

**MARCH 2026**  
**MTA REAL ESTATE**  
**MTA C&D TRANSIT ORIENTED DEVELOPMENT**  
**FINANCE COMMITTEE AGENDA ITEMS**

**1. ADMINISTRATIVE ACTION ITEMS**

Metropolitan Transportation Authority

- a. All-Agency Real Property Disposition Guidelines and All-Agency Personal Property Disposition Guidelines required by Public Authorities Law Sections 2895-289 (Guidelines available in the Exhibit Book and MTA.Info)
- b. Consolidation and amendment of MTA Real Estate policies governing the licensing of MTA agency properties to tenants, and the licensing of outside properties by MTA agencies for operational use
- c. Re-statement of MTA Real Estate licensing-in policy governing construction access agreements

**2. TRANSACTIONAL ACTION ITEMS**

MTA Long Island Rail Road

- d. Lease with Holden Rosen Grupp for a cafe in the East Hampton Station

MTA Metro-North Railroad

- e. Lease with Marky's Caviar for a retail space in Grand Central Terminal

**3. INFORMATION ITEMS**

- a. Grand Central Terminal Annual Report 2025
- b. Report on agreements entered into directly by the Real Estate Department pursuant to board policy
- c. Transit Oriented Development: Amendment to Viaduct Agreement with JP Morgan Chase related to redevelopment of 270 Park Ave

<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&amp;T</u>
<u>MTA Construction and Development Company</u>	<u>MTA Construction and Development</u>	<u>MTA C&amp;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).*

**METROPOLITAN  
TRANSPORTATION  
AUTHORITY**

# Staff Summary

Subject <b>PROPERTY DISPOSITION GUIDELINES</b>
Department <b>REAL ESTATE / CORPORATE COMPLIANCE</b>
Department Head Name <b>DAVID FLORIO / LAMOND KEARSE</b>
Department Head Signature
Project Manager Name <b>NEIL MASTROPIETRO / JENNIFER SAMPERI / JULIE VASADY-KOVACS</b>

Date <b>MARCH 25, 2026</b>
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	03/23/26	X		
2	Board	03/25/26	X		

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

## Purpose:

To obtain MTA Board approval of (i) revised and updated MTA Real Estate Department’s Real Property Disposition Guidelines (the “2026 Real Property Disposition Guidelines”), (ii) updated MTA’s All-Agency Guidelines for the Disposal of Personal Property (the “2026 Personal Property Disposition Guidelines”), and (iii) the appointment of the MTA staff persons designated as the Personal Property Disposition Contracting Officers listed on Attachment C, each promulgated in accordance with Section 2895-2897 of the Public Authorities Law.

## Discussion:

Section 2896 of the Public Authorities Law, enacted in 2005, requires that public authorities annually review and approve “comprehensive guidelines” adopted by resolution that detail its “operative policy and instructions” regarding disposals of real and personal property, and designate a contracting officer responsible for complying with and enforcing the guidelines. Each year the statute requires each public authority’s governing board to review and approve its guidelines by March 31<sup>st</sup> and to file a copy of the Guidelines with the State Comptroller. The proposed 2026 Real Property Disposition Guidelines prepared by the MTA Real Estate Department are annexed as Attachment A to this Staff Summary. The proposed 2026 Personal Property Disposition Guidelines, prepared by MTA Corporate Compliance in consultation with MTA Agency procurement departments, are annexed as Attachment B to this Staff Summary. A list of the MTA staff persons designated as the Personal Property Disposition Contracting Officers is annexed as Attachment C to this staff summary. The attachments are available for review by the MTA Board members in the Director’s Desk Exhibit Book and on MTA.INFO.

## Real Property Disposition Guidelines:

In March 2025, the MTA Board approved the MTA Real Estate Department’s current real property disposition guidelines, which detailed MTA Real Estate’s policies and procedures for the disposal of real property.

The proposed 2026 Real Property Disposition Guidelines (see Attachment A) are substantially the same as those approved last year except for those minor changes as shown redlined in Attachment A, most of which have been made to reflect organizational updates and revisions and refinements to the administrative processes.

## Personal Property Disposition Guidelines:

In March 2025, the MTA Board approved the current All-Agency Guidelines for the Disposal of Personal Property to provide a consistent set of personal property disposal policies and practice, across the MTA agencies.

