

NOVEMBER 2025
MTA REAL ESTATE
MTA C&D TRANSIT ORIENTED DEVELOPMENT
FINANCE COMMITTEE AGENDA ITEMS

1. ADMINISTRATIVE ACTION ITEMS

MTA Metro-North Railroad

- a. Amendment of the Grand Central Terminal event fee schedule policy

2. TRANSACTIONAL ACTION ITEMS

Metropolitan Transportation Authority

- b. Sale of Eastern Rail Yard transferable development rights to Related Companies L.P.
- c. Lease with 111 Washington Avenue, LLC for MTA Government and Community Relations Office Space at 111 Washington Avenue, Albany, NY

MTA New York City Transit

- d. Extension of the lease with 27-35 Jackson Ave LLC for office space located in 27-35 Jackson Avenue, Long Island City, NY

MTA Long Island Rail Road

- e. Lease with Muhammad Afzal for a retail space at the Long Beach Station, Long Beach, NY
- f. Lease renewal (Part 3) with Alzamora Commercial Holdings LLC for office space in 300 Old Country Road, Suite 103, Mineola, NY
- g. License with Libla Realty Corp. for the use of property for storage and parking under the viaduct in Valley Stream, NY

3. INFORMATION ITEMS

- a. Update on the acquisition of temporary and permanent easements from the New York City Department of Parks and Recreation in support of accessibility improvements at NYCT's Broadway Junction in Brooklyn, NY
- b. Report on agreements entered into directly by the Real Estate Department pursuant to board policy

<u>Legal Name</u>	<u>Popular Name</u>	<u>Abbreviation</u>
<u>New York City Transit Authority</u>	<u>MTA New York City Transit</u>	<u>NYC Transit</u>
<u>The Long Island Rail Road Company</u>	<u>MTA Long Island Rail Road</u>	<u>LIRR</u>
<u>Metro-North Commuter Railroad Company</u>	<u>MTA Metro-North Railroad</u>	<u>MNR</u>
<u>Triborough Bridge and Tunnel Authority</u>	<u>MTA Bridges and Tunnels</u>	<u>MTA B&T</u>
<u>MTA Construction and Development Company</u>	<u>MTA Construction and Development</u>	<u>MTA C&D</u>
<u>MTA Bus Company</u>	<u>MTA Bus Company</u>	<u>MTA Bus</u>
<u>MTA Grand Central Madison Operating Company</u>	<u>Grand Central Madison</u>	<u>GCMC</u>

Staten Island Rapid Transit Operating Authority is a subsidiary of the Metropolitan Transportation Authority. Its popular name is MTA Staten Island Railway (abbreviated as SIR).

Manhattan and Bronx Surface Transit Operating Authority is a subsidiary of the New York City Transit Authority (abbreviated as MaBSTOA).

MTA METRO-NORTH RAILROAD

Staff Summary

Subject AMENDMENT OF THE GRAND CENTRAL TERMINAL EVENT FEE SCHEDULE POLICY
Department REAL ESTATE
Department Head Name DAVID FLORIO
Department Head Signature
Project Manager Name KIM TREVISAN

Date NOVEMBER 19, 2025
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	11/19/25	X		
2	Board	11/19/25	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Legal		
3	Chief Administrative Officer		
2	Chief Financial Officer		

AGENCY: Metropolitan Transportation Authority ("MTA"), Metro-North Railroad ("Metro-North")

LOCATION: Grand Central Terminal ("GCT")

ACTION REQUESTED: To obtain MTA Board approval to amend the Policy Governing Event Fee Schedule by replacing the current GCT Vanderbilt Hall Rental Rates Fee Schedule with a fee structure reflecting the current marketplace for event venues

COMMENTS:

Since its re-opening in 1998, GCT has marketed and hosted events in Vanderbilt Hall and the Vanderbilt Bridge. Historically, these events were priced based upon an event fee schedule approved by the Board as amended over time ("Event Fee Schedule").

Within the last two years, MTA Real Estate, in concert with MNR, expanded event venues in GCT from Vanderbilt Hall and Vanderbilt Bridge to include the Biltmore Room, the Graybar Passage, the Dining Concourse and limited use of the Main Concourse (collectively, the "GCT Event Venues"). This, along with MNR's streamlined event approval process, and more aggressive marketing, has resulted in year over year, increased event revenue. For the first time, in 2025, event gross revenue will exceed \$3 million.

However, with the passage of time and the recovery from Covid, it became evident that the current approach to the marketing and pricing of events throughout GCT needed a comprehensive review and re-positioning. Toward that end in July 2025, MTA Real Estate had its retail property manager for GCT, Spinoso Management Group ("SMG") engage an event venue development specialist, Skylight Services LLC ("Skylight") to conduct a comprehensive evaluation of GCT's event and sponsorship assets, operations and pricing. It benchmarked GCT against peer venues such as Hudson Yards, Union Square, and Rockefeller Center and delivered a go-to-market pricing and packaging strategy. Skylight's final report stated that GCT's brand and unparalleled pedestrian volume makes it a uniquely attractive asset for commercial and experiential events and activations. However, it indicated that maximum value was not captured in the current Event Fee Schedule.

Currently, MTA Real Estate, through SMG, advertises GCT event availabilities and is largely re-active securing events and activations. The sole exception is the Holiday Fair where a formal solicitation process is used. Based upon Skylight's recommendations, MTA Real Estate will adopt a proactive sales approach to more aggressively promote the GCT Event Venues in order to increase events and number of days of activation. Part of this strategy will be to set daily rates that are more consistent with rates found at other venues in Skylight's evaluation. In some cases, these are nearly twice the

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AMENDMENT OF THE GRAND CENTRAL TERMINAL EVENT FEE SCHEDULE POLICY (Cont'd.)

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current daily fee for Vanderbilt Hall, by example. Exceptions would be non-profits which would continue to receive discounted rates, as well discounted fees to fill unprogrammed calendar dates.

To implement this, go to market strategy, MTA Real Estate seeks to amend the existing Policy Governing Event Fee Schedule and replace the current Event Fee Schedule with a market-based approach in order to align with current pricing in the New York City event marketplace. This approach will also provide maximum flexibility when negotiating rates and license terms for all GCT Event Venues. It will further enhance GCT's position as one of the most in-demand venues in New York City while seizing upon opportunities to also host smaller-scale events, longer-term activations, or public-programming events that fill open calendar dates - thereby increasing utilization and total annual revenue.

The broader aim of this action is to expand the special event program within GCT, to increase revenue, and increase foot traffic, not only to support of existing GCT retail tenants, but to attract new, higher value retail tenants.

