



# GRAND CENTRAL PARTNERSHIP 2022 ANNUAL REPORT

Founded in 1985, the Grand Central Partnership, Inc. (GCP) manages one of the world's largest Business Improvement Districts (BIDs) on behalf of the Grand Central District Management Association.

A nonprofit organization, GCP is now in its fourth decade of delivering supplemental public safety, sanitation, capital improvements, maintenance, horticultural displays, business support, and visitor services to a district encompassing approximately 70 city

blocks in Midtown East. With the Beaux-Arts masterpiece Grand Central Terminal as its geographic anchor, the neighborhood offers the very best of New York City: it is a bustling center of commercial activity by day and a destination for fun and culture by night.

Financed by special assessments on the area's roughly 76 million square feet of built space, the BID operations are provided under a renewable contract with the City of New York.



Scenes from GCP's 2022  
public programming



## Contents

Welcome	2
Building Toward a New Normal	4
Program Updates	16
Financial Statements	22
2022 Officers and Board of Directors	24
Management	26

# Welcome

As we reflect back on 2022, we take note of the significant steps our district took toward recovery from the impacts of the COVID-19 pandemic. The upward sloping line on the cover of this report is meant to evoke the positive trends we saw in several key areas. For example, office occupancy nearly doubled, pedestrian activity grew by 70%, and new business openings increased by 37% compared to 2021. Taking advantage of these trends, with an aim of creating a welcoming and engaging atmosphere, we again hosted the Summer Solstice Music Festival and Pershing Square Sounds, and we forged partnerships to launch new programs celebrating public art and small businesses.

We also worked alongside many of our brightest leaders to confront some of Midtown East's ongoing challenges, such as retail vacancy and the trend toward remote and hybrid work. In May, Governor Kathy Hochul and Mayor Eric Adams convened the “New” New York Panel, which was led by co-chairs and former deputy mayors Richard Buery and Daniel Doctoroff. The Grand Central Partnership was represented on the panel along with a broad and diverse group of civic leaders and industry experts. In December, the panel published an action plan for making our city's commercial districts more vibrant and resilient.

Despite challenges, our stakeholders and the City continued to bet big on Midtown East with robust development and public realm activity. A major new office development was announced

at 350 Park Avenue, and progress continued at the several major redevelopments that have taken advantage of the rezoning of Midtown East. We also want to highlight the City's work to hire a landscape architect to create a master design plan for the Park Avenue Malls. This major step forward was the result of years of our advocacy and collaboration with Park Avenue stakeholders, the East Midtown Public Realm Improvement Fund Governing Group, elected officials, and other governmental partners.

Finally, we worked to make Midtown East an even *smarter* district. We partnered with New York City–based technology company Ginkgo to develop and launch an updated version of our field app, a web-based application that we first launched in 2015 to track and report damages related to streetscape assets in the neighborhood. Our public safety officers use the new and improved app to report on an expanded range of neighborhood conditions, ensuring that these conditions are resolved in a timely manner. The app also gives us valuable data that inform our efforts to continuously improve our operation.

We extend our sincere gratitude to all of our stakeholders, partners, and friends for your support and direction. We also want to acknowledge our staff for their dedication and valuable contributions over the last year.

We welcome you to now read more about these initiatives and many other key programs and neighborhood efforts undertaken in 2022.



A red handwritten signature of Peter S. Kalikow.

Peter S. Kalikow  
*Chair*

A red handwritten signature of Alfred C. Cerullo, III.