# Staff Summary

**FINANCE COMMITTEE MEETING  
PROPERTY DISPOSITION GUIDELINES (Cont'd.)**

The proposed 2026 Personal Property Disposition Guidelines (see Attachment B) have a non-substantive title change; therefore, are substantially the same as the 2025 guidelines.

**Recommendation:**

It is recommended that the Board adopt the resolution attached to this Staff Summary approving the 2026 Real Property Guidelines and the 2026 Personal Property Guidelines and designating the MTA and MTA agency staff member(s) listed on Attachment C of the Real Property Disposition Guidelines as the Contracting Officer(s) for the MTA and MTA Agencies as the officer(s) responsible for disposition of real property.

# Staff Summary

Subject <b>ALL-AGENCY REAL ESTATE LICENSING-OUT POLICY</b>
Department <b>REAL ESTATE</b>
Department Head Name <b>DAVID FLORIO</b>
Department Head Signature
Project Manager Name <b>NEIL MASTROPIETRO/KIM TREVISAN</b>

Date <b>MARCH 25, 2026</b>
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

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

**AGENCY:** Metropolitan Transportation Authority (“MTA”), New York City Transit Authority and Triborough Bridge and Tunnel Authority, and their respective subsidiaries, including Metro-North Commuter Railroad Company, The Long Island Rail Road Company, MTA Construction & Development Company (“MTAC&D”), MTA Bus Company, Grand Central Madison Operating Company, Manhattan and Bronx Surface Transit Operating Authority, Staten Island Rapid Transit Operating Authority (each, individually, an “MTA Agency” and collectively the “MTA Agencies”)

**PURPOSE:** Approval of terms and adoption of a new all-agency licensing policy for licensing- out of real property, or portions thereof, that is owned, leased or under the custody and control of any MTA Agency (“MTA Agency Property”), which will consolidate, modify and replace the existing licensing-out policies adopted by the MTA Board from time to time enumerated on Schedule A attached hereto (collectively the “Existing Licensing-Out Policies” or individually an “Existing Licensing-Out Policy”)

## PURPOSE/RECOMMENDATION

This All-Agency Real Estate Licensing-Out Policy seeks to create a single consolidated policy for the licensing-out to third parties of MTA Agency Property, to replace the Existing Licensing-Out Policies in order to provide for a more streamlined framework for MTA Real Estate and MTA Agencies to efficiently and productively enter into license agreements with third parties for MTA Agency Property on a short term and revocable basis.

Under the All-Agency Licensing-Out Policy, MTA Real Estate (which consists of MTA Transactions & Operations (“T&O”) and MTA Transit-Oriented Development (“TOD”); T&O and TOD individually or collectively as the case may be, “MTA Real Estate”) may, on behalf of each MTA Agency, and any MTA Agency may on its own behalf (subject to the conditions, requirements and restrictions set forth in Sections A through E below) negotiate License Agreements (defined below) or Licenses (defined below) with third parties pursuant to this All-Agency Licensing-Out Policy, without a public offering i.e., a Request for Proposals (“RFP”) and the applicable MTA Agency officer or authorized signatory may execute such License Agreements, in each case, without further MTA Board approval. This streamlined approach will enable MTA Real Estate and MTA Agencies to respond more effectively to changing market conditions and evolving retail trends, and revenue-

## FINANCE COMMITTEE MEETING ALL-AGENCY REAL ESTATE LICENSING-OUT POLICY (Cont'd)

Page 2 of 6

generating opportunities (including optimizing underutilized space), and facilitate (i) the prompt accommodation of public and private activations including utility agreements, and (ii) the issuance of license agreements and entry permits for limited purposes in connection with construction and/or development-related activities by third parties on MTA Agency Property or property adjacent thereto as hereinafter described.

Adoption of this All-Agency Real Estate Licensing-Out Policy extinguishes the Existing Licensing-Out Policies (set forth on Schedule A attached hereto) to the extent that such Existing Licensing-Out Policies relate to the licensing out of MTA Agency Property pursuant to this All-Agency Real Estate Licensing-Out Policy.

MTA Real Estate recommends that the MTA Board approves this All-Agency Real Estate Licensing-Out Policy by adopting the resolution attached to this Staff Summary.