As with other licensing procedures, MTA Real Estate has put in place procedures that provide governance over event protocols and approvals. All events, along with fees secured, will be reported to the Finance Committee and Board as an Information Item, on a quarterly basis. In addition, MTA Real Estate will continue to engage an event venue consultant to monitor the marketplace in order to validate pricing for events at GCT on an ongoing basis.

Based on the foregoing, MTA Real Estate requests authorization to amend the existing Policy Governing Event Fee Schedule for the GCT Event Venues as set forth above.

Staff Summary



Subject GRAND CENTRAL TERMINAL EVENT FEE SCHEDULE MODIFICATION
Department REAL ESTATE
Department Head Name JOHN N. LIEBER
Department Head Signature
Project Manager Name LEAH BASSKNIGHT

Date APRIL 23, 2018
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	4/23/18	X		
2	Board	4/25/18	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Legal		
2	Chief Development Officer		
3	Chief Financial Officer		
4	Chief of Staff		

AGENCY: MTA Metro-North Railroad ("Metro-North")
LOCATION: Vanderbilt Hall, Grand Central Terminal
ACTIVITY: Licensing Vanderbilt Hall for Events
ACTION REQUESTED: Approval of Event Rate Schedule Modification
SPACE: Vanderbilt Hall

COMMENTS:

MTA Real Estate is requesting Board approval for Metro-North to modify the Vanderbilt Hall event rate schedule. The revised rates are intended to: (1) increase revenue, notably during January, when post-holiday demand has been historically low; and in July and August when Vanderbilt Hall often remains vacant, as clients look for outdoor venues; (2) increase the number of events in Vanderbilt Hall, by offering a greater discount for long-term engagements; (3) encourage non-profit clients to host events in Vanderbilt Hall by offering a further discounted daily rate; and (4) encourage tenants of Grand Central Terminal ("Terminal") to host events and further promote their retail locations in the Terminal.

The current daily rate is \$15,000 per day. MTA Real Estate's consultant, Jones Lang LaSalle, conducted an analysis of comparable public and private New York City ("NYC") event spaces. The rental rates for these venues ranged from \$6,800 to \$45,000 per day. Furthermore, JLL concluded that other venues have the flexibility to negotiate their rates during the summer months and for multi-day events. Therefore, in order to increase Vanderbilt Hall activations and to remain competitive in the current market, the rates are set forth in the schedule below (the "Scheduled Rates"). If approved, the new Scheduled Rates will take effect on May 1, 2018.

Further, inasmuch as rental rates for event venues are susceptible to seasonal fluctuation and other market driven conditions that change from time to time, MTA Real Estate is seeking further approval at this time for Metro-North to have the ability to further adjust such Scheduled Rates in the future for events at Vanderbilt Hall, (with supporting documentation), based upon advice of its consultants and consistent with NYC event industry standards and market fees, in order to remain competitive in the market in the future, without need for further Board approval provided that the aggregate of all such future adjustments will not increase or decrease the Scheduled Rates by more than 20%.

Staff Summary

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GRAND CENTRAL TERMINAL EVENT FEE SCHEDULE MODIFICATION (Cont'd.)



Metropolitan Transportation Authority

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Proposed Vanderbilt Hall Rental Rates

Type/duration of Vanderbilt Hall Rental Fee	Daily Rate	Notes
February through June & September through December		
1+ Day(s)	\$15,000	Full day rate
Existing GCT Tenant Produced Events	\$7,500	Existing GCT tenants have the opportunity to host an event in Vanderbilt Hall at a 50% discount for the first event day. All subsequent days are full rate.
Non-profit rate	\$11,250	Client must submit proof of 501c3 status to receive this rate
Load in/Load out hourly rate	\$625 per hour	Maximum of 6 hours for load in and load out only Maximum notice of 30 days before the event
January, July, and August		
1 - 6 Days	\$7,500	Daily rate during January, July, and August
7+ Days	\$6,500	Daily rate for events that are 7+ days long
Existing GCT Tenant Produced Events	\$6,000	Daily rate for existing tenants of GCT
Load in/Load out hourly rate	\$625 per hour	Maximum of 6 hours for load in and load out only Maximum notice of 30 days before the event
<i>Rates do not include production costs and additional services fees. These rates are strictly room rental fees.</i>		

With the new fee structure in place, MTA Real Estate will evaluate the financial performance of the GCT Events Program during the course of 2015 to determine whether it is the optimal model for activation of Vanderbilt Hall.

Based on the foregoing, MTA Real Estate requests authorization for Metro-North to modify the Vanderbilt Hall rate schedule on the above-described terms and conditions.

**METROPOLITAN
TRANSPORTATION
AUTHORITY**

Staff Summary

Subject SALE OF EASTERN RAIL YARD TRANSFERABLE DEVELOPMENT RIGHTS
Department TRANSIT-ORIENTED DEVELOPMENT
Department Head Name ALYSSA COBB KONON
Department Head Signature
Project Manager Name COLLYN CHAN

Date NOVEMBER 19, 2025
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee		X		
2	Board		X		

Internal Approvals			
Order	Approval	Order	Approval
1	Legal		
2	Chief Development Officer		
3	Chief Financial Officer		

AGENCY: Metropolitan Transportation Authority ("MTA")

PURCHASER: 517 West 35th LLC c/o Related Companies L.P. ("Purchaser")
Block 707, Lots 20, 39, and 1001-1005, also known as 514 West 36th Street, New York, New York 10018 ("Receiving Parcel")

LOCATION: Transferable Development Rights from the Eastern Rail Yard Section of the John D. Caemmerer West Side Yard bounded by 33rd and 31st Streets and 10th and 11th Avenues

ACTIVITY: Sale of up to 110,227.30 square feet of transferable development rights from Eastern Rail Yard development rights ("ERY TDRs") Purchaser for use at the Receiving Parcel (such proposed sale, the "Subject ERY TDR Sale")

ACTION REQUESTED: 1) Approval of policies and procedures governing the sale of ERY TDRs and the approval of any future sales undertaken in accordance with such policies and procedures
2) Approval of terms for the sale of 110,227.30 square feet of development rights

COMPENSATION: Fair Market Value as Determined by the ERY TDR Sale Policies and Procedures (Up to \$25,076,710.75 at \$227.50 per zoning square foot)

COMMENTS:

- 1) Approval of Policies and Procedures Governing the Sale of Eastern Rail Yard TDRs and Future Sales Undertaken in Accordance with Such Policies and Procedures

In September 2006, the Board approved a resolution authorizing the execution of an agreement (the "Rail Yards Agreement") between the MTA and the City of New York (the "City") under which the City would acquire a fifty percent (50%) interest in approximately 4.8 million square feet of Transferable Development Rights at the Eastern Rail Yard of the Caemmerer West Side Yard ("ERY TDRs") for \$200,000,000.00 along with the right to market, negotiate transfer amounts, price and payment terms for, and effectuate the sale of the interest in all of the ERY TDRs until such time that

the MTA elected to market the remaining ERY TDRs on its own behalf (with such election not taking place before September 28, 2020 or until the date of final payment of HYIC of an amount equal to its original payment for the 50% interest in the

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SALE OF EASTERN RAIL YARD TRANSFERABLE DEVELOPMENT RIGHTS (Cont'd.)

