory statement describing the Subject ERY TDR Sale. Any questions or comments relating to the disposition may be sent to the attention of Alyssa Cobb Konon at 2 Broadway, 4th Floor, New York NY 1004.

Sincerely,

MTA

Hudson Yards Infrastructure Corporation

By: _____

Name: Alyssa Cobb Konon
Title: Deputy CDO - Planning

By: _____

Name: David Womack
Title: President

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Sep 18 2025
RECEIVED

Metropolitan Transportation Authority
2 Broadway, 4th Floor
New York, NY 10004

Hudson Yards Infrastructure Corporation
255 Greenwich Street, 6th Floor
New York, NY 10007

VIA EMAIL (INFO@ABO.NY.GOV)

September 17, 2025

Joshua Norkin, Director
NYS Authorities Budget Office
P.O. Box 2076
Albany, New York 12220

Re: Explanatory Statement - Disposition by Metropolitan Transit Authority and Hudson Yards Infrastructure Corporation of Certain Transferable Development Rights (REVISED)

Please accept this letter in response to the queries posed in the September 9, 2025 email correspondence from the Authorities Budget Office regarding the above referenced matter.

Reference is made to Section 2897(6)(d) of the New York State Public Authorities Law (the "Public Authorities Law") and the requirement set forth therein to prepare and transmit an explanatory statement of the circumstances of each disposal by negotiation of certain property by a public authority (as the term "disposal" is defined in Section 2895(2) of the Public Authorities Law). Section 2897(6)(d)(ii) of the Public Authorities Law requires that an explanatory statement be transmitted not less than 90 days prior to the disposal. As the transaction contemplated herein falls within the purview of Section 2897(6)(d)(i) and (ii) of the Public Authorities Law, we are submitting this explanatory statement in satisfaction of the applicable requirements of the Public Authorities Law.

This explanatory statement is transmitted jointly by the Metropolitan Transit Authority ("MTA") and the Hudson Yards Infrastructure Corporation ("HYIC"), a not-for-profit corporation created by the City of New York ("City") to finance the Hudson Yards Project, as co-owners of the transferable development rights ("ERY TDRs") allocable to the eastern portion of the John D. Caemmerer West Side Yard (the "Eastern Rail Yard").

In accordance with the September 28, 2006 and April 24, 2019 explanatory statements transmitted by the MTA pursuant to the Public Authorities Law (the "2006 Explanatory Statement"), on December 28, 2006, the MTA sold a fifty percent (50%) interest in the ERY TDRs to HYIC, and the MTA and HYIC authorized the Hudson Yards Development Corporation ("HYDC"), another not-for-profit corporation created by the City for purposes of the Hudson Yards Project, to effectuate the sale of ERY TDRs. As of May 30th, 2019, the MTA assumed responsibility to market and negotiate transfer amounts, purchase price, payment terms for, and effectuate the sale of, one hundred percent (100%) of the ERY TDRs.

Presently, the MTA and HYIC each intend to sell their respective fifty percent (50%) interests in approximately 110,227.30 square feet of certain ERY TDRs for conveyance to the Hudson Yards district parcel designated as Manhattan Tax Block 707, Lots 20, 39, and 7501 (f/k/a 31), also known as 514 West 36th Street, New York, New York 10018 (the "Subject Receiving Parcel") (such sale, the "Subject ERY TDR Sale"). **The applicant purchaser is 517 West 35th LLC located at 30 Hudson Yards, 72nd Floor, New York NY 10001.**

The PAAA authorizes the disposition of property interests by negotiation, subject to obtaining such competition as may be feasible under the circumstances. Due to limitations set forth in the New York City Zoning Resolution ("Zoning Resolution") as to which parcels may receive ERY TDRs and the maximum amount of ERY TDRS that such parcels may receive, it is not feasible to sell ERY TDRs by means of bids or other competitive process. However, in lieu of a competitive process, an "ERY TDR Disposition and Pricing Mechanism Policy" has been established by HYDC, with the approval of the MTA and HYIC, to ensure that ERY TDRs sales, including the Subject ERY TDR Sale, are effectuated at the fair market price of ERY TDRs.

The current ERY TDR Disposition and Pricing Mechanism Policy was established on the basis of a 2008 study, and study updates conducted in 2013, 2015 and 2016, commissioned by HYDC from a prominent appraisal firm. MTA also commissioned a study update in 2025. The study, together with the study updates, concluded that the appropriate way to determine the fair market value of ERY TDRs is as a percentage of the appraised value, on a price per square foot basis, of the fee parcel to which the ERY TDRs will be conveyed. Each of the 2013, 2015, 2016, and 2025 study updates indicated that the appropriate percentage is sixty-five percent (65%).

For purposes of the Subject ERY TDR Sale, MTA commissioned an appraisal of the Subject Receiving Parcel. That appraisal report, dated August 8, 2025, determined that the value of the Subject Receiving Parcel is \$350.00 per square foot. Therefore, the fair market value of ERY TDRs for purpose of the Subject ERY TDR Sale is \$227.50 per square foot. **The proposed sale price is therefore \$25,076,711.75.** Pursuant to the ERY TDR Disposition and Pricing Mechanism Policy, that is the price at which the MTA and HYIC will sell their respective interests in the ERY TDRs for conveyance to the Subject Receiving Parcel. **The expected date of purchase is on or about November 25, 2025.**

We appreciate this opportunity to provide you with an explanatory statement describing the Subject ERY TDR Sale. Any questions or comments relating to the disposition may be sent to the attention of Alyssa Cobb Konon at 2 Broadway, 4th Floor, New York NY 10004 or alyssa.konon@mtacd.org.

Sincerely,

**Metropolitan Transportation Authority
Construction & Development Company**



Alyssa Cobb Konon
Deputy Chief Development Officer - Planning

Hudson Yards Infrastructure Corporation

David Womack
President

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**Metropolitan Transportation Authority
Construction & Development Company**

Alyssa Cobb Konon
Deputy Chief Development Officer - Planning

Hudson Yards Infrastructure Corporation



David Womack
President