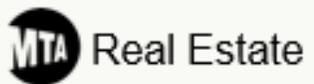


INFORMATION ITEMS



GRAND CENTRAL

Retail Activity 2025 Annual Report



EXECUTIVE SUMMARY | 2025

Performance and Strategic Progress Across the Retail Portfolio

The 2025 fiscal year marked a meaningful turning point for **Grand Central Terminal**, defined by renewed momentum and a return to forward-looking growth. As New York City continued to reassert itself as a global destination, increased tourism and a steady return of office workers helped restore daily energy to the Terminal—supporting stronger retail performance and reinforcing Grand Central’s role as both a transit hub and a commercial destination.

2025 revenue gains were realized from the leasing groundwork laid in prior years. With the Terminal trending towards full occupancy, fourteen new openings in 2024 combined with another five in 2025 contributed to strong numbers, while reenergizing the customer experience. Targeted retail design enhancements improved overall experience —reinvigorating foot traffic and strengthening tenant performance. These improvements helped advance leasing objectives as well as reinforce Grand Central as a vibrant centerpiece of Midtown East, reflective of both the pace of **New York City** and evolving consumer expectations.

Operationally, 2025 was defined by disciplined execution and collaboration. In close partnership, **Metro-North and MTA Real Estate** advanced new processes to streamline workflows, increase financial transparency, strengthen reporting processes, and reinforce operational accountability. This strong working relationship ensured alignment across stakeholders as systems stabilized and performance improved, which will continue through to the coming years.

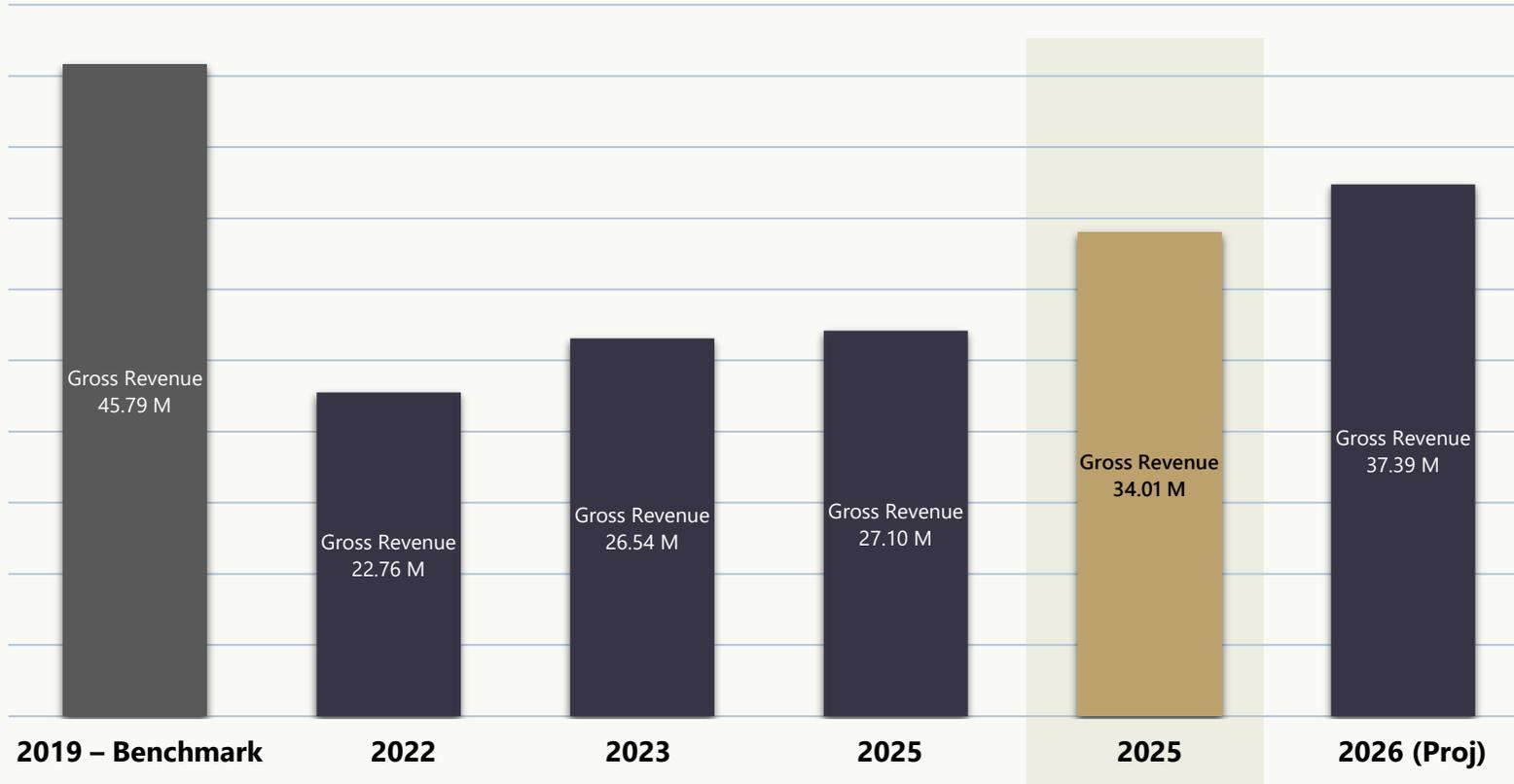
Complementing retail momentum, **events and public programming** flourished throughout the year. Record paid event revenue, the activation of new spaces, and the expansion of community-focused programming further positioned Grand Central as an active, dynamic destination—one that balances commercial performance with public engagement.