Alfred C. Cerullo, III  
*President/CEO*

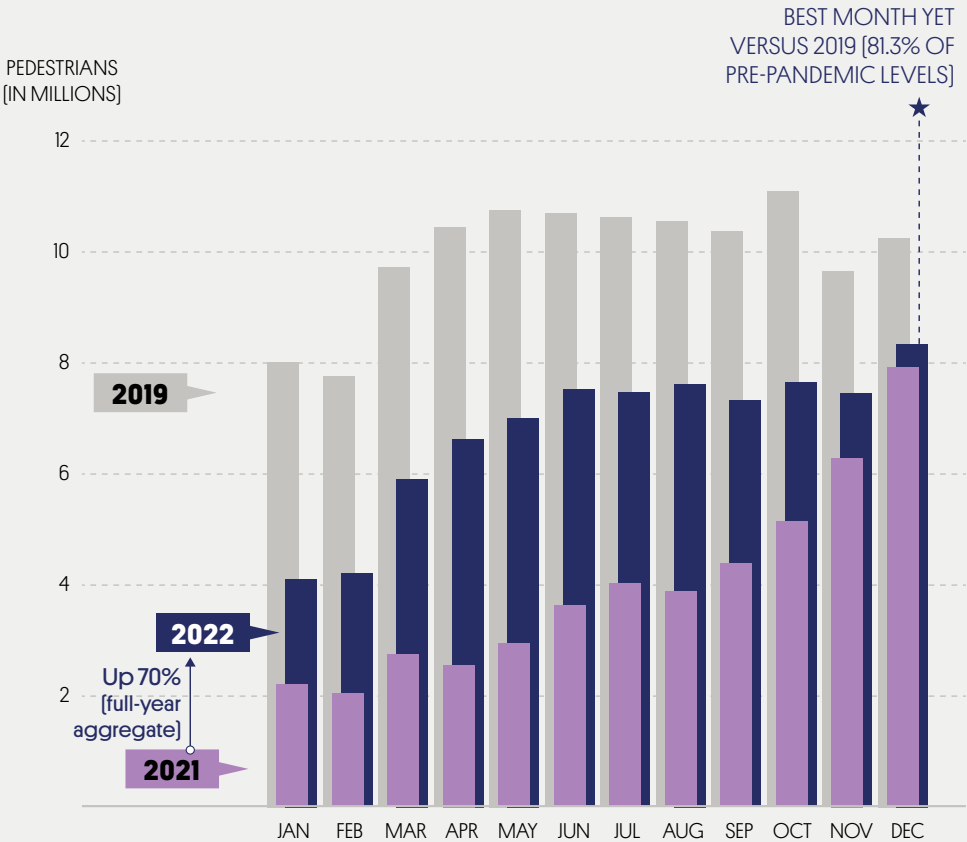
# Building Toward a New Normal

Midtown East took significant steps this year toward recovery from the impacts of the COVID-19 pandemic.

Pedestrian activity showed robust growth over the course of the year. In the aggregate, GCP's 2022 pedestrian counts showed a 70% increase over 2021 counts. December pedestrian counts reached 81.3% of pre-pandemic (December 2019) levels, the neighborhood's best month versus 2019 yet. The upward trend in 2022 was driven in part by vibrant weekend activity at our Fifth Avenue—38th Street and Lexington Avenue—42nd Street locations.

# Monthly Pedestrian Counts

The pedestrian counts combine data taken from eight locations in the district.



2022 WEEKEND ACTIVITY HIGHER  
THAN PRE-PANDEMIC LEVELS AT:

*FIFTH AVE—38TH ST* AND *LEXINGTON AVE—42ND ST*

Up 10.2%

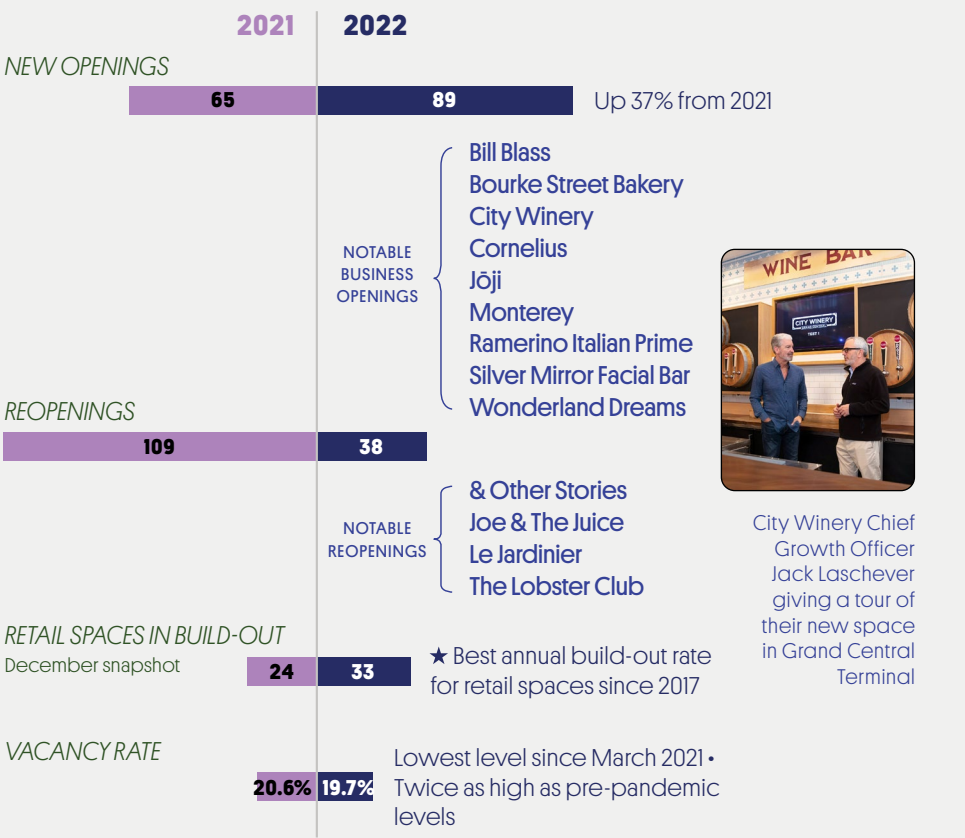
Up 1.7%

based on 2022 versus 2019 full-year weekend aggregates

The increased pedestrian activity spurred improvements in the district's retail landscape.

