

A. INTRODUCTION

This chapter considers the potential for the proposed actions, as described in detail in Chapter 1, “Project Description,” to result in significant adverse impacts to socioeconomic conditions in the surrounding area of East Midtown. The proposed Vanderbilt Corridor is described in this chapter, and further development in the Corridor (beyond the One Vanderbilt site), which is expected to occur in 2021 and by 2033, is considered in Chapter 19, “Conceptual Analysis.” As stated in the 2014 *City Environmental Quality Review (CEQR) Technical Manual*, the socioeconomic character of an area includes its population, housing, and economic activities. Socioeconomic impacts may occur when a project directly or indirectly affects any of these elements.

The proposed actions would facilitate expanded commercial uses on the One Vanderbilt site, resulting in an approximately 1.8-million-gross-square-foot (gsf) building with a floor-area-ratio (FAR) of 30. The building would consist primarily of office space (1.08 million gsf) but would also contain trading floors (approximately 246,000 gsf), retail space (approximately 53,000 gsf), a 27,000-square-foot restaurant, and a 55,000-square foot rooftop amenity at the top of the building, which may include tenant amenity space, restaurant space, and potentially an observation deck. The No-Action building (with which the proposed building is compared) would be 15 FAR (approximately 811,034 gsf) with 83,648 gsf of retail space and 636,312 square feet of office space, but no trading floors and no rooftop amenity space. The analysis year for the proposed One Vanderbilt development is 2021, the year it is expected to be complete.

In accordance with *CEQR Technical Manual* guidelines, this analysis considers whether development of the proposed uses could result in significant adverse socioeconomic impacts due to: (1) direct displacement of residential population; (2) indirect displacement of residential population; (3) direct displacement of existing businesses; (4) indirect displacement of businesses; and (5) adverse effects on a specific industry.

PRINCIPAL CONCLUSIONS

This analysis finds that the proposed actions would not result in significant adverse socioeconomic impacts. The following summarizes the conclusions for each of the five CEQR areas of socioeconomic concern enumerated above.

DIRECT RESIDENTIAL DISPLACEMENT

There are no residential units on the One Vanderbilt site; therefore, the proposed actions would not directly displace any residents and would not result in significant adverse socioeconomic impacts due to direct residential displacement.

INDIRECT RESIDENTIAL DISPLACEMENT

The proposed actions would not introduce a residential population and therefore would not induce a trend that could potentially result in changing socioeconomic conditions for the residents within the surrounding area. Therefore, the proposed actions would not result in significant adverse socioeconomic impacts due to indirect residential displacement.

DIRECT BUSINESS DISPLACEMENT

The proposed actions would not directly displace any businesses, because the One Vanderbilt site's existing uses would be displaced irrespective of the proposed One Vanderbilt development (as part of the No-Action condition) and therefore would not result in significant adverse socioeconomic impacts due to direct business displacement.

INDIRECT BUSINESS DISPLACEMENT

A preliminary assessment finds that the proposed actions as it relates to the One Vanderbilt site would not result in significant adverse impacts due to indirect business displacement. The study area already has a well-established commercial office market, and therefore the proposed actions would not be introducing new economic activities to the One Vanderbilt site or to the study area that would alter existing economic patterns. East Midtown is considered by many as one of the most sought-after dynamic office markets and central business districts (CBD) in the New York region, and is largely defined by its wide variety of office space. The area is a dense, urban center with few vacant properties. The study area includes 41.3 million gsf of office space. Therefore, the commercial development resulting from the proposed actions would not constitute new economic activities in the study area, but rather would be introduced into a high-density, transit-rich area that is already predominantly commercial. The office and retail uses introduced by the proposed actions would not be of an amount that would alter commercial market trends within the study area. The retail added on the One Vanderbilt site would support the existing and future study area populations. The potential observation deck and trading floors introduced by the proposed actions would also not be expected to alter or accelerate trends that would make it difficult for some businesses to remain in the area. An observation deck is generally a tourist attraction, and would not be expected to substantively affect commercial office rents, especially since there are already substantial numbers of tourists in this part of Manhattan. In addition, the proposed trading floors would not be considered substantial new development that is markedly different from existing uses, development, and activities within the neighborhood.

ADVERSE EFFECTS ON SPECIFIC INDUSTRIES

The proposed actions would not result in significant adverse impacts on specific industries. The proposed development on the One Vanderbilt site would not significantly affect business conditions in any specific industry or any category of businesses, nor would it indirectly reduce employment or impair the economic viability of any specific industry or category of business.