Collectively, these efforts reflect a year of renewed confidence and platform-building. With systems strengthened, partnerships aligned, and energy returning to the Terminal, Grand Central entered 2026 positioned for continued progress and long-term growth.



FINANCIAL PERFORMANCE

Year-Over-Year Gains Driven by Improved Oversight and Automation



Notable Gains:

Base rents rounded out the year at \$20M, and strong tenant sales supported a higher than anticipated percentage rent of \$5M, evidencing a positive performance trend across the Terminal. In addition, the events program performed exceptionally well, exceeding budget expectations and closing the year at \$3.4M.

Operational income was closely aligned with budget projections and reflective of new tenant leasing activity. All in all, the positive growth trajectory demonstrates that new uses and concepts for visitors translates into improved revenue for the Terminal.

The 2025 fiscal year reflected a year of meaningful revenue growth for Grand Central Terminal, supported by improving market conditions and disciplined portfolio management. Total gross revenue increased by more than 25% year over year, reaching approximately \$34 million and continuing an upward trajectory.

Growth was driven by multiple contributors, including increased occupancy, expanded event programming, and improving tenant performance - reinforcing the Terminal's role as both a transportation hub and a commercial asset.

Equally important, 2025 marked a step-change in financial oversight and reporting rigor. Enhanced revenue tracking, standardized reporting frameworks, and additional financial benchmarking and monitoring materially improved visibility into performance. These practices enabled earlier identification of trends and variances, leading to more informed decision-making and proactive collaborations between retail manager Spinoso Management Group, MTA Retail, and Metro-North.

Together, these results demonstrate not only improving financial performance, but the disciplined systems and controls supporting it. The strengthened reporting and governance framework reflects a rigor with which the Terminal is managed and underscores our commitment to meeting fiduciary obligations to stakeholders through transparency, accountability, and prudent financial stewardship as revenue initiatives continue to mature into 2026.

Sales performance across Grand Central Terminal improved markedly in 2025, with total sales increasing from approximately **\$163.3 million in 2024 to \$196.8 million in 2025**, representing a **17% year-over-year increase**.

This growth reflects broad-based strength across the retail, dining, and main concourse segments, supported by increased customer activity, strong tenant performance, and continued recovery in key locations.

While total sales remain modestly below 2019 levels, several segments have exceeded pre-pandemic benchmarks, indicating momentum and continued upside potential. Overall performance trends support expectations for ongoing annual growth as leasing stabilizes, activations expand, and customer demand continues to strengthen.

TOP PERFORMERS

GCT Retail
Charles Tyrwhitt
Neuhaus Boutique

GCT Restaurants
Grand Brasserie
The Campbell

GCT Main Concourse
Hudson News
Vanderbilt Tennis Club

SALES PERFORMANCE COMPARISON

Consistent Sales Growth Reflecting Tenant Strength and Increased Foot Traffic

Neighborhood	2024 Sales	2025 Sales	% Comparison
GCT 42nd St Passage	\$9.54M	\$10.02M	5.1%
GCT Biltmore Room	\$2.96M	\$3.59M	21.4%
GCT Dining Concourse	\$47.40M	\$56.05M	18.2%
GCT Graybar Passage	\$11.30M	\$12.32M	9.0%
GCT Kiosk	\$532.50K	\$640.06K	20.2%
GCT Lexington Passage	\$14.17M	\$15.24M	7.6%
★GCT Main Concourse	\$8.01M	\$10.94M	35.4%
GCT Market	\$17.43M	\$18.32M	5.1%
★GCT Restaurants	\$35.02M	\$48.46M	38.3%
★GCT Retail	\$5.45M	\$8.95M	64.6%
GCT Shuttle	\$11.46M	\$12.25M	6.9%
Total	\$163.34M	\$196.77 M	17%

STRENGTHENING THE RETAIL & DINING PORTFOLIO

Curating a Diverse Mix of Concepts That Elevate the Terminal Experience

In 2025, Grand Central continued to strengthen its **retail and dining mix** with several openings that reflect both New York City's character and the grandeur of the Terminal. **Melba's**, the renowned Harlem soul-food institution, and **San Wei**, a Queens-based Chinese quick-service concept, were two new additions to the Dining Concourse. Luxury apothecary brand **Malin + Goetz** opened in Lexington Passage and in the West Balcony, **Palladino's Steak & Seafood** is reimagining the classic New York steakhouse and offering white-table service in Art Deco style.

2025 also marked the debut of the **Grand Central Gift Shop**, a retail concept featuring official Grand Central and Metro-North branded merchandise and gifts. The Graybar Passage kiosk program hosted a rotating lineup of local artisan brands, including Karen Curtis jewelry, Urbn Elements lifestyle brand, and New York knitwear maker Upstate Stock.

Looking ahead, MTA Real Estate is planning a robust RFP 2026 calendar, strategically converting short-term licenses into traditional, long-term leases. The ongoing alliance between MTA Real Estate and Metro-North remains central to supporting these tenant transformations and boosting Grand Central's position as a premier retail and dining destination.

