

**A. INTRODUCTION**

This section assesses whether changes in the Project and in background conditions since 2006 would result in any new or different significant adverse impacts to socioeconomic conditions that were not previously identified in the 2006 FEIS. The regulatory context and methodology for this analysis are the same as described in the 2006 FEIS.

**B. CHANGES IN BACKGROUND CONDITIONS**

As discussed in Section 2, “Analytical Framework,” in connection with the preparation of this Technical Memorandum background conditions and the status of development projects anticipated for completion through 2015 have been updated for the FEIS study area. In comparison to the 2010 future conditions analyzed in the 2006 FEIS, the 2015 future conditions are anticipated to have approximately 1,206,612 square feet less office use, 1,223 additional hotel rooms, 2,790 additional residential units, 220,144 square feet additional retail use, and 131,533 square feet less community facility use. On the whole, a considerable amount of development is still expected on Manhattan’s west side by 2015; however, the current recession and other market considerations may affect the likelihood that all of this expected development would occur by the 2015 analysis year.

Within the specific study area for socioeconomic conditions, the 2015 No Build projects are more limited, with 17 projects that will add about 2.0 million square feet of office space, about 1.1 million square feet of hotel use (or about 1,600 hotel rooms), 390,000 square feet of retail, and about 2,899 new residential units. A key redevelopment in the study area—the 15 Penn Plaza project, which is primarily an office project that replaces the Hotel Pennsylvania—is expected to eliminate about the same number of hotel rooms that would be built elsewhere in the study area.

The 2,899 new residential units are expected to add another 4,986 residents to the study area. This increases the current population estimate from 16,188 to 21,171, an increase of 30.8 percent and a clear indication of the continuing trend of residential growth in the areas immediately adjacent to the Midtown Central Business District (CBD), consistent with long standing public policy for the West Chelsea area, the corridor along Sixth Avenue, and the Hudson Yards. The new office and retail development can be expected to add about 9,000 workers to the study area, or about a 10 percent increase over the 2000 estimated private sector employment base.

As described in the 2006 FEIS, the study area already has a well-established mixed-use commercial economic base, and these changes in background conditions would not significantly alter existing economic patterns but rather would strengthen the area’s identity. The Project site is located in a stable and desirable marketplace, as demonstrated by relatively low vacancy rates. Although there is more of a trend toward residential, hotel, and retail development than office uses, and additional No Build projects have been added, the essential socioeconomic patterns

within the study area have remained similar to what was expected in the 2006 FEIS. In summary, changes in background conditions since 2006 and future conditions anticipated through 2015 would not substantially alter the conclusions presented in the 2006 FEIS for socioeconomic conditions.

## **C. PROJECT DESIGN CHANGES**

### **FARLEY COMPLEX—PHASE 1**

In the short-term, the proposed below-grade changes to the Project are not expected to significantly change total employment for any rail service providers using the station, but over the long term would facilitate meeting the expected growth in demand for rail passenger services and thus increase associated employment. The proposed changes would not result in any direct or indirect displacement of residents, jobs, or economic activity. The Project would fulfill its long-standing goal to improve the condition and character of travel to and from New York City. Therefore, the proposed changes would not change the 2006 FEIS conclusion that the Project would not result in significant adverse environmental impacts with respect to socioeconomic conditions.

### **FARLEY COMPLEX—PHASE 2**

#### *AMTRAK STATION OPTION*

The proposed Project changes under the Amtrak Station Option would not involve any alterations to the overall program of uses for the Project. Although some design and configuration elements would change, these changes would not require any new structures or expansion of building floor area, and thus would result in no notable changes to projected employment on-site and no alteration of basic employment characteristics of the study area. While the amount of space occupied by Amtrak within the station (100,000 square feet) would be greater than the amount that was assumed in the 2006 FEIS to have been occupied by NJT (34,000 square feet), there would be no net change in overall Amtrak employment (or in employment for the other railroads) at the Penn Station complex, the same as was assumed in the 2006 FEIS. In the short-term, the Amtrak Station Option would not be expected to significantly change total employment for any service providers using the station, but over the long term would facilitate meeting the expected growth in demand for rail passenger services and thus increase associated employment. There is a projected increase in the amount of station-specific retail space that would be privately managed, which can be expected to generate demand for about 347 employees (as estimated in the 2006 FEIS) and would improve station amenities to passengers and other users of the station. Since the current retail USPS operations would remain, the Amtrak Station Option would not result in any direct displacement of jobs or economic activity.

Like the project assessed in the 2006 FEIS, the Amtrak Station Option would not result in any new significant adverse impacts due to direct or indirect residential displacement or indirect business and institutional displacement. The Amtrak Station Option would not represent a substantial increase in the concentration of any particular economic sector, and no alteration of existing patterns would be expected. All of the uses contemplated under the Amtrak Station Option are well established in the study area, which already has a dense and diverse amount of economic activity.