A total of 89 new businesses opened in 2022, marking a 37% increase in new openings over 2021, with more new businesses on the way. Over the course of the year, approximately 30 retail spaces were being built out to accommodate future businesses. This was the best annual build-out rate for retail spaces since 2017. The vacancy rate ended the year at 19.7%, the lowest level since March 2021.

Retail Snapshot



City Winery Chief Growth Officer Jack Laschever giving a tour of their new space in Grand Central Terminal



## *49% of Manhattan office workers were at their workplace on an average workday, a 21-percentage- point increase*

Office workers returned to their offices in greater numbers this year. According to a Partnership for New York City survey of major employers, as of September 2022, 49% of Manhattan office workers were at their workplace on an average workday, a 21-percentage-point increase over the October 2021 rate. In the same survey, 77% of employers indicated that a hybrid office schedule will be their predominant post-pandemic policy.

Responding to the trend toward hybrid work and the challenges it presents for the future of office work and retail, Governor Kathy Hochul and Mayor Eric Adams convened the “New” New York Panel, a broad and diverse group of civic leaders and industry experts that was led by co-chairs and former deputy mayors Richard Buery and Daniel Doctoroff and included GCP President/CEO Fred Cerullo. The panel published an action plan with a set of 40 proposals intended to serve as a roadmap for the city’s future.



The “New” New York Panel report included over 40 recommendations to make New York City an even better place to live and work.

# Development and Reinvestment

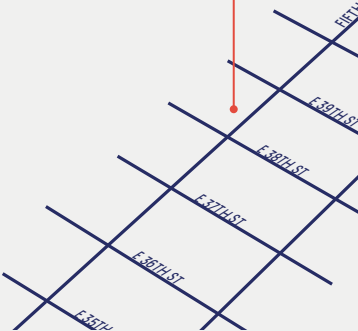
Developers continued to bet big on Midtown East in 2022.

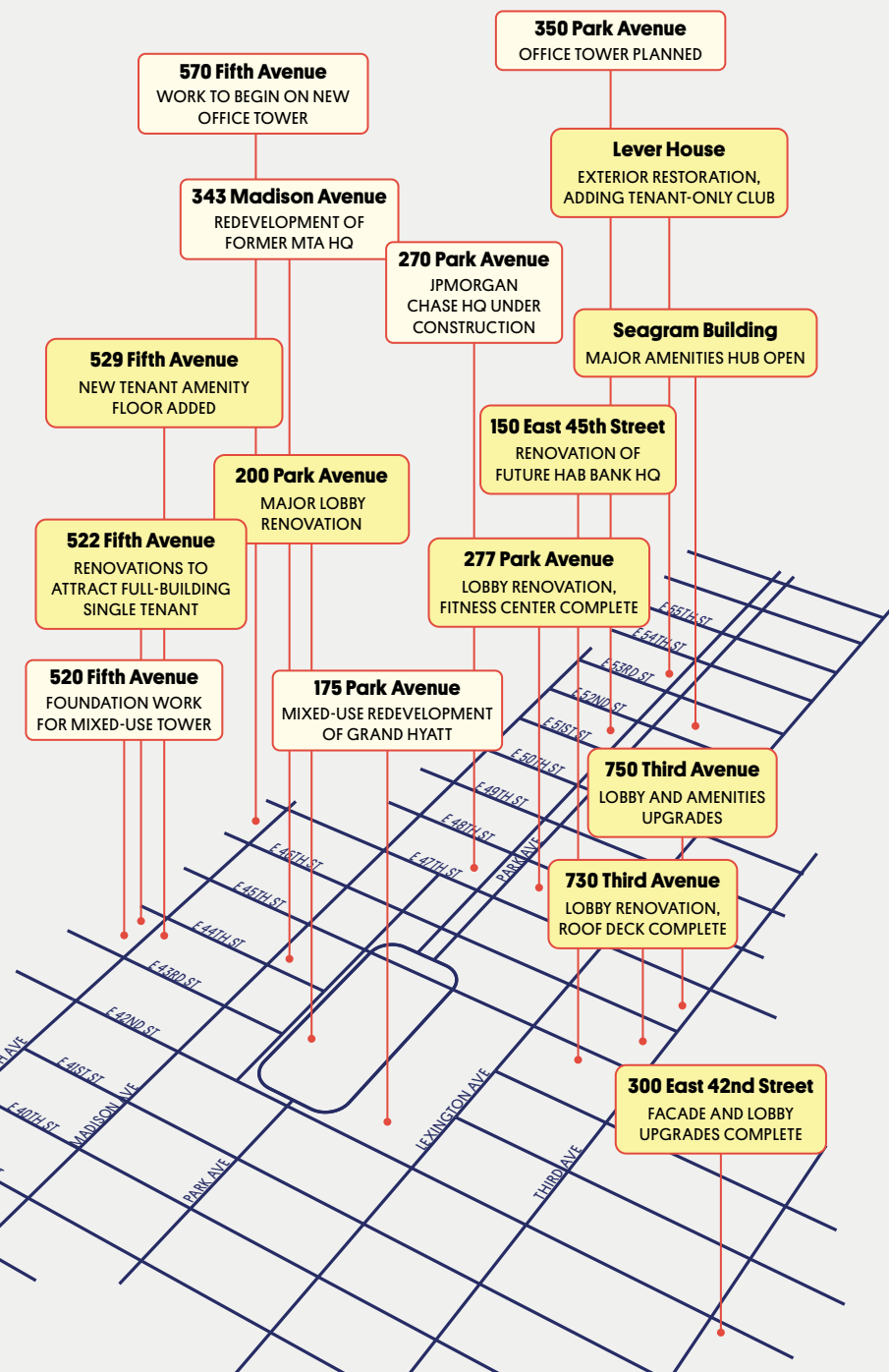
A major new project was announced at 350 Park Avenue; new renderings were revealed for 175 Park Avenue; and work continued at 270 Park Avenue, 343 Madison Avenue, 520 Fifth Avenue, 570 Fifth Avenue, and 415 Madison Avenue.