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ERY TDRs plus interest). The Rail Yards Agreement and approval by the Board provided that HYIC was entitled to receive and retain all proceeds from the sale of the ERY TDRs until such time as it has realized from such sales and amount equal to \$200 million plus interest at HYICs cost of capital on the purchase price and, thereafter, the MTA shall receive and retain all proceeds from sales of the ERY TDRs. A copy of the 2006 Staff Summary is attached as Exhibit A.

As enabled by the New York City Zoning Resolution ("NYC Zoning Resolution"), ERY TDRs are sold to eligible receiving sites located off-site of the Eastern Rail Yard.

Due to limitations set forth in the NYC 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 by other competitive process. As such, the Hudson Yards Development Corporation ("HYDC"), as the previous Administrator of the ERY TDRs pursuant to the Rail Yards Agreement and with the approval of the MTA, set forth policies and procedures guiding the sale process for ERY TDRs utilizing an application-based process in lieu of a competitive process, "ERY TDR Disposition and Pricing Mechanism Policy". The 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.

On May 30, 2019, by notice from MTA to the City, the MTA notified the City of its intent to exercise its right under the Rail Yards Agreement to assume all oversight of the sale of Transferable Development Rights of the ERY TDRs.

MTA TOD is requesting Board approval for MTA TOD's use of the ERY TDR Disposition and Pricing Mechanism Policy (which have been updated to reflect MTA's role as Administrator of the ERY TDRs, attached as Exhibit B). These policies and procedures establish the application, approach to appraisal process, a pricing mechanism, and required conditions for the applicant party. The ERY TDR Disposition and Pricing Mechanism Policy proposed for Board approval was updated in 2025 and based off of a 2008 study commissioned by HYDC from an appraisal firm. Prior to the current 2025 update, the policy had also been previously updated in 2013, 2015 and 2016. The study, together with the study updates, concluded that the appropriate way to determine the fair market value of ERY TDRs (the "Pricing Mechanism") is to apply 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%).

Upon the Board's approval of the ERY TDR Disposition and Pricing Mechanism Policy, any material changes proposed thereafter to the policy will be brought back to the MTA Board for approval and MTA TOD will notify the Board of any future dispositions of ERY TDRs pursuant to the policy as an information item.

Given MTA's assumption of the administration of the sale of ERY TDRs, MTA TOD recommends that the Board approve of ERY TDR Disposition and Pricing Mechanism Policy and authorize the permit the MTA to carry out ERY TDR sales consistent with the ERY TDR Disposition and Pricing Mechanism Policy, and, accordingly, approve the Subject TDR as further described below.

2) Approval of the Terms of Sale of Up to 110,227.30 Square Feet of ERY TDRs to Purchaser

Per the Subject ERY TDR Sale, Purchaser wishes to purchase approximately 110,227.30 square feet of certain ERY TDRs for conveyance to the Receiving Parcel located in the Hudson Yards district.

The MTA commissioned an appraisal of the Receiving Parcel for the Subject ERY TDR Sale. The appraisal report, dated August 8, 2025, determined that the value of the Receiving Parcel is \$350.00 per square foot. Therefore, using the Pricing Mechanism described above, the fair market value of ERY TDRs for the Subject ERY TDR Sale is \$227.50 per square foot. Accordingly, the proposed sale price for the Subject ERY TDR Sale (assuming 110,227.30 square feet of ERY TDRs) is \$25,076,711.75.

In contemplation of this staff summary due to the Subject ERY TDR Sale being a negotiated disposition (as opposed to through a competitive process), an explanatory statement and a written notification regarding the has been provided to all the appropriate public officials pursuant to Section 2897 of the Public Authorities Law.

Based on the foregoing, MTA Transit Oriented Development requests authorization for MTA to sell up to 110,227.30 square feet of Eastern Rail Yard TDRs to Purchaser on the above-stated terms and conditions.

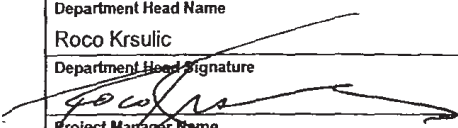
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SALE OF EASTERN RAIL YARD TRANSFERABLE DEVELOPMENT RIGHTS (Cont'd.)

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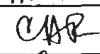
MTA TOD recommends and requests that the Board approve the following: (a) approve of ERY TDR Disposition and Pricing Mechanism Policy, (b) permit the MTA to carry out the Subject ERY TDR Sale as well as future ERY TDR sales consistent with the ERY TDR Disposition and Pricing Mechanism Policy, and, (c) in furtherance of the foregoing, authorize the Chair and CEO of the MTA and each of the designees of the Chair and CEO, acting singly, to execute and deliver any and all documents and to take any and all actions as may be necessary, desirable or convenient to effectuate the foregoing actions.

Staff Summary

Subject	West Side Yards
Department	Real Estate
Department Head Name	Roco Krsulic
Department Head Signature	
Project Manager Name	N/A

Date	September 28, 2006
Vendor Name	N/A
Contract Number	N/A
Contract Manager Name	N/A
Table of Contents Ref #	N/A

Board Action					
Order	To	Date	Approval	Info	Other
1	Board	9/28/06	x		

Internal Approvals			
Order	Approval	Order	Approval
		1	Legal
		2	Executive Director

Purpose:

- (1) To seek Board authorization for the Chairman and the Executive Director to execute a Memorandum of Understanding with the City of New York ("City") with respect to the John D. Caemmerer West Side Yard ("Rail Yards MOU") and to execute a Memorandum of Understanding with the City, the Hudson Yards Infrastructure Corporation ("HYIC") and the Hudson Yards Development Corporation ("HYDC") with respect to the design, construction and funding of the No. 7 Line Extension from its current terminal at Time Square to a new terminal station at 34th Street and 11th Avenue ("No. 7 Line MOU").
- (2) To request that the Board adopt a resolution declaring that competitive bidding is impractical or inappropriate, and that, pursuant to Subdivision 9(f) of Section 1209 of the Public Authorities Law, it is in the public interest to issue a competitive Request for Proposal ("RFP") for the construction of the Number 7 Subway Line Extension: Running Tunnels, Caverns and Station Structures.