### PROPOSED NEW ALL-AGENCY LICENSING-OUT POLICY:

MTA Real Estate may, on behalf of each MTA Agency, and any MTA Agency may on its own behalf (subject to the conditions, requirements and restrictions set forth in Sections A through E below), negotiate short term revocable licenses, entry permits or other similar agreements (however, so denominated, "License Agreements" or "Licenses") with third parties, without a public offering, and an appropriate officer or other authorized signatory of the applicable MTA Agency may execute such License Agreements, in each case without further MTA Board approval. License Agreements for the short-term use of MTA Agency Property shall be distinguished based upon their purposes and uses into the following general categories of Licenses: (1) Retail License Agreements, (2) Construction License Agreements, (3) Utility License Agreements, and (4) Miscellaneous License Agreements, each as defined, and subject to the conditions and restrictions, described below.

#### A. Retail License Agreements.

Under this Policy, a "Retail License Agreement" is a License Agreement for the retail use by private third parties of revenue generating space or other space not required for MTA Agency operational purposes within MTA Agency Property to provide retail-oriented, customer amenities at MTA Agency Property which is expressly revocable or terminable by the applicable MTA Agency at will, in its sole and absolute discretion, upon not more than 60 days' notice without compensation by the MTA or other MTA Agency, and that satisfies the other criteria set forth in this Section A of this Policy.

A Retail License Agreement may be negotiated by MTA Real Estate on behalf of the applicable MTA Agency and entered into under this Policy by such MTA Agency by an officer or authorized signatory of such MTA Agency, under the following circumstances: (i) for retail locations (including, without limitation, temporary kiosks or retail merchandising units (RMUs), pop-up retail uses and pilot programs to test retail concepts), that would otherwise go dark due to a tenant or licensee vacating early, or for other reasons, (ii) in order to maintain retail-oriented, customer amenities in circumstances where an RFP for the property was issued within the previous 12 months and failed to secure a tenant or licensee, or (iii) where the issuance of a RFP would likely be unsuccessful or is infeasible due to then current market conditions or the short term nature of the use by reason of anticipated MTA Agency future need for the space in question.

Retail License Agreements entered into under this All-Agency Real Estate Licensing-Out Policy are subject to and must comply with the General Terms and Conditions contained in Section E of this Policy, as well as the following conditions, requirements and restrictions

1. The maximum duration of each Retail License Agreement will be:

## FINANCE COMMITTEE MEETING ALL-AGENCY REAL ESTATE LICENSING-OUT POLICY (Cont'd)

Page 3 of 6

- (a) up to five (5) years for a new license agreement with a third party that is not already occupying the licensed space in question either under an existing license or lease, with up to one option to renew or extend for an additional period not to exceed five (5) years; or
  - (b) up to five (5) years for a new or renewal license agreement for a third party that is already occupying the licensed space in question, whether as a licensee under an existing license agreement or a tenant under an existing lease.
2. The net present value of the aggregate base licensing fees payable over the initial term under any such Retail License Agreements may not exceed \$5,000,000 which amount will be automatically increased by 5% as of January 1<sup>st</sup> each year.
3. Compensation for such Retail License Agreements will be based on local market comparable values identified and documented by MTA Real Estate or its independent third-party real estate consultant, which may (but need not) be based upon an independent appraisal or independent broker's valuation.
4. After the expiration or sooner revocation or termination of any such Retail License Agreement (including any renewal or extension as noted above), any further licensing (or leasing) of the space in question must be publicly offered in an RFP and, if required, presented to the MTA Board for approval
5. All Retail License Agreements executed in accordance with this All-Agency Licensing Out Policy must be reported to the Finance Committee as an information item after execution.
6. Retail License Agreements will be negotiated and managed on behalf of the applicable MTA Agency by T&O and, accordingly, an MTA Agency may not enter into a Retail License Agreement without the approval of MTA Real Estate.

### **B. Construction License Agreements.**

Under this Policy, a "Construction License Agreement" is a License Agreement granting third parties the right, privilege or permission to use MTA Agency Property in connection with construction, renovation, rehabilitation and/or development activities (collectively, "Construction Activities") on such MTA Agency Property or on property that is considered to be within the so-called "zone of influence" of such MTA Agency Property due to its adjacency or proximity to such MTA Agency Property, including without limitation, staging, due diligence, performance of pre-construction surveys, temporary installation of monitoring and other protective equipment and scaffolding, access and support of excavation, and that satisfy the requirements set forth in this Section B.