The trend of building owners making reinvestments to better attract top tenants also continued in 2022. A few highlights included the opening of the Playground + Conference Center at the Seagram Building; lobby and green space renovations at 277 Park Avenue, which helped the building land several important leases; and an announcement of extensive renovations for the historic Lever House, including an outdoor landscaped terrace, a private restaurant, and other amenities.

- DEVELOPMENT PROJECTS
- REINVESTMENT PROJECTS

**Future Amazon Tech Hub**  
FORMER LORD & TAYLOR BUILDING





# Public Realm Improvements

## Park Avenue Malls

The New York City (NYC) Department of Transportation (DOT) began developing a request for proposal for a landscape architect to lead the creation of a master design plan for a reimagined Park Avenue. DOT expects to complete a preliminary design plan in 2023 and a final report in 2024. The commencement of this process is a major development for Park Avenue and was made possible by GCP's advocacy and collaboration with Park Avenue stakeholders, the East Midtown Public Realm Improvement Fund Governing Group, elected officials, and other governmental partners.

## Pershing Square Plaza East

The NYC Department of Design and Construction (DDC) initiated below-grade utility work and will soon commence above-grade construction on the permanent plaza. As a result of feedback from GCP and other affected stakeholders, the final plaza design reflects the character of Pershing Square Plaza West, includes the popular bike-share station, and balances emergency vehicle access needs.

## 43rd Street Shared Street

GCP continued to facilitate local stakeholder discussions around the final shared street design, which DOT and DDC expect to complete by spring 2024.

## Lexington Avenue Pedestrian Safety Improvements

DOT implemented painted sidewalk extensions on several blocks along the west side of Lexington Avenue between East 42nd Street and East 48th Street. GCP partnered with DOT to locate its signature planters within the new pedestrian space.

DDC worked to procure a design and construction firm to make pedestrian-safety and ADA-accessibility improvements on the east side of Lexington Avenue between East 41st Street and East 48th Street. They expect to bring the firm on board in 2023 to begin below-grade work and finalize the project design. GCP continues to meet with DDC to ensure that the final design accommodates the needs of local stakeholders.

Scenes from the  
International  
Sculpture Day  
event



## Programming

### International Sculpture Day Event

In April, GCP partnered with the East Midtown Partnership, the Fund for Park Avenue, the NYC Department of Parks and Recreation (NYC Parks), RFR Realty, Kasmin, and the George Rickey Foundation to celebrate International Sculpture Day with a special community event. The event included music, kids' yoga, and art activities highlighting the celebrated George Rickey sculptures that were on display on Park Avenue for most of the year.

## Italy on Madison

In May, GCP partnered with the Italian Trade Agency, the Madison Avenue Business Improvement District, and the Flatiron NoMad Partnership to launch Italy on Madison, a campaign highlighting Italian brands and restaurants along Madison Avenue.



Flatiron NoMad Partnership President James Mettham, Madison Avenue BID President Matt Bauer, NYC Department of Small Business Services Commissioner Kevin D. Kim, and GCP President/CEO Fred Cerullo at the Italy on Madison event

## Small-Business Social Media Campaign with REBNY

GCP partnered with the Real Estate Board of New York (REBNY) to launch a social media campaign highlighting small business recovery in Midtown East. The campaign featured neighborhood institutions Zaro's Family Bakery, Pershing Square, and Grand Central Watch.



Zaro's Family Bakery owner Brian Zaro describing how the recovery has impacted his business

## Festival of New York

Over the summer, GCP partnered with over 300 organizations to host the inaugural Festival of New York, a continuous celebration from Memorial Day to Labor Day that included live musical events, dance parties, neighborhood sports, volunteer opportunities, and more across all five boroughs.