Tenant Name	Square Footage	Use	Opened
Palladino's Steak & Seafood	8,642	Fine Dining	09/2025
San Wei	680	Chinese Cuisine	06/2025
Melba's	406	Soul Food	02/2025
Malin + Goetz	481	Cosmetics	11/2025
Grand Central Gift Shop	150	Merchandise	10/2025
Hatware	Kiosk	Novelty Hats	07/2025
Urbn Elements	Kiosk	Travel Gear	08/2025
Upstate Stock	Kiosk	Clothing Company	11/2025
Karen Curtis	Kiosk	Jewelry	12/2025



SAFETY AND OPERATIONS

Elevating Safety & Operations with Formalized Procedures & Cross-Team Coordination

SAFETY EFFICIENCIES

In 2025, GCT Retail initiated a new safety program to improve system efficiency and risk management. A comprehensive safety tracking system was implemented, complemented by monthly inspections of all retail spaces through the SafetyCulture Program. Bi-annual Life Safety Evacuation Briefings were coordinated with Metro-North Fire Brigade, and safety risks were proactively identified and mitigated during ongoing retail space build-outs in collaboration with tenants. These measures reinforced operational safety, ensured compliance, and supported a secure environment for both visitors and staff.

OPERATIONAL EFFICIENCIES

The architectural review processes was elevated in 2025 with the onboarding of Beyer Blinder Belle (Architect) & Goldman Copeland (Engineers) as on-call advisory experts. A standardized process was created for operational notices that must be issued to retail tenants to efficiently track cure periods. Consulting services have been established for Fire, ADA, and Code to provide a timely, independent review of fire and life safety matters.

LOOKING AHEAD

As we enter 2026, continued enhancement will evolve. OSHA certification will be completed, along with developing a clear standard of operating for incident and accident reporting. A comprehensive reporting system for ADA compliance will be created. To proactively plan for emergencies, a standardized safety procedure will be reviewed for tenants' Ansl systems.

A daily checklist program will be created that has the team conducting daily walkthroughs of the Terminal to ensure tenants are adhering to all operational obligations. Jones COI will be used in 2026 to ensure better tracking of Certificates of Insurance, along with a calendar that allows greater visibility and tracking of assets through the Terminal.



CAPITAL PROJECTS & FUTURE DEVELOPMENT

Strategic Investments Strengthening the Foundation for Future Development

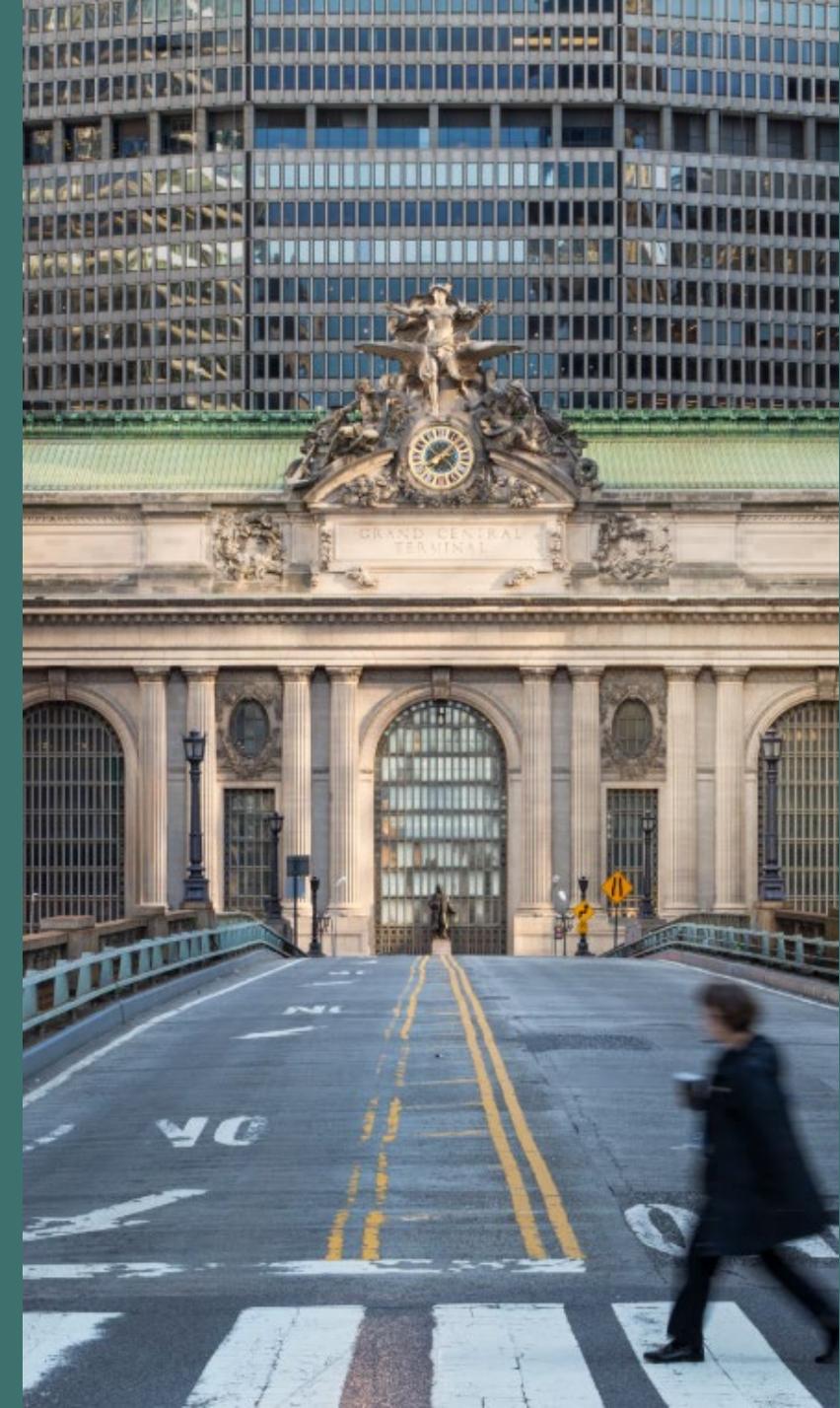
The capital program continues to advance in alignment with tenant improvements, infrastructure upgrades, and revenue-supporting initiatives across the Terminal. As of this reporting period, **\$1.66M** has been incurred against an approved budget of **\$4.03M**, reflecting a milestone-based approach to capital deployment as projects progress.

