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**Brad Hoylman-Sigal, Borough President**

August 12, 2026

**Recommendation on Studio 54 Rehabilitation and Text Amendment**
**ULURP Application Nos. N260211ZRM, C260212ZSM, and 260213LDM**
**by Roundabout Theatre Company**

## PROPOSED ACTIONS

Roundabout Theatre Company (the "Applicant") is proposing multiple land use actions to facilitate the substantial rehabilitation of the Studio 54 Theater (the "Theater") (the "Proposed Project") located at 229 West 53rd Street (Block 1025, Lots 10, 58, and 1201-2104) in Manhattan Community District 5 (the "Project Area").

The Applicant proposes the following actions:

1. Zoning text amendment to:
   a. Section 81-744 of the New York City Zoning Resolution (ZR) to allow the transfer of bonus floor area generated via City Planning Commission (CPC) Certification to a receiving site located within the Theater Subdistrict (the "Transfer Certification Text Amendment");
   b. ZR Section 81-745 to modify conditions and considerations of the special permit allowing a floor area bonus for rehabilitation of existing listed theaters located within the Theater Subdistrict (the "Rehabilitation Text Amendment"):
      i. Remove the requirement for development or enlargement for which a theater rehabilitation bonus is granted to be located on the same zoning lot as the theater;
      ii. Require that the theater rehabilitation work be completed for the qualifying floor area bonus to be used;
      iii. Remove findings related to development on the same zoning lot as the listed theater;
2. Zoning special permit pursuant to the amended ZR Section 81-745 to grant bonus floor area for the substantial rehabilitation of Studio 54 theater; and
3. Restrictive declaration for requirements related to the special permit, the Transfer Certification Text Amendment, and the Rehabilitation Text Amendment.

These actions would facilitate the substantial rehabilitation of the Studio 54 Theater and generate bonus floor area that could be transferred offsite within the Theater Subdistrict, subject to a follow-up application for a CPC Certification pursuant to ZR 81-744(a) as modified by this application.

## BACKGROUND

The Special Theater District was established in 1967 and was the first special district in the New York City Zoning Resolution. The special district aimed to maintain the character of the theater district, with parameters regarding circulation, retail, employment, redevelopment incentives, architecture, and land use. The zoning text also included a special permit for an increase in maximum floor area ratio for new buildings containing theaters.[1] When the Special Midtown District was created in 1982, the existing special theater district was incorporated as a subdistrict and new incentives for preservation and rehabilitation of existing theaters were established, including mechanisms to generate bonus floor area and transfer development rights (TDR).[2] The most recent comprehensive update to the Theater Subdistrict regulations took place in 1998 with a zoning text amendment that included expanding the subdistrict boundaries, expanding the area eligible for receiving transferred floor area from rehabilitated theaters, and creating the Theater Subdistrict Fund.[3]

There are currently 46 listed theaters in the Theater Subdistrict.[4] Since 1998, listed theaters have transferred development rights to receiving sites in the Theater Subdistrict approximately 20 times, though only once since 2016 (the Ambassador Theatre in 2025).[5] In addition to facilitating substantial rehabilitation of listed theaters, each theater TDR transaction results in a contribution to the Theater Subdistrict Fund ("the Fund"). The contribution amount was initially set at $10 per square foot of transferred floor area and has subsequently been increased to: $14.91 per square foot in 2006; $17.60 per square foot in 2011; and $24.65 per square foot in 2022, which is the current rate.[6] Since 2009, the Fund has supported the theater industry by administering $9 million in grants to facilitate new productions and develop new audiences. Only three theaters have been granted special permits for a floor area bonus related to theater rehabilitation: the City Center Theatre in 1985;[7] the Biltmore Theater in 2001;[8] and the Cort Theatre in 2021.[9]

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[1] CP-20000
[2] N 820253 ZRM (A).pdf
[3] N 980271 ZRM
[4] Theater Subdistrict Map & ZR 81-742
[5] Theater Subdistrict Council Local Development Corporation Annual Report, FY 23-24
[6] ZR 81-744
[7] C 850595 ZSM
[8] C 010460 ZSM
[9] C 200123 ZSM

In 2016, the Department of City Planning (DCP) proposed a text amendment to the Theater Subdistrict to modify the methodology for calculating required contributions to the Fund when transferring development rights from listed theaters.[10] This proposal would have resulted in higher contributions to the Fund, calculated as the greater of 20 percent of the sales price of the transferred floor area or 20 percent of the "floor price," calculated by periodic appraisals. The proposal was largely supported by Community Board 4 and Borough President Gale Brewer but faced significant opposition from the Real Estate Board of New York and theater owners who argued that increasing required contributions to the Theater Subdistrict Fund would hinder TDR transactions and the theater rehabilitation goals the TDR mechanism was established to encourage. The City Planning Commission approved it with a modification establishing a phase-in process for the 20 percent contribution rate, but the application was ultimately withdrawn in 2017. [11]

The Project Area has featured a range of arts and cultural uses over the last century, including the Gallo Opera House through the 1920s and 30s, the Studio 52 CBS television game show studio from the 40s to 60s, and the famous Studio 54 nightclub in the 70s and 80s. In the 90s, a previous owner of the Theater (Lots 10 and 58) merged zoning lots and transferred floor area to former Lot 1 (current Lot 7502) to facilitate construction of the 43-story mixed-use building located at 890 8th Avenue today. The Applicant, Roundabout Theater Company leased the historic theater in 1998 as the venue for the Broadway musical Cabaret and subsequently purchased the site in 2003 for continued use as a Broadway Theater.