As part of the festival, GCP hosted its fifth annual Summer Solstice Music Festival. Inspired by Paris's Fête de la Musique, the event featured twelve local musical acts along Park Avenue between East 39th Street and East 54th Street. GCP also brought back Pershing Square Sounds, the popular free concert

*GCP partnered with over 300 organizations to host the inaugural Festival of New York, a continuous celebration from Memorial Day to Labor Day*



series in Pershing Square Plaza, and on August 6 participated in the citywide Dance Party NYC event by hosting a dance party in Pershing Square Plaza. DJ SVB played classic New York City funk, disco, house, hip-hop, and freestyle from the '70s and '80s.



Members of the St. Bart's choir performing at the 9/11 Service of Solemn Remembrance

Top, left: New York DJ SVB on the turntables during the citywide Dance Party NYC

Top, right: A Latin Movement performing at the Summer Solstice Music Festival

### **9/11 Remembrance Service at St. Bart's**

On September 11, 2022, GCP partnered with St. Bart's to hold a Service of Solemn Remembrance to honor the memory of all those who lost their lives on September 11, 2001, including the 21 members of the Midtown-based fire companies that make up Battalion 8 of the Fire Department of the City of New York (FDNY).

### **Grand Gourmet Giveaways**

For a second year, GCP hosted its engaging giveaway program to highlight some of the best food and beverage businesses Midtown East has to offer. Between October and December, GCP ran seven weeks of giveaways, which channeled about \$5,000 to thirteen food and beverage businesses around Midtown East. The giveaway program happened in tandem with preparations for the in-person return of Grand Gourmet – The Flavor of Midtown® in February 2023.

# PUBLIC ART

- Cavalier Gallery hosted a Bjørn Okholm Skaarup sculpture exhibition in Pershing Square Plaza West, featuring Skaarup's iconic bronze Hippo Ballerina accompanied by Hippo Ballerina, Pirouette and Rhino Harlequin, Pirouette.

The temporary addition of these whimsical sculptures in Pershing Square was a realization of GCP's long-term vision for Pershing Square Plaza as a place where anyone can come to experience world-class cultural and arts programming for free. The exhibition was permitted as part of DOT's Art Program.



*Bjørn Okholm*

# SKAARUP



# FEATURE

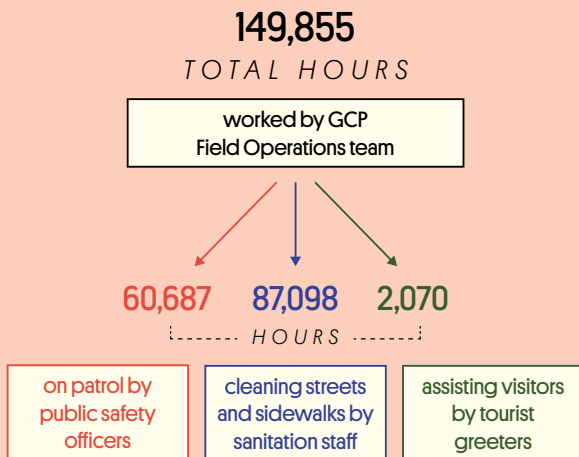


## George **RICKEY**



- A major exhibition of work by sculptor George Rickey was displayed on the Park Avenue Malls between 52nd Street and 56th Street. The exhibition featured several of Rickey's renowned monumental kinetic sculptures and was a collaboration of the George Rickey Foundation, the Sculpture Committee of the Fund for Park Avenue, Kasmin, and NYC Parks' Art in the Parks program.