Construction License Agreements entered into under this Policy are subject to and shall comply with the General Terms and Conditions contained in Section E, as well as the following conditions, requirements and restrictions

1. The term of a Construction License Agreement shall not exceed the maximum duration of an MTA Agency project for which the agreement is required as determined by the MTA Agency(ies) or MTA Real Estate on their behalf that are impacted or affected by the Construction Activities permitted under such Construction License Agreements taking into account the Construction Activities schedule, with month-to-month or annual renewal extension provisions if deemed appropriate by the applicable MTA Agency, but in any event subject to provisions for the issuance of stop work orders at any time on limited or no prior notice (or other such conditions as deemed appropriate by the applicable MTA Agency(ies)).

## FINANCE COMMITTEE MEETING ALL-AGENCY REAL ESTATE LICENSING-OUT POLICY (Cont'd)

2. Compensation or license fees under such Construction License Agreements will be determined by MTA Real Estate and/or the applicable MTA Agency, which may be based on (i) prevailing rate charts charged by the MTA Agency or (ii) other market valuation methods consistent with the nature and scope of the (a) Construction License Agreement, (b) the Construction Activities in question and (c) the work being performed on the property within the so-called “zone of influence”, provided however that such Compensation or license fees may be negotiated and/or waived if MTA Real Estate or the applicable MTA Agency(ies) deems it fair and appropriate, taking into account the nature and scope of the Construction License Agreement, the Construction Activities in question and whether the same interfere with the continued use of MTA Agency Property in any material respect, consistent with the market practices, including Construction Licenses for access to neighboring property for purposes, such as for the performance of a pre-construction survey, investigative diligence, and installation, maintenance, monitoring and removal of monitoring equipment and other protective measures
3. In instances where MTA Agencies are negotiating Construction License Agreements on their own behalf, and MTA Real Estate will ultimately manage such Construction License Agreement, the MTA Agency will coordinate with MTA Real Estate.

### C. Utility License Agreements.

Under this Policy, a “Utility License Agreement” is a License Agreement granting to third party utility providers (e.g., energy, water, sewer, stormwater, gas, heat, cable, communications, or other similar purpose) for use of MTA Agency Property (typically, but not always, subterranean or aerial) that will not interfere (except as expressly permitted by the applicable MTA Agency) with the use, operations or facilities of the applicable MTA Agency.

Utility License Agreements entered into under this Policy are subject to and shall comply with the General Terms and Conditions contained in Section E of this Policy, as well as the following conditions, requirements and restrictions

1. The maximum duration for Utility Licenses will be ten (10) years, subject to extension or renewal for additional periods of time with each such extension or renewal period to not exceed [ten (10) years] in duration, as MTA Real Estate in consultation with the applicable MTA Agency, deem appropriate under the circumstances, taking into consideration demonstrated public need for continuing the Utility License to provide the utility service in question.
2. Compensation or license fees under Utility License Agreements will be determined by MTA Real Estate and/or the applicable MTA Agency based upon prevailing rate charts charged by the MTA Agency or other market valuation method; provided that compensation or license fees under such Utility License Agreement where the licensee is a government, municipality or other public entity or agency may be negotiated and/or may be waived as an accommodation if MTA Real Estate or the applicable MTA Agency(ies) deems it fair and appropriate under the circumstances.
3. In instances where MTA Agencies are negotiating Utility License Agreements on its own behalf, MTA Real Estate will ultimately manage such Utility License Agreement, and the MTA Agency will coordinate with MTA Real Estate.

### D. Miscellaneous Licenses

## FINANCE COMMITTEE MEETING ALL-AGENCY REAL ESTATE LICENSING-OUT POLICY (Cont'd)

Under this Policy, a “Miscellaneous License Agreement” is a License Agreement (other than a Retail License Agreement, Construction License Agreement or Utility License Agreement) granting third parties —the right, privilege or permission to use MTA Agency Property for non-retail and non-residential limited and specified purposes and/or activities, including but not limited to, cultural and local community events, beautification and landscaping programs, short-term commuter parking lot operations, taxi/car sharing services, bicycle parking, special events, and use by adjacent property owners for maintenance, parking, or other lawful uses directly related to their property.