Current investments are centered on projects that directly support leasing activity and operational performance. These include tenant white box build-outs, targeted mechanical and ductwork upgrades, and other infrastructure improvements that enable new retail activations and enhance the functionality of existing spaces. Several projects have been completed, while the remaining initiatives are actively progressing with appropriate funding and oversight.

Beyond supporting immediate tenant needs, these improvements are designed to enhance the overall condition of the Terminal while preparing spaces for future leasing opportunities. Upgraded systems and prepared retail spaces create greater flexibility for future leasing opportunities while reinforcing the long-term commercial viability of the asset.

MTA Real Estate remains focused on delivering permanent upgrades that strengthen the asset and support long-term revenue growth. Overall, the capital program remains on schedule and aligned with operational and leasing priorities.

Capital Project	Description
Pork Chop White Box	Creation of new space on Vanderbilt plaza, increasing overall leasable square footage
Market Refresh	Lighting upgrades and metal work to elevate the Market's overall look
Merch Store White Box	Preparing for the opening of the Grand Central Gift Shop
Holiday Decor	Updated décor to align with Terminal-wide look
Carey's Hole	Enhancements to expand storage space
Duct Work Project	Terminal-wide project to reform duct work across the property
B54 Alarm - Vineyard Vines	Alarm upgrades to improve leaseability of space
42 nd Street Space Re-demise	Space alteration to better suit retail tenancy
Gas Booster	Repair of gas boosters to allow proper restaurant use



EVENT PROGRAM HIGHLIGHTS

A Landmark Year Marked by Innovation and Repeat Business

2025 was a standout year for the Grand Central Events program, defined by **record-setting revenue**, expanded scale, and **consistently strong execution**. The team delivered 82 events generating \$3.36 million in revenue, nearly doubling prior-year performance and firmly establishing Events as a **meaningful contributor** to the Terminal's commercial objective. Repeat business played a notable role, with returning clients deepening their engagement and reinforcing the reliability of the platform.

The Events program operated at **scale across multiple venues**, supported by close coordination with Metro-North. New review processes and a dedicated multi-disciplined team streamlined approval turnaround times and provided for a better communication across stakeholders. High-profile activations **enhanced the visitor experience**, drove incremental foot traffic, and reinforced Grand Central's position as a globally recognized destination for culture, commerce, and storytelling.

Throughout the year, the program successfully activated a broad range of iconic and historic spaces across the Terminal, supporting both large-scale brand activations and more intimate experiences. **Strategic use of underutilized areas** expanded revenue opportunities while maintaining alignment with the architectural character and operational standards of Grand Central.

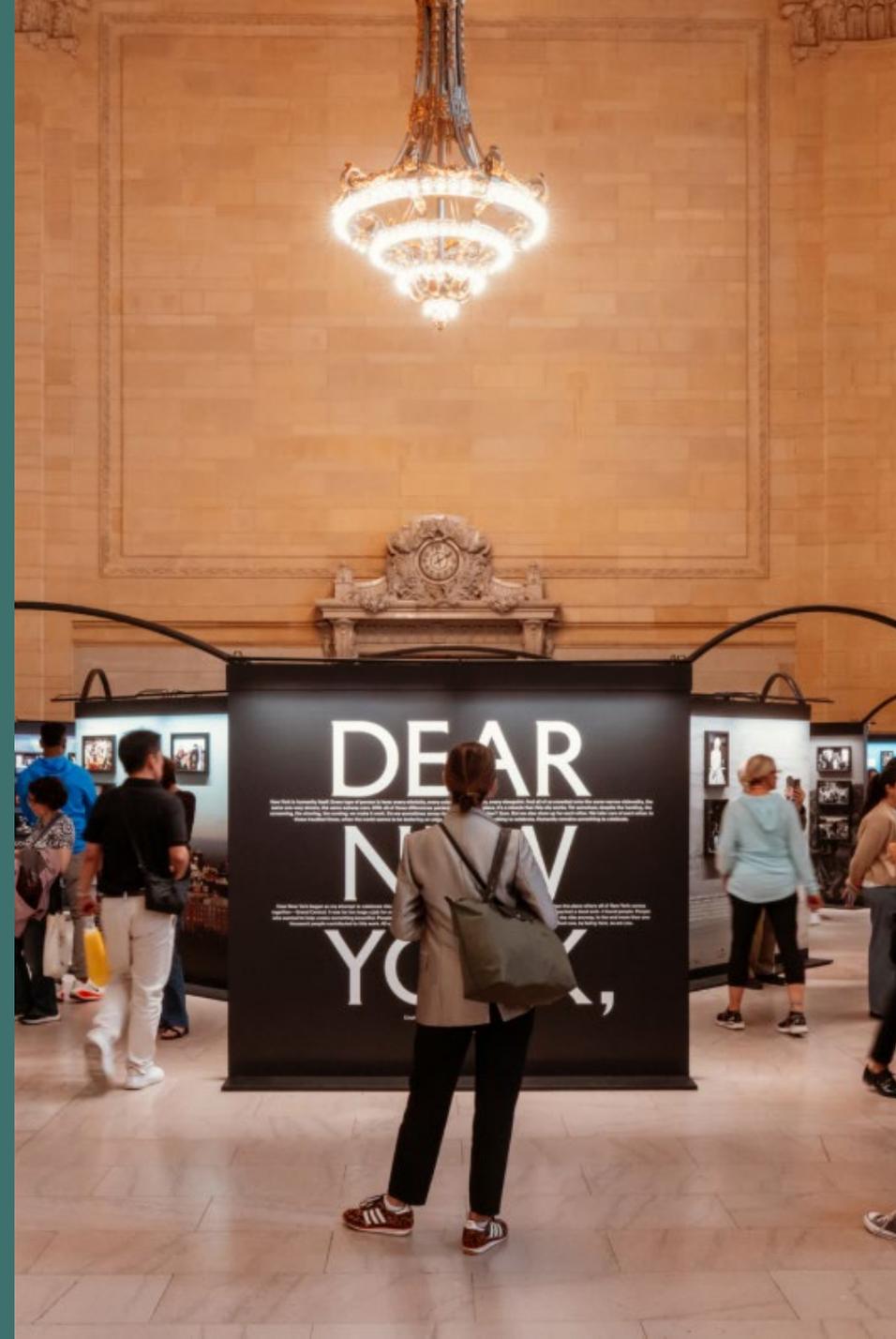
By year-end, the Events program was firmly established as both a reliable revenue driver and a powerful brand platform—capable of delivering **repeatable, high-impact experiences** across a diverse range of uses and partners. Entering 2026, the program is well-positioned to build on this momentum, with a continued focus on high-value activations, long-term client relationships, and sustained commercial performance.