The applicant is notably the only nonprofit theater operator of listed theaters in the Theater Subdistrict, operating 5 out of the Subdistrict's 46 listed theaters, including Studio 54. Their public programming includes access and affordability initiatives for theatergoers, educational programming in public schools, and workforce development programming for technical theater careers.

The applicant states that the current conditions of the Theater are inadequate for maintaining competitive viability and financial sustainability of the current and future theater markets, including:

1. Lack of permanent stage and orchestra levels, limiting production flexibility and audience sightlines;
2. Lack of backstage and back-of-house support spaces, including green rooms and space for production materials;
3. Poor front-of-house configuration and circulation, which leads to overcrowding and bottlenecks, especially at bar and restroom areas;

[10] N 160254(A) ZRM

[11] Theater Subdistrict Fund Text Amendment - Department of City Planning - DCP

4. Inadequate, inaccessible, excessively steep and unlevel mezzanine and balcony, which do not feel safe or comfortable for many audience members;
5. Lack of Americans with Disabilities Act (ADA) compliant accessible seating, amenities, and support spaces for guests, artists and staff;
6. Outdated and inefficient mechanical, communications, electrical, and plumbing systems.

**Proposed Project**

The Proposed Project is the $105 million substantial rehabilitation of the Studio 54 Theater, including:

1. Restoring the permanent stage, removing the necessity for a temporary stage to be installed for each production;
2. Re-raking the orchestra-level seating for improved sightlines, circulation, and additional seating;
3. Restoring the orchestra pit, removing the necessity for live musicians to be placed on stage;
4. Installing a new stage trap system for greater production flexibility and accessibility;
5. Front-of-house improvements to circulation, operations, and accessibility, including expanding the lobby, relocating the bar and concession area, and providing ADA-accessible concessions, restrooms, and other theater amenities;
6. Improving artist support areas, circulation, and functionality by reconfiguring the stage wings and cellar level with new programmatic areas and accessibility improvements for performers;
7. Re-raking the balcony level with a new seating layout for greater comfort and accessibility, and redesigning the mezzanine level with additional circulation space, expanded restrooms, additional concessions, and accessibility;
8. Expanding audience accessibility and improving services and comfort by adding additional restrooms, bar and lounge spaces, a multi-stop elevator, and leveling cross-aisle walkways;
9. Improving production infrastructure, including rigging and control areas, multi-media capacity, lighting and sound systems, and other power systems; and
10. Upgrading obsolete and outdated base building systems to improve life safety systems, improve ventilation, and reduce the Theater's carbon footprint.

The proposed rehabilitation described above would generate approximately 188,000 square feet of bonus floor area floor, up to 44% of the base maximum floor area permitted in the C6-5 zoning district.[12] Of that bonus floor area, approximately 6,000 square feet would be used to facilitate on-site rehabilitation.

[12] ZR 81-745(b)

The proposed text amendment would allow excess bonus floor area that cannot be accommodated on-site to be transferred off-site within the Theater Subdistrict, subject to a separate follow-up discretionary application requiring 60-day referral to the Community Board, Borough President, and City Council Member.[13] A CPC Certification would be required for a TDR resulting in up to a 20% increase in the basic maximum floor area ratio (FAR) of the receiving site.[14] TDR resulting in over a 20% increase in the base FAR of the receiving site would be required to meet CPC Authorization findings related to harmonious scale and location of structures and access to light and air in the surrounding area.[15] The proposed text amendment would also introduce safeguards to ensure the Theater's rehabilitation work is complete as a prerequisite to a receiving site utilizing bonus floor area generated by the rehabilitation.

TDR of approximately 182,000 square feet of bonus floor area not anticipated to be utilized on-site would require a contribution to the Theater Subdistrict Fund. The current rate of contribution to the Fund ($24.65 per square foot) could result in up to $4.6 million in contributions to the Fund when development rights are sold.