Miscellaneous License Agreements entered into under this Policy are subject to and shall comply with the General Terms and Conditions contained in Section E of this Policy, as well as the following conditions, requirements and restrictions

1. The maximum duration of such Miscellaneous License Agreements will be five (5) years, except as provided in Section D.3. below, with month-to month or annual renewal provisions as appropriate, revocable or terminable on not more than 60 days’ notice without compensation by the MTA or other MTA Agency.
2. Compensation or license fees under such Miscellaneous License Agreements with private parties will, where appropriate and applicable, be based on local market comparable values identified and documented by MTA Real Estate or its independent third-party real estate consultant, which may (but need not be) be based upon an independent appraisal or independent broker’s valuation), or as otherwise deemed reasonable by MTA Real Estate or the applicable MTA Agency under the circumstances.
3. Compensation or license fees, if any, under such Miscellaneous License Agreements with government, public or not-for-profit parties, may be negotiated and/or waived if MTA Real Estate and/or the applicable MTA Agency deems it fair and appropriate under the circumstances; provided that (i) the licensee may not generate profit solely from the use of MTA Agency Property under such Miscellaneous License Agreement and (ii) the maximum duration of these Miscellaneous License Agreements will be one (1) year, with month-to month or annual renewal provisions as appropriate, revocable or terminable on not more than 60 days’ notice without compensation by the MTA or other MTA Agency.
4. MTA Agencies will have MTA Real Estate negotiate and manage Miscellaneous License Agreements on behalf of such MTA Agency and which License Agreement will be managed by MTA Real Estate.

### **E. General Conditions Applicable to all License Agreements**

Each License Agreement entered into under this All-Agency Licensing-Out Policy will comply with, at a minimum, the following conditions, requirements and restrictions (the “General Terms and Conditions”).

1. Except as otherwise specifically set forth above in Sections A and D, (1) where the licensee is a government or public entity or not for profit entity, and (2) where the License Agreement relates to a capital project, or is entered into pursuant to an existing operating agreement, easement agreement, lease agreement, or other similar agreement that has previously been approved by the Board, such License Agreement shall be expressly revocable or terminable by the applicable MTA Agency at will upon such notice as may be reasonable under the circumstances as

## FINANCE COMMITTEE MEETING ALL-AGENCY REAL ESTATE LICENSING-OUT POLICY (Cont'd)

Page 6 of 6

- determined by MTA Real Estate or such MTA Agency and, without compensation by the MTA or such MTA Agency, including without repayment of any unamortized improvement or fit-out costs incurred by the licensee for the licensed space or otherwise.
2. Each License Agreement shall contain customary provisions reimbursing the applicable MTA Agency(ies) for accommodation services, administrative costs and force account costs of the applicable MTA Agency(ies) in connection therewith, or as otherwise approved by the President (or such officer's designee) of the affected MTA Agency(ies).
  3. Each License Agreement entered into under this Policy will be structured to provide clear guidelines for usage and allocation of liability.
  4. Licensees under all License Agreements will be vetted in accordance with MTA Real Estate's or the MTA Agency's customary practices.
  5. MTA Agencies will follow the MTA Agency's customary practices when entering into License Agreements on its own behalf and which License Agreement will not be managed by MTA RED.
  6. All License Agreements will include adequate insurance and indemnification protections for the MTA and MTA Agencies.
  7. MTA Real Estate will negotiate and enter into License Agreements in accordance with the MTA Real Estate Department's Guidelines for Licensing-Out of Real Property.
  8. All License Agreements must be reviewed and approved as to form by the Legal Department of MTA and/or MTAC&D, except with respect to certain Construction License Agreements which are in the nature of entry permits for limited access to and non-intrusive use of MTA Agency Property which are customarily issued by the External Partners Program of MTAC&D on behalf of New York City Transit Authority or directly by the respective MTA Agencies on such MTA Agency's customary forms, which forms are reviewed and approved from time to time by the applicable MTA Agency's General Counsel or by the Legal Department of MTA and/or MTAC&D.

## EXHIBIT A

### **LICENSING- OUT POLICIES BEING EXTINGUISHED PURSUANT TO NEW ALL-AGENCY LICENSING OUT POLICY**

**POLICY ON YEAR-TO-YEAR GARDEN LICENSE AGREEMENTS** for MTA Agencies dated March 22, 1991, and amended January 26, 2004.

**NEWSPAPER VENDING MACHINES** dated December 16, 2002, and amended June 28, 2004, July 22, 2004, and September 27, 2004.