Discussion:

Rail Yards MOU

By resolution dated July 26, 2006, the Board authorized the Chairman and the Executive Director to negotiate the terms and conditions of a memorandum of understanding with the City with respect to the disposition of air space and related real property interests above the western portion of the John D. Caemmerer West Side Yard ("Western Rail Yard" or "WRY") and the disposition of air space and related property interests above the eastern portion of the West Side Yard ("Eastern Rail Yard" or "ERY") (collectively, "Rail Yard Site"), including certain transferable development rights allocated to the Eastern Rail Yard ("ERY TDRs") and to obtain an updated appraisal of the Western Rail Yard and an appraisal of the Eastern Rail Yard. Pursuant to the Board resolution, the Chairman and the Executive Director have negotiated the terms and conditions of the Rail Yards MOU with the City which provides for the following: (1) a coordinated planning and development effort with respect to the Rail Yard Site; and (2) the acquisition of a fifty percent interest in the ERY TDRs (4.5 million square feet) by the City's Hudson Yards Infrastructure Corporation ("HYIC"), for \$200 million and the acquisition by the City's Hudson Yards Development Corporation ("HYDC") of the right to market, negotiate

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transfer amounts, price and payment terms for, and effectuate the sale of, one hundred percent of the ERY TDRs, subject to terms and conditions set forth in the Rail Yards MOU.

The Rail Yards MOU requires HYDC, in cooperation with the MTA and the City Council, to develop a statement of planning and design guidelines for the Western Rail Yard. Following completion of the Guidelines, MTA, in consultation with HYDC, the Department of City Planning and the City Council, will issue a Request for Proposals ("RFP") with respect to the Rail Yards Sites. The RFP will permit responses as to all or portions of the Eastern Rail Yard, the Western Rail Yard, or both. The MTA will evaluate responses to the RFP and present evaluations and recommendations to a Selection Committee, a majority of whose members will consist of MTA staff members designated by the MTA Chairman, and that will also include two HYDC representatives. The final selection of a developer or developers and the material business terms of any disposition are subject to the further approval of the MTA Board.

The MOU also provides for HYIC's purchase of a 50 percent interest in all 4.5 million square feet of the ERY TDRs for \$200 million. MTA has also agreed to give HYDC the authority to market, negotiate transfer amounts, price and payment terms for, and effectuate the sale of 100 percent of the interest in all ERY TDRs, subject to certain specified terms and conditions. HYIC is entitled to receive and retain all proceeds from the sale of ERY TDRs until such time as it has realized from such sales an amount equal to \$200 million plus interest at HYIC's cost of capital on the purchase price; thereafter, MTA shall receive and retain all proceeds from sales of the ERY TDRs.

The Public Authorities Accountability Act of 2005 ("PAAA") imposes certain requirements upon the disposition of real property by New York State public authorities, including the requirement that "no disposition of real property [or] any interest in real property ... which because of its unique nature is not subject to fair market pricing ... shall be made unless an appraisal of the value of such property has been made by an independent appraiser and included in the record of the transaction." The requirements of the PAAA apply to the ERY TDR transaction. The PAAA authorizes the disposition of interests in real property by negotiation, subject to obtaining such competition may be feasible under the circumstances, if the disposition is to the state or any political subdivision and "the estimated fair market value of the property and other satisfactory terms of disposal are obtained by negotiation." Jerome Haims Realty, Inc., has prepared a draft appraisal for the Eastern Rail Yards that values the ERY TDRs at approximately \$487 million, based upon an estimated value of \$106.71 per square foot. Pursuant to the Rail Yards MOU, each sale of the ERY TDRs by the City to a developer must be for at least \$103 per square foot and the MTA retains all proceeds once the City has recouped \$200 million, plus interest at HYIC's cost of capital. Because the MTA retains a substantial upside in the event that the ERY TDRs are sold for more than \$103 per square foot, it is entirely conceivable that MTA will ultimately realize values in excess of the appraised value of the ERY TDRs from the transaction. Moreover, because the City will subsequently sell the ERY TDRs to designated receiving sites in the Hudson Yards Redevelopment Area at no less than \$103 per square foot (unless MTA approval is obtained), the requirement of obtaining such competition may be feasible under the circumstances has been satisfied. Accordingly, the requirements of the PAAA regarding disposition by negotiation are met here. In any event, the transaction, which is intended to spur the revitalization of the Hudson Yards Redevelopment Area, is clearly designed to promote the economic development interests of the City and State, which is an independent basis for finding that the requirements of the PAAA have been satisfied.

Pursuant to the MOU, all payments in lieu of real property taxes for the ERY and WRY are assigned by MTA to HYIC until such time as HYIC directs that such payments be made to the City. MTA is entitled to retain all

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payments in lieu of sales tax from the Rail Yards Site and is also entitled to retain any payments in lieu of mortgage recording tax to which it would otherwise be entitled under existing law.

If HYIC is unable to issue bonds in support of the Hudson Yards Redevelopment Area capital improvements, or to find an alternative funding mechanism that would enable HYIC to satisfy its funding obligations under the No. 7 Line MOU (described below) by December 31, 2007, either the City or MTA is permitted to terminate the MOU. If the RFP process outlined above does not result in a transaction or transactions acceptable to the MTA Board on or before September 30, 2008, MTA may elect to terminate that portion of the MOU that addresses the WRY development.

No. 7 Line MOU

The No. 7 Line MOU includes the parameters for the City, HYDC and HYIC's participation in the funding and oversight regarding the subway extension project. The basic agreement is for the City to fund the cost of the subway and the real estate acquisition needed for the project. MTA Capital Construction, working with New York City Transit, will manage the completion of the final design and the construction of the Project. To the extent that additional work is required because of City, HYDC, or HYIC issues associated with real estate development being coordinated by the City, then those costs will be borne by the City, and their capital investment in the subway will be increased. The budget for the extension is \$2 billion, which the HYIC will fund. The City and the MTA also will agree on terms under which the City, HYIC or HYDC will provide an additional \$100,000,000 for cost overruns, if any. The extension of the Number 7 Subway Line is a key element of the City's Hudson Yards Rezoning and Development Program. The subway project is intended to contribute to the future growth of the City by providing transit services to support redevelopment of the Hudson Yards area (which extends generally from West 28th Street on the south, Eighth Avenue on the east, West 43rd Street on the north and the Hudson River Park on the west).