**Area Context**

The Proposed Project is located in Midtown, Manhattan Community District 5 and City Council District 3. The surrounding area includes a high-density mix of residential, commercial, and theater uses. The surrounding area is primarily zoned with high density commercial C6-4, C6-5, C6-6, and C6-7 zoning districts within the Special Midtown District, and an R8 district in the Special Clinton District west of Eighth Avenue. The area features numerous Individual and Interior Landmarks, many of which are historic theaters. The Times Square Business Improvement District (BID) is immediately to the south. The Project Area is exceptionally well-served by transit, including the B, D, E, N, Q, R, W, C and 1 trains and the M20, M7, M104, M50, M57, and M31 buses. Open spaces are limited to Privately Owned Public Spaces (POPS), with Central Park located roughly half a mile to the north.

## COMMUNITY BOARD RESOLUTION

On July 9, 2026, Manhattan Community Board 5 ("CB5") voted 39-0-2 to recommend **approval** of the project. The board discussed the importance of preserving and modernizing the Theater and supported modifying the existing theater TDR mechanism to facilitate the Proposed Project. They also discussed expectations for community benefits related to the transfer of development rights and noted that the proposed theater renovations and contributions to the Theater Subdistrict Fund are desirable public benefits.

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[13] ZR 81-744
[14] ZR 81-744(a)
[15] ZR 81-744(b)

## BOROUGH PRESIDENT'S COMMENTS

This project is directly aligned with one of my key priorities as Borough President – supporting Manhattan's arts and cultural sector. Theaters, museums, and the creative programming and education they provide are a keystone of New York City, and they face historic disinvestment and antagonism from the federal government. That's why I dedicated the entirety of my $50 million discretionary capital budget to arts and culture in my first year as Borough President and launched a challenge grant program called the "Manhattan Multiplier," through which we have helped recipient cultural institutions leverage the public sector investment to secure an additional $35 million in matching funds from private sector support.

The proposed rehabilitation of the Studio 54 Theater is vital for the preservation and continued success of one of Manhattan's storied cultural institutions. For over 25 years, Roundabout Theater Company has stewarded the century-old Theater in furtherance of their mission to celebrate the power of theatre by spotlighting classics from the past, cultivating new works of the present, and educating minds for the future. It is a wonder that they have made it work for so long in this aging facility that lacks a proper stage, backstage, orchestra pit, or accessible seating and restrooms. I am proud to have contributed $1 million toward the $105 million rehabilitation effort, and to support this application for a zoning text amendment and special permit to facilitate this transformative project. The renovated theater will result in an upgraded experience for audience members, performers and production professionals alike and will provide essential accessibility improvements throughout.

This land use application presents reasonable updates to zoning tools that were created to support the midtown Theater Subdistrict and would unlock a significant new financial pathway for theaters to update aging infrastructure and meet modern performance and audience needs. By combining listed theaters' existing ability to generate bonus floor area through substantial rehabilitation projects with an expanded mechanism for transferring that bonus floor area to receiving sites within the Theater Subdistrict, the proposed text amendment addresses significant limitations faced by the Studio 54 Theater, and likely other listed theaters, that cannot easily accommodate bonus floor area on-site. Beyond facilitating the Studio 54 rehabilitation and up to $4.6 million in related contributions to the Theater Subdistrict Fund, this application will unlock similar opportunities for other listed theaters to do the same.

This proposal to expand TDR opportunities in the Theater Subdistrict complements recent reforms to encourage housing production citywide. While the majority of theater TDR transactions in the past have facilitated commercial hotel and office development,[16] zoning changes in City of Yes for Housing Opportunity and New York

[16] Market Study of TDR Values in the Theater Subdistrict, Prepared by Avison Young for NYCEDC (2016)

State's elimination of the 12 FAR cap for residential buildings increase the likelihood that bonus floor area generated from theater rehabilitation will facilitate housing production, which may well increase the sales price of transferred floor area and the frequency of theater TDR transactions.

It should be noted that theater TDR resulting from this application would not be subject to Mandatory Inclusionary Housing (MIH), and that the public benefits derived from theater TDR are theater rehabilitation and contributions to the Theater Subdistrict Fund. With that in mind, and with increased flexibility for receiving sites represented by this application and other recent policy changes, it may be time to reconsider the current contribution rate and methodology for calculating contributions to the Fund. These contributions come back to benefit not just theater owners, but the theater industry at large by funding smaller, geographically diverse, theaters and programs to support arts education and the creative economy. I encourage the Department of City Planning analyze theater TDR trends and consider if changing market conditions warrant increasing required contributions to the Fund.

I committed the entirety of my discretionary capital funding to the arts sector this year to help expand public access, protect a major contributor to the local economy, and support a vital public good in the face of attacks from the federal government. The proposed rehabilitation of the Studio 54 Theater, the contribution it would generate to the Theater Subdistrict Fund, and the opportunities it would open for other similar projects are directly aligned with the goals of my office. I strongly support this application and am eager to see it come to fruition.

**BOROUGH PRESIDENT'S RECOMMENDATION**

Therefore, I recommend **approval** of ULURP Application Nos. N260211ZRM, C260212ZSM, and 260213LDM.

Brad Hoylman-Sigal

Brad Hoylman-Sigal
Manhattan Borough President