**TEMPORARY CONCESSION LICENSE POLICY** dated June 24, 1988 and amended November 12, 2013.

**GUIDELINES FOR DISTRIBUTION OF NEWSPAPERS, BOOKS, AND MAGAZINES (NYCT ONLY)** dated July 17, 1990.

**AMENDMENT OF NEGOTIATED LICENSE POLICY FOR EXISTING TENANTS** dated July 19, 1995, and amended April 4, 2007, July 22, 2020.

**ALL-AGENCY AGREEMENTS FOR SHORT-TERM ACCESS RIGHTS TO REAL PROPERTY FOR NOT-FOR-PROFIT, MUNICIPAL, OR PUBLIC BENEFIT CORPORATIONS FOR NON-COMMERCIAL ACTIVITIES** dated October 24, 2002.

**ALL-AGENCY FACILITIES USE POLICY** dated September 27, 2005, and amended January 26, 2011.

**ALL-AGENCY BOLLARD AGREEMENT** dated May 22, 2008.

**SHORT-TERM ACCESS AGREEMENTS PROVIDING ACCESS RIGHTS TO MTA BRIDGES & TUNNELS REAL PROPERTY** dated May 22, 2006.

**GRAND CENTRAL TERMINAL RETAIL LICENSING** dated April 27, 2009 and amended July 22, 2020, September 23, 2020, and June 29, 2022.

**ALL-AGENCY PILOT PROGRAM AGREEMENT** dated June 25, 2011 and amended September 24, 2018.

**GCT SHORT TERM LICENSING POLICY** dated April 27, 2009, and amended July 22, 2020, September 23, 2020, and June 29, 2022.

**POLICY FOR ENTERING INTO LICENSE TRANSACTIONS FOR NON-REVENUE GENERATING USES AT MTA PROPERTY** dated July 27, 2022, and amended November 29, 2023.

<b>Subject</b> <b>RESTATEMENT OF MTA REAL ESTATE CONSTRUCTION ACCESS AGREEMENT LICENSING-IN POLICY</b>
<b>Department</b> <b>REAL ESTATE</b>
<b>Department Head Name</b> <b>DAVID FLORIO</b>
<b>Department Head Signature</b>
<b>Project Manager Name</b> <b>NEIL MASTROPIETRO/ARTURO ESPINOZA</b>

<b>Date</b> <b>MARCH 25, 2026</b>
<b>Vendor Name</b>
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3	Chief Financial Officer		

**AGENCY:** Metropolitan Transportation Authority (“MTA”), New York City Transit Authority and Triborough Bridge and Tunnel Authority, and their respective subsidiaries, including the Metro-North Railroad Company, The Long Island Rail Road Company, MTA Construction & Development Company (“MTAC&D”), MTA Bus Company, Grand Central Madison Operating Company, Manhattan and Bronx Surface Transit Operating Authority, Staten Island Rapid Transit Operating Authority (each, individually, an “MTA Agency” and collectively the “MTA Agencies”)

**PURPOSE:** Approval of restatement of the Construction Access Agreement Policy for securing certain access rights to real property through the licensing-in of third party owned, real property by MTA Agencies for their contractors, employees and agents in connection with capital construction projects and maintenance and repairs related to MTA facilities.

## PURPOSE/RECOMMENDATION

**The following policy is to be re-stated as follows:**

### Restated Construction Access Agreement Policy

The existing policy for construction access agreements, adopted November 15, 1999 and amended on November 12, 2013 and June 23, 2021, allows MTA Real Estate to negotiate, acquire or grant third parties access rights and privileges required by MTA Agencies for capital projects or maintenance or repairs of operating facilities. These access rights are typically for the duration of the project and subject to a \$10,000 per month limit. Such permits or licenses are typically obtained from other public entities. The restated policy, as modified to remove the authorization for MTA Real Estate to grant third parties and is limited to the acquisition of rights, as follows:

The Board hereby authorizes the Chief Real Estate Transactions and Operations of the MTA to negotiate and enter into agreements on behalf of all MTA agencies for the purpose of securing certain access rights to real property for their contractors, employees and agents in connection with capital construction projects and maintenance and repairs related to MTA facilities.

**FINANCE COMMITTEE MEETING  
RESTATEMENT OF MTA REAL ESTATE CONSTRUCTION ACCESS AGREEMENT LICENSING-IN  
POLICY (Cont'd)**

Page 2 of 2

Each agreement shall:

- 1) be in a form approved by the MTA Legal Department
- 2) provide for a permit/license fee or equivalent compensation not to exceed \$10,000.00 per month and
- 3) provide for a term not to exceed the overall project duration.