NEIGHBORHOOD ACTIVITY

Vanderbilt Hall:	57
Main Concourse:	1
Graybar Passage:	9
Space B-54:	2
Biltmore Room:	8
Bridge:	5
Total:	82

NOTABLE EVENTS

Apple TV Severance
Dear New York,
Kith Padel
L'Agence
Wedding Ceremony
Pickleball
Glenfiddich
Grey Goose
Legends Ryder Cup



HOLIDAY FAIR & GRAND CENTRAL GIFT SHOP

Strategic Enhancements Driving a Standout Season

Two major commercial successes for the Terminal in 2025 were the Holiday Fair and the launch of the Grand Central Gift Shop, both delivering strong revenue performance. The Holiday Fair achieved a standout season, generating over \$700K in gross revenue, with six vendors surpassing six-figure sales. Several operational upgrades were also implemented, including new garland aligned with the Terminal's holiday décor, a dedicated house electrical tie-in, and enhanced security screens with locking mechanisms to safeguard vendor spaces.

The Grand Central Gift Shop opened on October 1, 2025, transforming a former storage space in Graybar Passage through a collaborative effort between Metro-North, MTA Real Estate, and our existing tenant PIQ. The partnership led the project from concept through delivery, overseeing space conversion, merchandising strategy, and brand development.

The shop produced strong Q4 sales performance despite minimal promotion, with additional exposure through participation in the GCT Holiday Fair. Based on this early success, plans are underway to relocate the shop to a larger location in late Q2 2026 to expand visibility and revenue capacity. Looking ahead, the shop will serve as a platform for targeted promotions and tenant partnerships, supporting incremental sales and strengthening the Terminal's overall commercial performance.

HOLIDAY FAIR HIGHLIGHTS

Ancillary Income of over \$175k in revenue from adjacent holiday activations

Bauducco provided product giveaways to attendees in Grand Central gift bags

GC GIFT SHOP HIGHLIGHTS

Total Q4 gross sales exceeded \$158k after the grand opening

Attended the New Haven Open House that exceeded \$18k in sales



SHOP THE GRAND CENTRAL COLLECTION

Discover iconic gifts from the official Grand Central capsule collection.



NOW OPEN IN GRAYBAR PASSAGE
 GRAND CENTRAL GIFT SHOP
 METRO-NORTH
 GRAND CENTRAL TERMINAL AT THE
 42ND STREET, NEW YORK



ACTIVATIONS THROUGH MARKETING

Showcasing Grand Central Through Elevated Public Programming and Digital Reach

In 2025, marketing played a central role in reinforcing Grand Central Terminal’s identity as both a **global destination** and a **daily civic space**, supporting retail performance while **deepening public engagement**. Through a coordinated strategy spanning public programming, tenant promotion, brand expression, and digital storytelling, the team helped translate renewed foot traffic and **visitor energy** into visibility, relevance, and commercial impact.

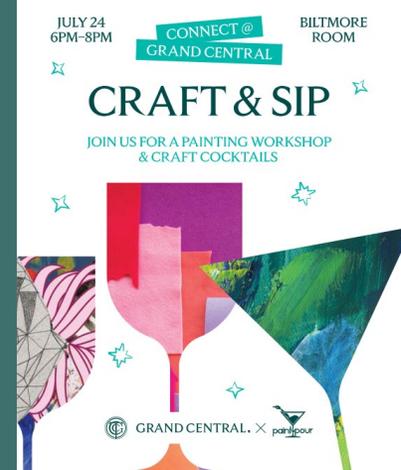
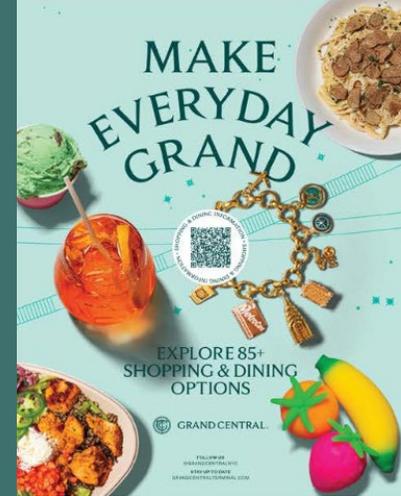
Public programming continued to expand as a cornerstone of this effort. Signature initiatives such as Grand Summer and Holiday Melodies, alongside recurring series including Fitness @, Kids @, and Connect @ Grand Central, activated the Terminal with **purpose** and **consistency**. These programs elevated the Main Concourse as a living stage for culture and community, while creating meaningful moments for tenants to connect with both commuters and visitors.