No. 7 Line RFP

The construction of the No. 7 Line extension will be undertaken through multiple contracts which will be awarded over the next three years. The initial contract will include most civil infrastructure construction for the running tunnel, caverns and station structures beginning from an access shaft at 26th Street and Eleventh Avenue and extending to the existing Times Square Station. This will require the use of tunnel boring machines and drill and blast methods for the contractor to construct two tunnels with an overall outside diameter of 22 feet each, located 70 to 120 feet below street level for a total length of approximately 7,000 feet. Subsequent contracts will be solicited for station finishes, power, track, communication and signal work.

Using the RFP process is the best way to solicit this contract. It allows NYCT and MTACC to evaluate the various teams that will propose differing approaches to meet the specifications, select the proposal which best addresses the needs of NYCT and MTACC as expressed by the selection criteria, evaluate the contractor's relevant experience, determine general and financial responsibility, evaluate the technical proposal, and assess cost and how well the proposal team will communicate and coordinate activities to ensure an on-time, within budget project. Cost is an important consideration in the contractor evaluations, but it is not the only factor of concern. It is critical that proposers be evaluated for their ability to successfully perform in their special areas of expertise and as members of a team.

Selection will be accomplished by use of a one step RFP process in which proposers will receive the RFP and design documents and will submit a technical and cost proposal. Award will be contingent upon implementation

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RESOLUTION

**BOARD OF THE
METROPOLITAN TRANSPORTATION AUTHORITY,
LONG ISLAND RAIL ROAD
and TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY**

WHEREAS, Triborough Bridge and Tunnel Authority ("TBTA") owns certain real property (the "Rail Yards") on the West Side of Manhattan generally bounded on the north by West 33rd Street, on the east by 10th Avenue, on the south by West 30th Street and on the west by 12th Avenue, which Rail Yards comprise (i) that portion located to the east of 11th Avenue (the "Eastern Rail Yard" or "ERY") and (ii) that portion located to the west of 11th Avenue (the "Western Rail Yard" or "WRY");

WHEREAS, the City of New York ("City") has taken steps to expand the central business district and promote the economic development interests of the City and State by revitalizing the Far West Side of Manhattan into a mixed-use commercial and residential area by, among other things, rezoning portions of the Hudson Yards area and planning for the extension of the #7 line from Times Square;

WHEREAS, to facilitate the development of the Rail Yards, TBTA intends to transfer ownership of the Rail Yards to Metropolitan Transportation Authority ("MTA");

WHEREAS, by resolution dated July 26, 2006, the Board authorized the Chairman and the Executive Director to negotiate the terms and conditions of a memorandum of understanding with the City with respect to the disposition of air space and related real property interests above the Western Rail Yard and the disposition of air space and related property interests above the Eastern Rail Yard, including certain transferable development rights allocated to the Eastern Rail Yard (the "ERY TDRs") and to obtain an updated appraisal of the Western Rail Yard and an appraisal of the Eastern Rail Yard;

WHEREAS, the Chairman and the Executive Director have negotiated the terms and conditions of a memorandum of understanding ("Rail Yards MOU") with the City which provides for, among other things, the following: (1) a coordinated planning and development effort with respect to the Eastern Rail Yard and the Western Rail Yard; and (2) the acquisition of a fifty percent interest in the ERY TDRs by the City's Hudson Yards Infrastructure Corporation ("HYIC"), for \$200 million and the acquisition by the City's Hudson Yards Development Corporation ("HYDC") of the right to market, negotiate transfer amounts, price and payment terms for, and effectuate the sale of, one hundred percent of the ERY TDRs, subject to terms and conditions set forth in the Rail Yards MOU;

WHEREAS, the Rail Yards MOU provides for a collaborative process for the development of Guidelines for the Western Rail Yard and the issuance of a Request for

BOARD MINUTES
JULY 26, 2006
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Proposals by the MTA for the Eastern Rail Yard and the Western Rail Yard, with the selection of a developer or developers to be made by the MTA Board;

WHEREAS, the Public Authorities Accountability Act of 2005 ("PAAA") imposes certain requirements upon the disposition of real property by New York State public authorities, including the requirement that "no disposition of real property [or] any interest in real property ... which because of its unique nature is not subject to fair market pricing ... shall be made unless an appraisal of the value of such property has been made by an independent appraiser and included in the record of the transaction";

WHEREAS, the requirements of the PAAA apply to MTA's sale to HYIC of a fifty percent interest in the ERY TDRs and to MTA's disposition to HYDC of the right to market, negotiate transfer amounts, price and payment terms for, and effectuate the sale of, one hundred percent of the ERY TDRs;

WHEREAS, the PAAA authorizes the disposition of interests in real property by negotiation, subject to obtaining such competition may be feasible under the circumstances, if the disposition is to the state or any political subdivision and "the estimated fair market value of the property and other satisfactory terms of disposal are obtained by negotiation";

WHEREAS, Jerome Haims Realty, Inc., has prepared a draft appraisal for the Eastern Rail Yards that values the ERY TDRs at approximately \$487 million, based upon an estimated value of \$106.71 per square foot;

WHEREAS, pursuant to the Rail Yards MOU, each sale of the ERY TDRs by the City to a developer must be for at least \$103 per square foot and the MTA retains all proceeds once the City has recouped \$200 million, plus interest at HYIC's cost of capital;

WHEREAS, because the MTA retains a substantial upside in the event that the ERY TDRs are sold for more than \$103 per square foot, it is entirely conceivable that MTA will ultimately realize values in excess of the appraised value of the ERY TDRs from the transaction;

WHEREAS, because the City will subsequently sell the ERY TDRs to designated receiving sites in the Hudson Yards Redevelopment Area, the requirement of obtaining such competition may be feasible under the circumstances has been satisfied;

WHEREAS, the development of the Rail Yards is in the economic development interests of the City and State;

WHEREAS, the MTA, on behalf of itself and the New York City Transit Authority and the MTA Capital Construction Company, and the City of New York, HYDC and HYIC have agreed on the terms and conditions of a memorandum of understanding ("No. 7 Line MOU") for the design, construction and funding of the Number 7 Line Extension

project that provides for a capital investment from the City, HYDC or HYIC of \$2 billion, plus an additional \$100 million to address cost overruns, if any;

NOW THEREFORE, upon the recommendation of MTA's Executive Director, the Board of the MTA and the Board of the TBTA resolve as follows:

1. The Chairman and the Executive Director are hereby authorized to execute the Rail Yards MOU and the No. 7 Line MOU in substantially the same form as annexed to the accompanying Staff Summary.
2. The Chairman and Executive Director and their respective designees are hereby authorized to take such actions and enter into and execute such subsequent agreements, contracts, leases, documents, and other instruments, as may be necessary, desirable or convenient to effectuate (i) the transfer of the ownership of the Rail Yards from TBTA to MTA; and (ii) the terms and conditions of the Rail Yards MOU and the No. 7 Line MOU, provided, however, that the selection of a developer or developers for the Eastern Rail Yard and the Western Rail Yard shall be presented to the MTA Board for approval, pursuant to the terms of the Rail Yards MOU.
3. The Chairman and Executive Director and their respective designees are hereby authorized to file an explanatory statement regarding the ERY TDR transaction to the New York State Comptroller, the Majority Leader of the State Senate, the Speaker of the State Assembly, the Commissioner of the State Office of General Services, and the Director of the State Division of Budget, as required by the PAAA.
4. The Chairman and Executive Director and their respective designees are hereby authorized to take any and all actions as may be required to satisfy legal or regulatory requirements in connection with the foregoing actions, including but not limited to the preparation of any environmental analyses, evaluations, documents, determinations, or findings that may be required prior to final approval of any binding agreements with the City, HYIC or HYDC.

Eastern Rail Yard Transferrable Development Rights (“ERY TDRs”) Disposition and Pricing Mechanism Policy

Sales of the ERY TDRs will be pursuant to the disposition and pricing mechanism policy (“Disposition and Pricing Mechanism Policy”), as set forth below.

1. Disposition Process

- a. Metropolitan Transportation Authority (“MTA”) will negotiate and effectuate ERY TDR sales with each eligible property owner that desires to purchase ERY TDRs under this Disposition and Pricing Mechanism Policy.
 - i. The price per square foot of ERY TDRs to be sold will be established through the Pricing Mechanism, as described below.
 - ii. All sales will be cash sales in one lump sum payment at closing.
- b. MTA will be solely responsible for engaging appraisers, determining the timing of the transaction and for determining other normal terms and conditions to closing in its sole discretion.

2. Pricing Mechanism

The price per square foot of ERY TDRs to be sold shall be established pursuant to this pricing mechanism (“Pricing Mechanism”):

- Upon receiving an application for purchase of ERY TDRs, all required supporting documentation, application fee, and a non-refundable appraisal fee, MTA will order an appraisal of the fee value as of the date of the application letter of the receiving site from one of its on-call appraisers. The appraisal fee shall be determined by MTA. The appraisal shall be finalized before it is discussed or shared with the transfer applicant.
- Based upon a 2008 pricing study prepared for Hudson Yards Development Corporation (“HYDC”), and the pricing study updates in 2013, 2015, 2016, and 2025, MTA will apply a percentage of 65% to the final appraised value per square foot of the fee of the receiving parcel to establish the per square foot value of the ERY TDRs. MTA shall commission a new study every three (3) years, or more frequently as MTA deems necessary, to determine whether such percentage should be adjusted. MTA may issue a notice on its website, or other publication(s), 90 days prior to the commencement of a new study. Once a pricing study has been completed and if MTA determines that the percentage should be adjusted, MTA shall publish the new percentage in an amended pricing policy. The new percentage shall not apply to applicants that (1) submit its application before the amended pricing policy has been published (“Publish Date”) and (2) have closed on the purchase within six (6) months of the Publish Date.

Staff Summary

Subject LEASE WITH 111 WASHINGTON AVENUE, LLC FOR MTA GOVERNMENT AND COMMUNITY RELATIONS OFFICE SPACE AT 111 WASHINGTON AVENUE, ALBANY, NY
Department REAL ESTATE
Department Head Name DAVID FLORIO
Department Head Signature
Project Manager Name GARRETT BURGER

Date NOVEMBER 19, 2025
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	11/19/25	X		
2	Board	11/19/25	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Legal		
3	Chief Administrative Officer		
2	Chief Financial Officer		

AGENCY: Metropolitan Transportation Authority ("MTA")

LESSOR: 111 Washington Avenue, LLC

LOCATION: 111 Washington Avenue, Albany, NY

PREMISES: Suite #751, consisting of 931 sq. feet of office space, 80 sq. feet of basement storage, plus two (2) parking spaces

USE: Office space, parking, and storage for MTA Government and Community Relations ("GCR")

ACTION REQUESTED: Authorization to enter into a new lease with 111 Washington Avenue, LLC for the Premises.

TERM: Ten (10) years with two (2) five (5) year renewal options.

REAL ESTATE TAXES: The MTA will pay its proportionate share of increases in real estate taxes over a base fiscal year, which shall be calendar year 2025.

OPERATING EXPENSES: The MTA will pay its pro-rata share of increases in building operating expenses over a base year, which shall be calendar year 2025.

UTILITIES: The MTA shall be responsible for all electricity consumed in the Premises and shall also pay its pro-rata share of common area electric. Charges shall be billed monthly based on a fixed rate of \$2.26 per rentable square foot. Annual increases based on Consumer Price Index for Northeast Utilities (but not to exceed 3% per annum).

LESSOR WORK: New flooring, replacement of stained ceiling tiles (and repair of any underlying leak issues), a new wall outlet and conduit for MTA-provided data drop for conference room screen, new break room cabinets and countertops, and additional state of good repair work.

RENT COMMENCEMENT: Upon delivery of possession of the Premises with substantial completion of Lessor Work

BASE RENT: \$18,620 per annum/\$1,551.67 per month. \$20.00 per square foot

FINANCE COMMITTEE MEETING

LEASE WITH 111 WASHINGTON AVENUE, LLC FOR MTA GOVERNMENT AND COMMUNITY RELATIONS OFFICE SPACE AT 111 WASHINGTON AVENUE, ALBANY, NY (Cont'd)

Page 2 of 2

COMMENTS:

The MTA is seeking to enter into a new lease agreement at 111 Washington Avenue in Albany for office space for GCR. The MTA has leased space for GCR at 111 Washington Avenue since 1987. With only one remaining one-year renewal option remaining on the existing lease, the MTA enlisted its real estate broker, CBRE, to search for new office space. GCR's requirements were that the space be located within walking distance of the New York State Legislative Office Building, accommodate two offices and a conference room, and include two parking spaces.

CBRE provided a market survey and identified three potential locations: a different suite within the MTA's existing building (111 Washington Avenue, Suite #751), 41 State Street, and 66 South Pearl Street. Of the three options, 41 State Street had the lowest asking rent per rentable square foot ("RSF") at \$17.00, followed by 111 Washington Avenue at \$20.00 per RSF, and then 66 South Pearl Street at \$22.00. However, as Suite 751 at 111 Washington Avenue is the smallest of the three spaces (and more in line with GCR's space requirements), resulting in the lowest overall estimated annual base rent. In addition, 111 Washington Avenue is much closer to the Legislative Office Building than the two other options. While the MTA considered renewing the lease in the existing space, GCR stated it has outgrown the space, and there were recurring HVAC and water penetration issues which made a renewal untenable.