This policy is applicable only to the acquisition of access rights that are (1) minor temporary uses of land having negligible or no permanent on the environment; or (2) are in connection with a project to be constructed upon real property therefore used for a transportation purpose or on an insubstantial to such property contiguous thereto and which will not change in a material respect the general character of such prior transportation use shall take effect immediately upon its adoption.

# **MTA LONG ISLAND RAIL ROAD**

# Staff Summary

<b>Subject</b> <b>LEASE WITH HOLDEN ROSEN GRUPP FOR PORTIONS OF THE EAST HAMPTON STATION BUILDING</b>
<b>Department</b> <b>REAL ESTATE</b>
<b>Department Head Name</b> <b>DAVID FLORIO</b>
<b>Department Head Signature</b>
<b>Project Manager Name</b> <b>SELINA STORZ</b>

<b>Date</b> <b>MARCH 25, 2026</b>
<b>Vendor Name</b>
<b>Contract Number</b>
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3	Chief Financial Officer		

**AGENCY:** MTA Long Island Rail Road (“LIRR”)  
**LESSEE:** Holden Rosen Grupp (“HRG”)  
**LOCATION:** Railroad Avenue, East Hampton, NY  
**PREMISES:** Portions of the East Hampton station building ± 613 SF.  
**USE:** Operation of a daytime café and evening wine bar  
**ACTION REQUESTED:** Authorization to enter into a lease agreement  
**TERM:** Ten (10) years  
**COMPENSATION:** Year 1: \$24,000 with fixed annual increases of \$2,000.

**COMMENTS:**

MTA Real Estate issued a Request for Proposals (“RFP”) dated November 21, 2024, for the lease of the Premises. Two (2) proposals were received and are summarized below:

Proposer Name	Present Value at 6%
Nick Zappola	\$306,064.68
Holden Rosen Grupp	\$235,846.73

The highest proposal came from Nick Zappola who proposed a starting rental of \$36,000 (\$58.72 psf) with three percent (3%) annual increases on a ten (10) year term; however, Nick Zappola withdrew the proposal after determining that it was too high. The second highest and now only remaining proposal came from HRG who proposed a starting rental of \$24,000 (\$39.15 psf) with \$2,000 annual increases on a ten (10) year term. HRG plans to invest \$459,000 in improvements to the space for its use.

In addition, HRG has funds available to fund the improvements required. He has indicated a net worth of \$4,406,246 through various assets and is the owner of a construction company which has built out retail establishments including a café and ice cream factory. The proposed concept for the East Hampton LIRR station building is a dynamic, dual-purpose beverage and snack bar that transitions throughout the day to cater to different customer needs.

**LEASE WITH HOLDEN ROSEN GRUPP FOR PORTIONS OF THE EAST HAMPTON STATION BUILDING  
(Cont'd)**

Page 2 of 2

Capital Improvements - It was determined through HRG's early due diligence that the Suffolk County Board of Health will require a septic system upgrade, which is typically the LIRR's responsibility. HRG has provided the MTA Real Estate with a cost estimate of \$80k - \$120k for the required upgrade. In lieu of LIRR performing the work, the MTA Real Estate will provide 3 years of rent credits (\$24,000 in Year 1, \$26,000 in Year 2, and \$28,000 in Year 3) for an aggregate total of \$78,000 to compensate HRG for the cost of the total septic upgrade.

Additional Leased Premises – the LIRR has approved a portion of the ticket office for exclusive tenant use. The LIRR has also approved the non-exclusive use of a second restroom. The restroom will be available to the retail customers and LIRR employees.

HRG has experience in retail development and construction in New York City and proposes a complete a full build-out of the retail area including a service counter and seating area. The interior design will align with the historic character of the station, using warm lighting, wooden accents, and classic signage. Installations such as retractable counters and adjustable seating will allow for smooth daily transitions. All improvements will meet MTA Retail Design Guidelines and health and safety regulations.

MTA Real Estate solicited an appraisal from Goodman-Marks Associates ("GM") dated March 26, 2024, with an opinion of the annual market rental value of \$45.00 psf or \$32,000.00. Please note that the GM appraisal was based on 706 SF versus the 613 SF that was marketed in the RFP.