# Program Updates



209,112  
bags of garbage

picked up by GCP's private carrier

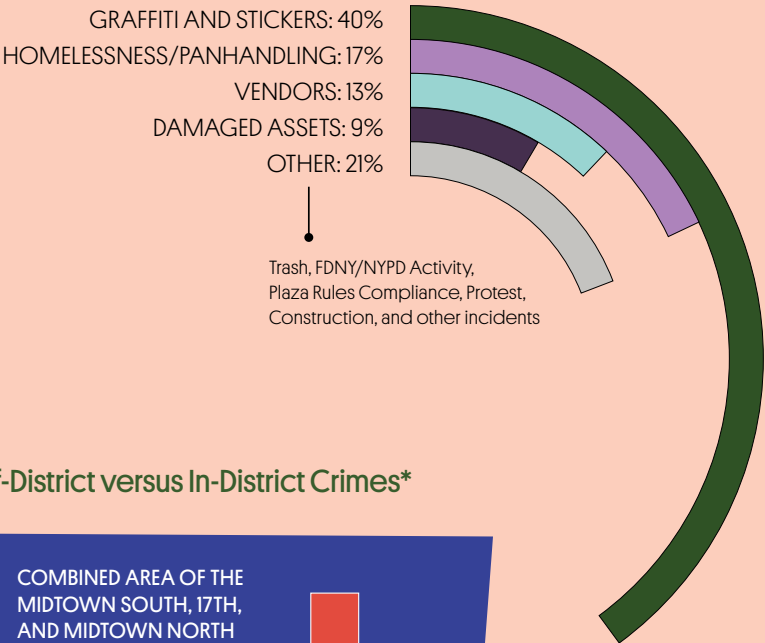
3,914  
directions  
provided

by public safety officers to members of the community

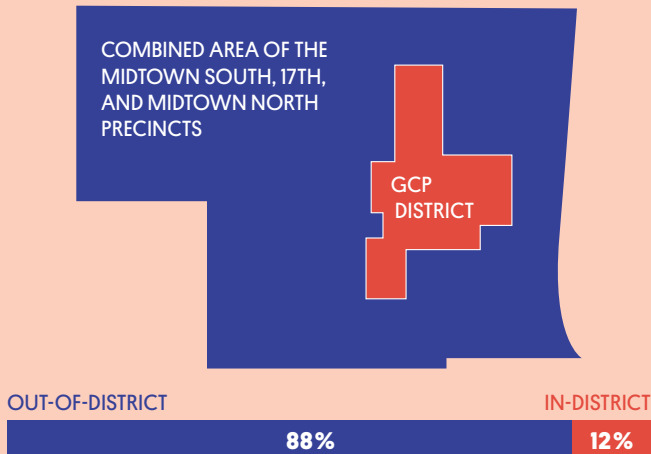
## Field Operations

In 2022, the GCP Field Operations team—comprised of an operations coordinator, dispatchers, and the staff from the Public Safety, Sanitation, and Tourist Greeter divisions—collectively spent 149,855 hours keeping the streets and sidewalks of our district clean, safe, and welcoming.

# Field Conditions Reported



## Out-of-District versus In-District Crimes\*



\*Based on NYPD CompStat data for the Midtown South Precinct [14th], 17th Precinct, and Midtown North Precinct [18th]

In-district crimes decreased by 25% in Q4 2022 compared to Q3 2022.

*The new and improved field app allows GCP's public safety officers to report on an expanded range of neighborhood conditions*



GCP staff with the team of Summer Youth Employment Program interns

## Field App Update

In the spring, GCP partnered with the local map-based data management company Ginkgo to develop and launch an updated version of its field app, a web-based application that GCP has used since 2015 to track and report damages related to streetscape assets in the neighborhood. The new and improved field app allows GCP's public safety officers to report on an expanded range of neighborhood conditions, including graffiti and stickers, homelessness and panhandling, illegal vending, damaged streetscape assets, and others. Once conditions are entered into the app, the appropriate GCP division is notified so that they can address those conditions.

A team of student interns from the NYC Department of Youth and Community

Development's Summer Youth Employment Program (SYEP) and the Manhattan Transition and College Access Center (TCAC) played a special role in the rollout of the field app. Over the course of the summer, the interns canvassed the neighborhood to identify and report conditions. Drawing from the data generated by their activity and their on-the-ground experience, the interns created a presentation to help GCP staff understand key conditions trends around the neighborhood.

## Homeless Outreach

GCP continued its engagement of Breaking Ground, one of New York City's largest homeless outreach and housing service providers, to supplement outreach within the district and provide services to the neighborhood's transient and homeless population.

In 2022, Breaking Ground interacted 4,227 times with individuals, marking a 9.5% increase in contacts compared to 2021. However, the total number of unique individuals contacted by Breaking Ground decreased by 23.6% compared to 2021. Breaking Ground also added eight individuals to its case management load and placed fourteen individuals in permanent housing.

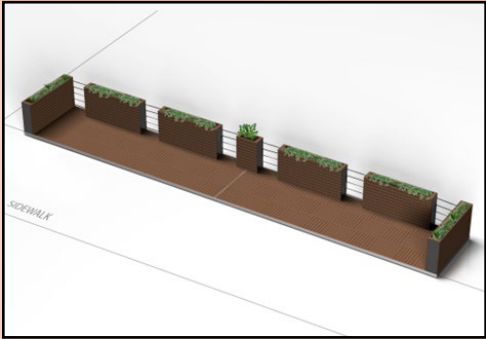
## Capital Maintenance and Beautification

GCP Capital Maintenance provides stewardship over the district's streetscape by maintaining GCP's portfolio of streetscape assets and rooftop lights, managing the horticulture program, and overseeing neighborhood public realm projects.