After reviewing all market opportunities, the only option that met GCR's requirements - its proximity to the Legislative Office Building, office layout and suitable size, as well as the requisite parking and storage is 111 Washington Avenue, Suite #751.

Based on the foregoing, MTA Real Estate requests authorization to enter into a lease on behalf of MTA Government and Community Relations with 111 Washington Avenue, LLC under the above-described terms and conditions.

MTA NEW YORK CITY TRANSIT

Staff Summary

Subject EXTENSION OF THE LEASE WITH 27-35 JACKSON AVE LLC FOR OFFICE SPACE IN 27-35 JACKSON AVENUE, LONG ISLAND CITY, NY
Department REAL ESTATE
Department Head Name DAVID FLORIO
Department Head Signature
Project Manager Name RAYMOND SMYTH

Date NOVEMBER 19, 2025
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	11/19/25	X		
2	Board	11/19/25	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Legal		
3	Chief Administrative Officer		
2	Chief Financial Officer		

AGENCY: New York City Transit ("NYCT")

LESSOR: 27-35 Jackson Ave LLC

LOCATION: 27-35 Jackson Avenue, Long Island City, NY

PREMISES: Entire 4th floor consisting of 19,404 rentable square feet, and a portion of the ground floor consisting of 5,159 rentable square feet, totaling 24,563 rentable square feet

USE: Office space to house NYCT's Assistant Chief Transportation Officers and Subdivision Construction Flagging personnel

ACTION REQUESTED: Approval to execute renewal amendment

TERM: Currently month-to-month, extending through 7/31/29

REAL ESTATE TAXES: NYCT to continue to pay its proportionate share of increases in real estate taxes based on fiscal year 2025/26

OPERATING EXPENSES: NYCT to pay for services directly

UTILITIES: NYCT to pay utilities directly

LESSOR WORK: None

RENT COMMENCEMENT: 8/1/25

BASE RENT: \$39.00 PSF, 3% annual escalation (average annual cost \$1,084,606)

COMMENTS:

The Premises is currently used to house NYCT's Assistant Chief Transportation Officers and Subdivision C Construction Flagging personnel. The subject lease was originally executed in 2002 for a period of ten (10) years and was previously renewed through July 31, 2024. While there was an additional extension option available under the amended lease, NYCT did not execute that option at that time due to operational uncertainties and is currently in holdover.

NYCT is planning to move its operations on the fourth floor at the Premises to a new facility in Manhattan, known as the RCC Annex. The RCC Annex is currently under construction with anticipated completion in 2028. MTA Real Estate,

Staff Summary

FINANCE COMMITTEE MEETING

EXTENSION OF THE LEASE WITH 27-35 JACKSON AVE LLC FOR NYCT FACILITY LOCATED AT 27-35 JACKSON AVENUE, LONG ISLAND CITY, NY (Cont'd.)

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through CBRE, negotiated a short-term extension at the Premises that allows NYCT to continue its occupancy and provides flexibility to terminate as the RCC Annex nears completion. Operations on the first floor will likely be relocated to another existing NYCT facility, though details are still being discussed at this time.

A market survey conducted by CBRE, MTA's broker, established an estimated fair market value of \$44.52 PSF, above the \$39 PSF rent under the proposed extension. While the proposed PSF is higher than the rate MTA is currently paying, \$39 PSF compared to \$35.46 PSF, the reset in base tax year under the extension reduces the overall annual cost of the renewal, resulting in only a minor overall increase in average annual cost shown below:

Agreement	Total Cost PSF	Average Annual Cost
Current Occupancy	\$43.42	1,075,815
Extension Term	\$44.16	1,084,606

The renewal term extends NYCT's occupancy through July 31, 2029. NYCT will have a rolling right to terminate as soon as July 31, 2028, upon 12 months' notice (notice can be given in 2027 to terminate in 2028). Should NYCT terminate prior to the expiration date, it must reimburse Lessor the value of the unamortized broker commission, estimated at \$59,667 if terminated as of July 30th, 2028.

Based on the foregoing, MTA Real Estate requests authorization to execute a renewal amendment on behalf of NYCT with 27-35 Jackson Ave, LLC under the above-described terms and conditions.

MTA LONG ISLAND RAIL ROAD

Staff Summary

Subject LEASE WITH MUHAMMAD AFZAL FOR RETAIL AT THE LIRR LONG BEACH STATION IN LONG BEACH, NY
Department REAL ESTATE
Department Head Name DAVID FLORIO
Department Head Signature
Project Manager Name SELINA STORZ

Date NOVEMBER 19, 2025
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	LIRR Committee	11/19/25		X	
2	Finance Committee	11/19/25	X		
3	Board	11/19/25	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Legal		
2	Chief Administrative Officer		
3	Chief Financial Officer		

AGENCY: MTA Long Island Rail Road ("LIRR")

LESSEE: Muhammad Afzal

LOCATION: Long Beach Station

PREMISES: 330 square feet of rental space

USE: Travel/Convenience retail operation

ACTION REQUESTED: Authorization to enter into a lease agreement

TERM: Ten (10) years

COMPENSATION: Year 1: \$37,000 with 5% annual increases in years 1-5 and 3% annual increases in years 6-10.

COMMENTS:

MTA Real Estate issued a Request for Proposals ("RFP") dated November 18, 2024, covering portions of the station building at Long Beach Station. The retail space is currently occupied by the incumbent proposer, Mr. Afzal. Three (3) proposals were received, and are summarized below:

Proposer Name	Present Value at 6%
Taiseer Masurkar	\$349,527.13
Muhammad Afzal	\$325,558.30
Nita Patel	\$299,507.38

The highest bid came from Taiseer Masurkar, with a net present value (NPV) of \$349,000. However, Mr. Masurkar proposed only \$25,500 in improvements and did not provide a clear scope for those improvements, and was deemed unresponsive.

Mr. Afzal proposed a more substantial and clearly defined investment. He has submitted a proposal offering a starting annual rent of \$37,000 (\$112.00 per square foot), with 5% annual increases during years 1–5 and 3% annual increases during years 6–10, for a total lease term of ten (10) years. He also proposes to invest \$43,000 in initial improvements to the Premises. He intends to use the retail space to sell coffee, prepackaged baked goods, and convenience items.