Marketing also played a critical role in **supporting tenant success** throughout the year. New openings were backed by coordinated launch strategies, including PR support, on-site visibility, and digital amplification to ensure early momentum. Ongoing initiatives such as the **Small Business Spotlight**, influencer partnerships, and curated photography extended tenant stories beyond storefronts, while **updates to digital directories**, maps, and wayfinding improved discoverability both on-site and online.

At the same time, 2025 marked continued progress in strengthening and modernizing the **Grand Central brand**. Refreshed visual standards and the “Everyday Grand” messaging framework were implemented across **physical** and **digital touchpoints**, creating a more cohesive and contemporary experience. Strategic use of windows, kiosks, and underutilized spaces transformed the Terminal into an active brand environment—one that supports retail visibility while enhancing the **overall visitor experience**.

Digitally, the team focused on **quality engagement and conversion**. Ongoing optimization of **grandcentralterminal.com** improved usability and tenant discoverability, while social channels delivered consistent storytelling across retail, dining, and events. Growth across Instagram, Stories, newsletters, and the newly launched LinkedIn presence **reinforced digital platforms** as effective drivers of awareness, engagement, and demand.

Together, these efforts positioned marketing as a **strategic connector** across leasing, events, operations, and retail, ensuring that Grand Central’s renewed energy was reflected not only in foot traffic but in storytelling, tenant success, and brand expression. The result was a more **unified, dynamic presence**—one that supports commercial performance while strengthening Grand Central’s role as a destination rooted in culture, community, and everyday experience.





BUILDING ON MOMENTUM – VISION FOR 2026

Elevating the Terminal Experience Through Strategic Improvements and Brand Development

As Grand Central Terminal moves into 2026, the Metro-North and MTA team does so from a position of **renewed energy, strengthened foundations, and clear forward momentum**. The year ahead is focused on deepening engagement—through a thoughtfully curated calendar of events, public programming, and retail leasing—while continuing to elevate the Terminal’s role as both a global destination and a vital civic space for daily commuters and visitors alike.

This forward-looking vision is underpinned by a year of meaningful progress in **operational discipline and financial stewardship**. Throughout 2025, enhanced reporting frameworks, strengthened controls, and improved coordination across teams reinforced the rigor with which the Terminal is managed. These systems provide greater transparency, more reliable oversight, and a durable platform for decision-making—ensuring that growth is not only visible but responsibly executed in alignment with fiduciary obligations to stakeholders.

With these structures in place, the organization is well-positioned to pursue the next phase of opportunity. Continued investment in leasing support, brand expression, tenant partnerships, and signature retail experiences—such as future enhancements to the dining concourse—will be supported by disciplined capital deployment and consistent operational standards.

Looking ahead, the focus remains balanced and intentional: advancing creativity and activation while maintaining the highest standards of governance, accountability, and performance. Together, this combination of **vision and rigor** positions Grand Central to build sustained momentum—delivering long-term value for tenants, visitors, and public stakeholders, while honoring the responsibility that comes with stewarding one of New York’s most iconic assets.

**REPORT ON AGREEMENTS ENTERED INTO DIRECTLY BY THE REAL ESTATE DEPARTMENT PURSUANT TO BOARD POLICIES
MARCH 2026**

Agency	Agreement Type/ Counterparty	Location/Premises	Use	Term	Compensation	RFP Proposals	Transaction Manager
NYCT	<u>License Agreement</u> NYC Department of Housing, Preservation & Development (HPD)	Approximately 41,000+ SF parking lot located at Manhattan Block 2197, Lots 50 & 75	Temporary parking of displaced buses during construction at Kingsbridge Bus Depot	1/16/26 - 4/2/26	\$100 processing fee, compensation waived	n/a	Niko Sciocchetti
MNR GCT	<u>Short Term Retail License</u> Licensee: BRKLN BLOKE x Grand Central	Grand Central Terminal / 42nd Street - B-54	Retail sale of men's apparel, including t-shirts, sweatshirts, jackets, pants and athletic-casual wear.	3 Months	\$12,000	N/A	Kim Trevisan
LIRR	<u>License Agreement</u> Licensee: Michael Lios	LIRR's Pedestrian Plaza located by the stairway of the Seaford Station platform	Use of the location for a coffee truck	5 years	\$1,200 per annum with 3% annual increases	N/A	Selina Storz
MNR	<u>License Agreement</u> Licensee: Vinny's Luncheonette, LLC	MNR's property at 188 North Main Street, Port Chester, New York	Use of the location for storage in connection with Licensee's business	5 years	\$1,962.50 per annum with 3% annual increases	N/A	Jason Ortiz
LIRR	<u>License Agreement</u> Suffolk County	A parcel of parkland located along Route 25, also known as Suffolk County Park, Smithtown, NY	Soil sampling on Suffolk County Parkland in connection with maintenance work on the Smithtown LIRR viaduct	2 days	Waived	N/A	Niko Sciocchetti
MNR	<u>Entry Permit</u> New York State Electric & Gas Corporation ("NYSEG")	An approximately 18,788 SF portion of the MNR-owned Section 56, Block 1, Lot 40, in the Town of Southeast (Address: 20 Prospect Hill Road, Brewster, NY 10509)	Installation and maintenance of an electrical service required for MNR's Brewster Yard Improvements Project	1 year	N/A	N/A	Garrett Burger
NYCT	<u>License Agreement</u> Parkside Realty Group LLC	Portion of residential property located at 610 W 143rd Street, New York, NY	Installation of scaffolding and protections on property adjacent to NYCT's 143rd St Substation to facilitate façade work	2 months	\$1,000 per month and \$7,000 reimbursement of owner's legal fees (total \$9,000)	n/a	Niko Sciocchetti