### Horticulture

GCP conducts an ambitious year-round horticultural program. In 2022, the organization partnered with New York City–based landscape architect Nina Kramer to reimagine its annual plantings to make them more ecologically sustainable and colorful through the seasons. GCP began to implement the new program in the fall with the planting of multi-stem flowering viburnum, shadbush, and hardy rose of Sharon in over 200 planters. These plants bloom white in spring or summer, with leaves and branches

that sway and shift in the breeze. In fall, their leaves become yellow, orange, and red, and in winter, their bare branches weather harsh winds and snow. GCP will continue to implement changes to the horticultural program in 2023 with a plant selection that is dynamic through the seasons, provides cooling shade, and is a food source for birds and local pollinators.



A rendering of the  
Vanderbilt Avenue  
Street Seat

### Vanderbilt Avenue Street Seat

GCP partnered with DOT and local stakeholders to develop an installation plan for a Street Seat, together selecting a site and a design that is consistent with the surrounding streetscape environment, and presented the plan to Manhattan Community Board Five. When it is installed in 2023, on the east-side roadbed of Vanderbilt Avenue between 44th Street and 45th Street, the 120-foot Street Seat will create an attractive setting for eating, reading, working, meeting a friend, or taking a rest.



Spring plantings in  
Pershing Square Plaza  
and on Park Avenue



# Financial Statements\*

	2022	2021
<b>ASSETS</b>		
Cash	\$ 1,819,928	3,323,575
Program revenue receivable	246,102	73,858
Investments	4,748,492	1,847,953
Prepaid expenses	490,806	408,478
Bond funds held by trustee	—	1,026,105
Property and equipment, net	3,484,616	4,936,519
Right-of-use asset – operating leases	6,535,825	3,397,481
Bond issuance costs, net	—	12,085
Security deposits	116,303	116,303
<b>TOTAL ASSETS</b>	<b>\$ 17,442,072</b>	<b>15,142,357</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Liabilities:</b>		
Accounts payable and accrued expenses	\$ 770,582	606,050
Deferred income	113,412	118,400
Accrued bond interest	—	48,375
Lease liability – operating leases	6,756,482	3,639,021
Bonds payable	—	1,955,118
<b>TOTAL LIABILITIES</b>	<b>\$ 7,640,476</b>	<b>6,366,964</b>
<b>Net Assets:</b>		
Without donor restrictions	\$ 9,699,749	8,728,546
With donor restrictions	101,847	46,847
<b>TOTAL NET ASSETS</b>	<b>\$ 9,801,596</b>	<b>8,775,393</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 17,442,072</b>	<b>15,142,357</b>

\*Access the full Fiscal Year 2022 Financial Audit at <https://www.grandcentralpartnership.nyc/about/reports-and-data>. The audit was prepared by Skody Scot & Company, CPAs, P.C. and includes notes on restatements, commitments and contingencies, and other items.



	2022	2021
<b>SUPPORT AND REVENUES</b>		
Assessment revenue	\$ 12,709,372	12,709,372
Program service income	421,733	353,600
Contributions	77,040	35,482
Pershing Square rental income, net	610,717	(59,815)
Investment income	(81,794)	69,515
Net assets released from restriction:		
Satisfaction of purpose restrictions	—	—
<b>TOTAL SUPPORT AND REVENUES</b>	<b>\$ 13,737,068</b>	<b>13,108,154</b>
<b>EXPENSES</b>		
<b>Program Expenses:</b>		
Public safety	\$ 3,084,398	3,064,826
Sanitation	3,501,866	3,803,435
External affairs	1,121,594	1,090,684
District-wide maintenance	2,319,296	2,569,597
Horticulture	397,123	467,687
Social services	258,194	233,972
Tourist greeters	267,575	339,394
<b>TOTAL PROGRAM EXPENSES</b>	<b>\$ 10,950,046</b>	<b>11,569,595</b>
<b>Supporting Services:</b>		
Management and general	\$ 1,760,819	1,758,613
<b>TOTAL EXPENSES</b>	<b>\$ 12,710,865</b>	<b>13,328,208</b>
 INCREASE/(DECREASE) IN NET ASSETS	 \$ 1,026,203	 (220,054)
NET ASSETS, BEGINNING OF YEAR	\$ 8,775,393	8,995,447
<b>NET ASSETS, END OF YEAR</b>	<b>\$ 9,801,596</b>	<b>8,775,393</b>

# 2022 Officers and

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Jonathan Kalikow\*  
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Mayor of the City of New York

Hon. Brad Lander  
Comptroller of the City of  
New York

Hon. Mark Levine  
Manhattan Borough President

Hon. Keith Powers  
Member, New York City  
Council, District 4

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Manhattan Community  
Board Five

Kyle Athayde  
Manhattan Community  
Board Six

## DIRECTOR EMERITUS

Peter L. Malkin  
Empire State Realty Trust

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Marc Wurzel, General Counsel