Staff Summary



Metropolitan Transportation Authority

FINANCE COMMITTEE MEETING

LEASE AGREEMENT WITH MUHAMMAD AFZAL FOR RETAIL AT THE LIRR LONG BEACH STATION AT LONG BEACH, NY (Cont'd)

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Mr. Afzal currently operates newsstands at LIRR Stations at Deer Park, Ronkonkoma, and Long Beach, and has a proven track record of successful operations within the LIRR portfolio. His operational history, and greater capital commitment to improving the space, make his proposal more attractive than Mr. Masukar's proposal.

MTA Real Estate obtained an independent appraisal that determined the market value of the lease on an annual basis to be \$48,000 per annum (\$145 per square foot).

Based on the foregoing, it is recommended to proceed with the award of a lease agreement to Muhammad Afzal for the operation of retail at the Long Beach Station, Long Beach, NY.

Staff Summary

Subject LEASE RENEWAL WITH ALZAMORA COMMERCIAL HOLDINGS LLC, FOR OFFICE SPACE IN 300 OLD COUNTRY ROAD, MINEOLA, NY
Department REAL ESTATE
Department Head Name DAVID FLORIO
Department Head Signature
Project Manager Name ANDREW GREENBERG

Date NOVEMBER 19, 2025
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	LIRR Committee	11/19/25		X	
2	Finance Committee	11/19/25	X		
3	Board	11/19/25	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Legal		
3	Chief Administrative Officer		
2	Chief Financial Officer		

AGENCY: MTA Long Island Rail Road ("LIRR")

LESSOR: Alzamora Commercial Holdings, LLC

LOCATION: 300 Old Country Road, Mineola, NY., Condominium Unit # 103

PREMISES: 1,800 square feet on the first floor

USE: LIRR's Employee Assistance Program ("EAP") offices

ACTION REQUESTED: Authorization to enter into a lease renewal agreement to support of the EAP program requirements

TERM: Five (5) years

REAL ESTATE TAXES: Tenant is responsible for 100% of real estate taxes and will be renewing its tax exemption status with the municipality

OPERATING EXPENSES: 3% annual rent increases

UTILITIES: Tenant pays directly to the utility company

RENT COMMENCEMENT: October 15, 2025

BASE RENT: \$45,015.00 per annum - \$3,751.05 per month - \$25.01 per square foot

COMMENTS:

EAP currently occupies Unit #103 in a holdover capacity at the Location, which is required for its continuing operations. Separately at this Location, LIRR's Office of Health Services ("OHS") occupies Units #71 and #151 which were addressed and approved at the October 2025 MTA Board meeting.

This lease with Alzamora Commercial Holdings, LLC., successor in interest to Khal-Hal Realty, LLC for LIRR EAP offices expired October 14, 2024. The LIRR has remained in occupancy undisturbed as a holdover occupant pursuant with the lease holdover provisions. The current base rent for this unit is \$24.28 per sq. ft., and this proposed 5-year lease renewal will commence at \$25.01 per sq. ft. with 3% continued annual increases.

FINANCE COMMITTEE MEETING

LEASE RENEWAL WITH ALZAMORA COMMERCIAL HOLDINGS LLC, FOR OFFICE SPACE IN 300 OLD COUNTRY ROAD, MINEOLA, NY (Cont'd.)

Page 2 of 2

CBRE, MTA Real Estate's broker, had been working on a project for relocation from three individually owned condominium units at 300 Old Country Road, housing the OHS medical unit and this separate EAP office at 200 Old Country Road. However, that owner ultimately decided to reject the transaction.

Subsequently, CBRE identified three alternative locations with base rent ranging from \$26 per sq. ft. in an industrial type building in Bethpage, to \$40 per square foot in comparable office type property with lessors that would consider this type of medical occupancy. All locations would require a completely new installation at the LIRR's cost and expense, which CBRE estimated would cost more than approximately \$300 per square foot due to the specialty nature of the medical uses. Consequently, the total costs to relocate to any of those locations would significantly exceed costs to remain in place. Therefore, the LIRR has decided to realize operating budget savings by remaining in place and will look to make some minor interior modifications.

Based on the foregoing, MTA Real Estate requests authorization to enter into a lease renewal agreement on behalf of the LIRR with Alzamora Commercial Holdings LLC under the above-described terms and conditions.

Staff Summary

Subject LICENSE WITH LIBLA REALTY CORP. FOR USE OF LIRR PROPERTY UNDER A VIADUCT IN VALLEY STREAM, NY	Date NOVEMBER 19, 2025
Department REAL ESTATE	Vendor Name
Department Head Name DAVID FLORIO	Contract Number
Department Head Signature	Contract Manager Name
Project Manager Name SELINA STORZ	Table of Contents Ref. #

Board Action						Internal Approvals			
Order	To	Date	Approval	Info	Other	Order	Approval	Order	Approval
1	LIRR Committee	11/19/25		X		1	Legal		
2	Finance Committee	11/19/25	X			2	Chief Administrative Officer		
3	Board	11/19/25	X			3	Chief Financial Officer		

AGENCY: MTA Long Island Rail Road ("LIRR")

LICENSEE: Libla Realty Corp ("Libla")

LOCATION: West side of Merrick Road between Merrick Road and Lincoln Avenue under the LIRR West Hempstead viaduct in Valley Stream, NY

PREMISES: Parcel of land consisting of approximately 17,450 sq. ft.

USE: Parking and storage of heating, air conditioning, and maintenance of equipment

ACTION REQUESTED: Authorization to enter into a license agreement

TERM: Ten (10) years

COMPENSATION: \$4.25 per square foot or \$74,162.50 per annum with 3% annual increases

COMMENTS:

MTA Real Estate has received a request from Libla to renew a license agreement, dated May 2, 2005, which was originally entered into between Dalin Realty Inc. and LIRR. Thereafter, the license agreement was transferred to Libla effective March 13, 2015. Libla has been using the Premises on a month-to-month basis pursuant to a holdover letter effective April 1, 2015. Currently, the Premises is being used by Libla's in support of its adjacent HVAC business for employees and customers, and for the storage of heating, air conditioning, and maintenance equipment. Libla will be responsible, at its sole cost and expense, for maintenance and improvements made to the Premises.

Per the MTA Real Estate Department's Policy and Procedures for Licensing of Real Property, *Licenses Requiring Board Approval But Not Requiring Requests for Proposals*, Circumstance 2 states: The market rental value of the space in question, using standard practices for determining such market value, is considered less than \$5,000 per year or less than \$10.00 per square foot, whichever is greater. Here, the negotiated Compensation falls withing an acceptable competitive range which is \$4.00 - \$4.50 per square foot per annum based on market comps.

Based on the foregoing, MTA Real Estate hereby requests authorization for the LIRR to enter into a license agreement with Libla under the above-described terms and conditions.