Staff Summary

Subject AMENDMENT TO VIADUCT AGREEMENT WITH JPMORGAN CHASE RELATED TO REDEVELOPMENT OF 270 PARK AVENUE
Department TRANSIT-ORIENTED DEVELOPMENT
Department Head Name MIRIAM HARRIS
Department Head Signature
Project Manager Name ROBERT LAGA

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

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

Internal Approvals			
Order	Approval	Order	Approval
1	EVP & General Counsel		
2	Chief Development Officer		
3	Chief Financial Officer		

AGENCIES: MTA Construction and Development Company (“C&D”), Metropolitan Transportation Authority (“MTA”), and Metro-North Commuter Railroad Company (“MNR”; and together with C&D and MTA, collectively, the “MTA Parties”).

GRANTEE: JPMorgan Chase Bank, N.A. (“JPMC”).

LOCATION: An approximate 183,500 square foot portion of the Grand Central Terminal Train Shed (the “Train Shed”) underneath Park Avenue and on certain side streets extending easterly and westerly on Park Avenue from East 46th Street to East 50th Street, New York, NY, further referenced as “Sector 2”.

ACTIVITY: JPMC has agreed to expand the scope of its ongoing rehabilitation work on the Train Shed on behalf of the MTA Parties, to now include 46th Street between Madison and Park Avenues, Vanderbilt Avenue between 46th and 47th Streets, Park Avenue between 46th and 50th Streets (excluding a portion that JPMC already completed), 49th Street between Park Avenue and the midway point between Park and Madison Avenues, and certain partial spurs off of Park Avenue on 46th, 47th, 48th, and 49th Streets East towards Lexington Avenue (collectively, the “Expanded Scope” or the “Project”).

- ACTION REQUESTED:**
1. Authorization to execute an Early Work Agreement, an amendment to the existing Viaduct Agreement.
 2. Authorization to negotiate and execute a Sector 2 Amendment to the existing Viaduct Agreement.

The Early Work Agreement will be an interim agreement pending negotiation and execution of the Sector 2 Amendment. The Early Work Agreement will obligate JPMC to perform the portion of the Expanded Scope below 48th Street and pay for 100% of the cost of such work capped at \$50M, pending execution of the Sector 2 Amendment. The Sector 2 Amendment will grant MTA the right to elect to direct JPMC to perform the balance of the Expanded Scope (north of 48th Street), which MTA must elect to do by June 15, 2026, and institute a cost-sharing arrangement, whereby the MTA Parties and JPMC will true-up previously incurred Expanded Scope costs such that each of JPMC and the MTA Parties shall pay for the cost of such work on a 50/50 basis until JPMC has contributed \$50M. The Expanded

AMENDMENT TO VIADUCT AGREEMENT WITH JPMORGAN CHASE RELATED TO REDEVELOPMENT OF 270 PARK AVENUE (Cont'd)

Page 2 of 3

Scope will generally be performed on the same terms and conditions as “Sector 1” which JPMC completed pursuant to a series of agreements from 2019 and 2021.

COMPENSATION: The budget for this Work is estimated to be approximately \$900M JPMC will contribute \$50M and perform certain management services on the MTA Parties’ behalf without compensation.

COMMENTS:

PURPOSE

Board authorization is sought to modify the existing Viaduct Agreement with JPMC to add the rehabilitation of a portion of the Train Shed defined above as the Expanded Scope.

BACKGROUND:

The Train Shed constitutes the roof of Grand Central Terminal train platforms and supports Park Avenue between 46th and 57th Streets and certain side streets radiating therefrom. The Train Shed, in effect, constitutes a bridge supporting the at-grade streets and avenues and is, in turn, supported by steel columns and other structures that were originally constructed in the early 20th Century. The structural steel that supports the Train Shed has significantly deteriorated over time and the MTA Parties have embarked on a long-term project to rehabilitate these steel structures to ensure the viability of both the Train Shed and the streets and sidewalks that it supports. Because the private building owners along the streets and avenues supported by the Train Shed will benefit from the rehabilitation project, the MTA Parties have engaged in a series of public-private partnerships with adjacent building owners to jointly manage the Train Shed rehabilitation project, including JPMC.