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Like the project assessed in the 2006 FEIS, the Amtrak Station Option would continue to expand the existing base of transportation offerings within the study area, thereby drawing new transportation users and visitors to the area within and immediately surrounding the Farley Complex. The other proposed uses within the Farley Complex also would continue to attract and retain visitors within the study area. The resultant incremental pedestrian flow would not have any adverse effect on commercial property values within the study area east of the Farley Complex, where there are already heavy volumes of pedestrian traffic. Commercial establishments along other nearby thoroughfares could experience rent increases, as their property values could increase due to the increased pedestrian traffic. Most of the existing retail stores would benefit from the increased pedestrian flow, allowing them to increase their overall sales and avoid indirect displacement due to increased rent. Those that would be most vulnerable to indirect displacement due to increased rents would be those retail uses that may not be able to capitalize as effectively from the increased pedestrian flow.

Like the project assessed in the 2006 FEIS, the Amtrak Station Option would not significantly affect business conditions in any industry or any category of business within or outside the study area, nor would it indirectly reduce employment or adversely affect the viability of any industry or category of business. Development under the Amtrak Station Option with the proposed changes would not introduce new, competing businesses that would drive out or otherwise diminish the performance of any identifiable business sector. Overall, the Amtrak Station Option would reinforce existing business sectors, and provide new office space to retain and attract businesses.

The Amtrak Station Option would fulfill the Project's long-standing goal to improve the condition and character of travel to and from New York City, reinforcing the commercial vitality of the western portions of the Midtown CBD and enhancing the growing areas to the west, north, and south of the Project. Therefore, the proposed changes under the Amtrak Station Option would not change the 2006 FEIS conclusion that the Project would not result in significant adverse environmental impacts with respect to socioeconomic conditions.

### *OPEN STATION OPTION*

Like the Amtrak Station Option and the project assessed in the 2006 FEIS, the proposed changes under the Open Station Option would not involve any alterations to the overall program of uses for the Project. Although some design and configuration elements would change, these changes would not require any new structures or expansion of building floor area, and thus no notable changes to projected employment. In the short-term, the Open Station Option would not be expected to change total employment for any service providers using the station significantly, but over the long term would facilitate meeting the expected growth in demand for rail passenger services and thus increase associated employment. There is a projected increase in the amount of station-specific retail space that would be privately managed, which can be expected to generate demand for about 347 employees (as estimated in the FEIS) and would improve station amenities to passengers and other users of the station. Since the current retail USPS operations would remain, the Open Station Option would not result in any direct displacement of jobs or economic activity.

Like the Amtrak Station Option and the project assessed in the 2006 FEIS, the Open Station Option would not result in any new significant adverse impacts due to direct or indirect residential displacement or indirect business and institutional displacement. The Open Station Option would not represent a substantial increase in the concentration of any particular

economic sector, and no alteration of existing patterns would be expected. All of the uses contemplated under the Open Station Option are well established in the study area, which already has a dense and diverse amount of economic activity.

Like the Amtrak Station Option and the project assessed in the 2006 FEIS, the Open Station Option would continue to expand the existing base of transportation offerings within the study area, thereby drawing new transportation users and visitors to the area within and immediately surrounding the Farley Complex. The other proposed uses within the Farley Complex also would continue to attract and retain visitors within the study area. The resultant incremental pedestrian flow would not have any adverse effect on commercial property values within the study area east of the Farley Complex, where there are already heavy volumes of pedestrian traffic. Commercial establishments within other nearby thoroughfares could experience rent increases, as their property values could increase due to the increased pedestrian traffic. Most of the existing retail stores would benefit from the increased pedestrian flow, allowing them to increase their overall sales and avoid displacement. Those that would be most vulnerable to indirect displacement due to increased rents would be those retail uses that may not be able to capitalize as effectively from the increased pedestrian flow.

Like the Amtrak Station Option and the project assessed in the 2006 FEIS, the Open Station Option would not significantly affect business conditions in any industry or any category of business within or outside the study area, nor would it indirectly reduce employment or adversely affect the viability of any industry or category of business. Development under the Open Station Option with the proposed changes would not introduce new, competing businesses that would drive out or otherwise diminish the performance of any identifiable business sector. Overall, the Open Station Option would reinforce existing business sectors, and provide new office space to retain and attract businesses.

Like the Amtrak Station Option, the Open Station Option would fulfill the Project's long-standing goal to improve the condition and character of travel to and from New York City, reinforcing the commercial vitality of the western portions of the Midtown CBD and enhancing the growing areas to the west, north, and south of the Moynihan project. Therefore, the proposed changes under the Open Station Option would not change the 2006 FEIS conclusion that the Project would not result in significant adverse environmental impacts with respect to socioeconomic conditions. \*