Based on the foregoing, it is recommended to proceed with the award of a lease agreement to Holden Rosen Grupp for the operation of a café/wine bar at the East Hampton Station Building.

# **MTA METRO-NORTH RAILROAD**

# Staff Summary

Subject <b>LEASE WITH MARKYS S. CENTRAL PARK, LLC FOR RETAIL SPACE AT GRAND CENTRAL</b>
Department <b>REAL ESTATE</b>
Department Head Name <b>DAVID FLORIO</b>
Department Head Signature
Project Manager Name <b>KIM TREVISAN</b>

Date <b>MARCH 25, 2026</b>
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	MNR Committee	03/23/25		X	
2	Finance Committee	03/23/25	X		
3	Board	03/25/25	X		

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

AGENCY: Metropolitan Transportation Agency (“MTA”) and MTA Metro-North Railroad (“MNR”)  
 LESSEE: Markys S. Central Park, LLC dba Marky’s Caviar (“Marky’s”)  
 LOCATION: Grand Central Terminal (“GCT”)  
 PREMISES: MKT-23: Approximately 143 sq. ft.  
 USE: Retail sale of caviar  
 ACTION REQUESTED: Authorization to enter into a lease agreement  
 TERM: 10 years  
 COMMON AREA MAINTENANCE: \$3,289.00 with 3% annual escalations  
 LESSEE WORK: Not Applicable

BASE RENT:	<u>Guaranteed Annual Minimum Rent</u>		<u>Percentage Rent</u>
	<u>Year</u>	<u>Rent</u>	
	1	\$85,000.00	10% of gross sales over breakpoint of \$1,020,000
	2	\$87,550.00	12% of gross sales over breakpoint of \$1,050,600
	3	\$90,176.50	12% of gross sales over breakpoint of \$1,082,112
	4	\$91,980.03	12% of gross sales over breakpoint of \$1,103,754
	5	\$93,819.63	12% of gross sales over breakpoint of \$1,125,829
	6	\$95,696.02	12% of gross sales over breakpoint of \$1,148,346
	7	\$97,609.94	12% of gross sales over breakpoint of \$1,171,313
	8	\$99,562.14	12% of gross sales over breakpoint of \$1,194,474
	9	\$100,557.76	12% of gross sales over breakpoint of \$1,206,686
	10	\$101,563.34	12% of gross sales over breakpoint of \$1,218,753

## FINANCE COMMITTEE MEETING

### LEASE WITH MARKYS S. CENTRAL PARK, LLC FOR RETAIL SPACE AT GRAND CENTRAL TERMINAL (Cont'd.)

**COMMENTS:**

A publicly offered Request for Proposals (“RFP”) was issued on September 3, 2025 seeking a single-use retail operator for MKT-23 located in Grand Central Terminal’s Grand Central Market.

One (1) proposal was received on September 15, 2025 and is summarized below:

Proposer	Term	Use	Yr 1 MAG / % Rent	% Rent	NPV (MAG & % Rent)
Marky’s Caviar	10 years	Sale of Caviar	\$85,000 with 3% annual escalations	Year 1 10% over \$1,020,000 Years 2-10 12% over \$1,050,600 escalating 3% annually	\$687,863.13

The Marky’s Caviar proposal was evaluated according to the selection process guidelines outlined in the Real Estate Department Real Property Disposition Guidelines last approved by the MTA Board in March 2025. After initial review and consideration, Marky’s Caviar’s proposal was deemed complete and responsible and was additionally evaluated by MTA Real Estate’s third-party real estate service providers CBRE and SMG against the selection criteria listed in the RFP and recommended for selection. The net present value of the base rent proposal is \$687,863.13 (calculated at 6%) which is in line with the appraised value of the Premises, as estimated by an independent appraiser.

After reviewing and evaluation of the proposal, MTA Real Estate determined that Marky’s proposal was the highest and best use offer. Marky’s has been operating in MKT-23 since 2022 and is currently operating on a month-to-month basis, as their license agreement expired on July 31,2025.

The owner/operators of Marky’s Caviar are a current GCT tenant in good standing, operating in space MKT-23 for over three (3) years, offering fresh caviar.

Marky’s initial construction was completed in 2022. Under this RFP Marky’s will not be renovating the space.

Based on the foregoing, MTA Real Estate requests authorization to enter a lease on behalf of MNR with Markys S. Central Park, LLC under the above-described terms and conditions.