On March 25, 2019, the Board approved an agreement with JPMC, which was developing its new headquarters building at 270 Park Avenue, New York, NY, located over a portion of the Train Shed, and on July 22, 2019, the Board authorized the MTA Parties to enter into a Construction Agreement (which it did on July 31, 2019) which was later amended through a “Viaduct Construction Agreement”, executed on October 20, 2021 (the “Viaduct Agreement”). Pursuant to the Viaduct Construction Agreement, JPMC agreed to repair the portion of the Train Shed surrounding 270 Park Avenue (within the block bound by 47th and 48th Streets between Park and Madison Avenue and the West Side of Park Avenue between 47th and 48th Streets (“Sector 1”). JPMC agreed to manage the rehabilitation of Sector 1 and contribute \$25 Million toward the performance of such work. The Viaduct Construction Agreement benefited JPMC by allowing it to coordinate its work on its headquarters with the work on the Train Shed and benefited the MTA Parties by providing partial funding and management of the Sector 1 work. JPMC’s Sector 1 work is 95% complete, with a completion date scheduled for December 2026.

Following the opening of JPMC’s new world headquarters at 270 Park Avenue, JPMC elected to rehabilitate its adjacent property at 383 Madison Avenue. JPMC has also acquired 250 Park Avenue, which is across Vanderbilt Avenue from 383 Madison Avenue, with the intention of creating a “mini-campus” among the three buildings. Therefore, as with the Sector 1 work, JPMC and the MTA Parties will mutually benefit from the expansion of the work that JPMC is performing to additional sectors of the Train Shed. As a result, JPMC and the MTA Parties entered into a Letter of Intent (“Expansion LOI”) dated September 20, 2024, pursuant to which, JPMC agreed to manage an additional portion of the Project (the Expanded Scope) and contribute \$50M towards such work. The Expansion LOI further provides for coordination with the New York City Department of Transportation (the “DOT”) in carrying out a project to rehabilitate and reconfigure the Park Avenue Malls, as part of the Project. If the New York City Department of Transportation does not provide final plans for its Park Avenue Malls project by December 31, 2026, the Expanded Work will proceed in a manner that will enable the New York City Department of Transportation to rebuild the affected portion of the Park Avenue Malls once plans are complete.

SCOPE OF WORK

The MTA Parties seek to enter into two (2) separate agreements. First, an Early Work Agreement (the “EWA”), which will constitute an amendment to the Viaduct Agreement. JPMC will carry out “Phase 1” of the Expanded Scope pursuant to the EWA, which consists of all of the Train Shed work south of 48th Street. To implement the EWA, JPMC will amend or issue

AMENDMENT TO VIADUCT AGREEMENT WITH JPMORGAN CHASE RELATED TO REDEVELOPMENT OF 270 PARK AVENUE (Cont'd)

Page 3 of 3

a change order to its construction manager performing the Sector 1 work, which construction manager will then issue a change order to its existing Sector 1 subcontractor to perform the EWA work. The EWA is an interim agreement pending execution of the Sector 2 Amendment, and pending execution of the Sector 2 Amendment, JPMC will pay for 100% of the Phase 1 work, capped at \$50M.

JPMC will manage "Phase 2" of the Expanded Work pursuant to the Sector 2 Amendment, the terms of which will be negotiated before the Phase 2 work commences. Phase 2 covers the portion of the Expanded Scope north of 48th Street. When executed, the Sector 2 Amendment will supersede the EWA and implement a cost-sharing arrangement pursuant to which JPMC and the MTA Parties will share the cost of the Expanded Scope on a 50/50 basis, until JPMC contributes \$50M, at which point the MTA Parties will pay for the balance of the work, except for costs incurred due to JPMC violations of a 'due care' standard. In the event that the parties cannot agree on the terms of the Sector 2 Amendment, work on Phase 1 will be completed pursuant to the terms of the EWA.

Under the terms of the Sector 2 Amendment, the MTA Parties and JPMC will agree to reconcile the costs expended by JPMC in performing the Expanded Scope to date (per the EWA), with MTA paying 100% of the future costs until the parties have each contributed costs on a 50/50 basis. After such true-up, the MTA Parties and JPMC will then fund continuing work on an equal basis until JPMC has contributed \$50M, after which the MTA Parties will fund all remaining costs. JPMC will be obligated to cause its construction manager to utilize commercially reasonable efforts to achieve cost savings as a result of the performance of the Expanded Scope.

With the exception of those specific terms addressed in the EWA or the Sector 2 Amendment, the Expanded Work will proceed on the same terms and conditions as set forth in the Viaduct Agreement.

SPECIAL PROVISIONS RELATED TO MTA AND METRO-NORTH FACILITIES

Pursuant to the terms of the Expansion LOI, all JPMC designs, contractor submittals, means and methods, protection plans, security and safety plans, project schedules, and insurance for Sector 2 work are subject to MTA, C&D and/or MNR review and approval prior to the start of construction. Additionally, JPMC is required to protect MNR facilities in order to maintain and prevent or mitigate interruption of railroad operations. This includes the obligation to repair, replace or otherwise maintain MNR functional elements such as ventilation shafts, the 48th Street emergency egress and drainage fixtures, sidewalk vaults and utility connections to maintain their function throughout JPMC Project construction, including Sector 2.

CONSTRUCTION SCHEDULE

The Sector 2 work has an anticipated duration of 36 months, with an anticipated completion date of May 30, 2029.

FUNDING

JPMC will fund \$50 million towards the cost of the Project and the remainder will be funded by the 2025-2029 Capital Program.

BUDGET

MTA reasonably expects that the total cost for Phase 1 and Phase 2 will be approximately \$900M. JPMC shall cause its construction manager to utilize commercially reasonable efforts to achieve cost savings as a result of the performance of the Expanded Scope.

RECOMMENDATION:

MTA, C&D and MNR recommend that the Board authorize the execution of the EWA and the Sector 2 Amendment which will obligate JPMC to rehabilitate a large portion of the Grand Central Terminal Train Shed and contribute \$50M towards such costs.