Robert Adinolfi, Comptroller/CFO

Christopher Bautista, Bookkeeper

Rochelle Patricof, Vice President for Administration & Operations

Kent Grzeczka, Director of Capital Maintenance

Ryan Pukos, Director of Data & Public Affairs

Lindsay Eason, Director of Field Operations

Alberta Ancrum, Deputy Director of Field Operations

Barry Newman, Dispatcher/EEO Counselor

Leandro Villar, Dispatcher

Anthony Stuckey, Operations Coordinator

*Field Supervisors:*

Blerina Blojaj

Ricardo Ferguson

Julian Herrera

Bright Kpeme

Kenneth Lind

Benito Madera

Wilbert Ray

Trina Swinson, Executive Assistant

Ronald De La Cruz, Administrative Assistant

GCP President/CEO Fred Cerullo receiving an award from the Design Trust for Public Space for a lifetime of dedicated public service in New York City

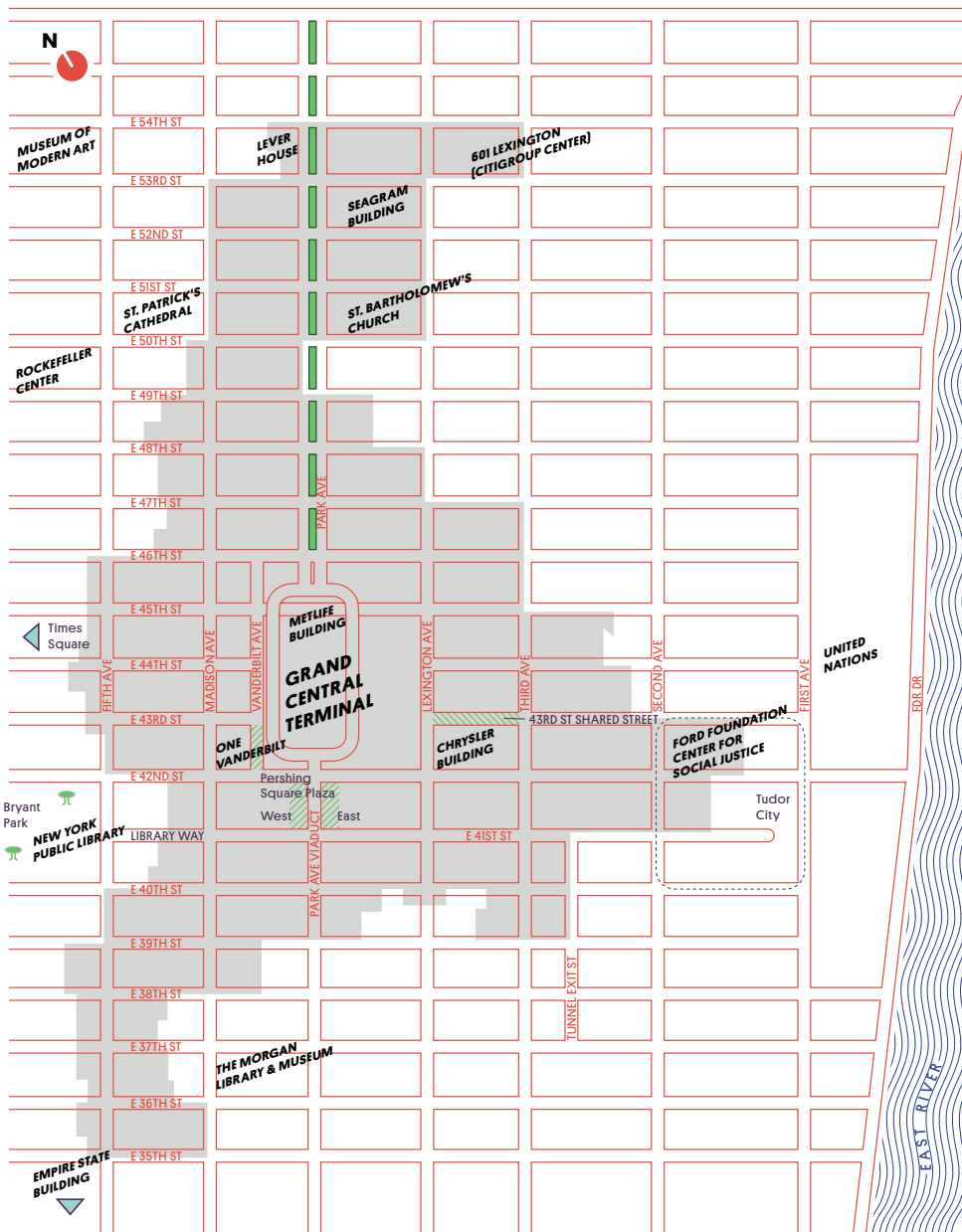




The Mystic performing for a crowd at the Summer Solstice Music Festival



A group of patrons enjoying outdoor happy hour at Pershing Square during a Pershing Square Sounds concert




## NEIGHBORHOOD MAP GRAND CENTRAL BUSINESS IMPROVEMENT DISTRICT



[www.grandcentralpartnership.nyc](http://www.grandcentralpartnership.nyc)

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