B. METHODOLOGY

BACKGROUND

Under CEQR, the socioeconomic character of an area includes its population, housing, and economic activity. Although socioeconomic changes may not result in impacts under CEQR, they are disclosed if they would affect land use patterns, low-income populations, the availability of goods and services, or economic investment in a way that changes the socioeconomic character of the area. In some cases, these changes may be substantial but not adverse. In other cases, these changes may be good for some groups but bad for others. The objective of the CEQR analysis is to disclose whether any changes created by the project would have a significant impact compared with what would happen in the No-Action condition.

An assessment of socioeconomic impacts distinguishes between impacts on the residents and businesses in an area and separates these impacts into direct and indirect displacement for both of those segments. Direct displacement occurs when residents or businesses are involuntarily displaced from the actual site of the proposed project or sites directly affected by it. For example, direct displacement would occur if a currently occupied site were redeveloped for new uses or structures or if a proposed easement or right-of-way encroached on a portion of a parcel and rendered it unfit for its current use. In these cases, the occupants of a particular structure to be displaced can usually be identified, and therefore the disclosure of direct displacement focuses on specific businesses and a known number of residents and workers.

Indirect or secondary displacement occurs when residents, business, or employees are involuntarily displaced due to a change in socioeconomic conditions in the area caused by the proposed project. Examples include the displacement of lower-income residents who are forced to move due to rising rents caused by higher-income housing introduced by a proposed project. Examples of indirect business displacement include higher-paying commercial tenants replacing industrial uses when new uses introduced by a proposed project cause commercial rents to increase. Unlike direct displacement, the exact occupants to be indirectly displaced are not known. Therefore, an assessment of indirect displacement usually identifies the size and type of groups of residents, businesses, or employees potentially affected.

Some projects may affect the operation and viability of a specific industry not necessarily tied to a specific location. An example would be new regulations that prohibit or restrict the use of certain processes that are critical to certain industries. In these cases, the CEQR review process may involve an assessment of the economic impacts of the project on that specific industry.

DETERMINING WHETHER A SOCIOECONOMIC ASSESSMENT IS APPROPRIATE

According to the *CEQR Technical Manual*, a socioeconomic assessment should be conducted if a project may be reasonably expected to create socioeconomic changes in the area affected by the project that would not be expected to occur in the absence of the project. The following screening assessment considers threshold circumstances identified in the *CEQR Technical Manual* and enumerated below that can lead to socioeconomic changes warranting further assessment.

- 1. Direct Residential Displacement: Would the project directly displace residential population to the extent that the socioeconomic character of the neighborhood would be substantially altered? Displacement of fewer than 500 residents would not typically be expected to alter the socioeconomic character of a neighborhood.***

The proposed One Vanderbilt development site does not contain any residential uses. Therefore, the proposed actions would not directly displace any residents on the One Vanderbilt site, and an assessment of direct residential displacement is not warranted.

2. ***Direct Business Displacement: Would the project directly displace more than 100 employees? If so, assessments of direct business displacement and indirect business displacement are appropriate.***

The proposed actions would not result in the direct displacement of any businesses on the One Vanderbilt site because the site's existing uses would be displaced irrespective of the proposed development (as part of the No-Action condition); therefore, assessments of direct business displacement and indirect business displacement as a result of direct business displacement are not necessary.

3. ***Direct Business Displacement: Would the project directly displace a business whose products or services are uniquely dependent on its location, are the subject of policies or plans aimed at its preservation, or serve a population uniquely dependent on its services in its present location? If so, an assessment of direct business displacement is warranted.***

The proposed actions would not result in the direct displacement of any businesses on the One Vanderbilt site because the site's existing uses would be displaced irrespective of the proposed One Vanderbilt development (as part of the No-Action condition). Therefore, an assessment of direct business displacement is not warranted.

4. ***Indirect Displacement due to Increased Rents: Would the project result in substantial new development that is markedly different from existing uses, development, and activities within the neighborhood? Residential development of 200 units or less or commercial development of 200,000 square feet or less would typically not result in significant socioeconomic impacts. For projects exceeding these thresholds, assessments of indirect residential displacement and indirect business displacement are appropriate.***

The proposed actions would introduce commercial development in excess of 200,000 square feet; therefore, an assessment of potential indirect business displacement is warranted. The proposed actions would not introduce a residential population and therefore would not introduce a trend that could potentially result in changing socioeconomic conditions for the residents within the neighborhood. Therefore, an assessment of indirect residential displacement is not warranted.

5. ***Indirect Business Displacement due to Retail Market Saturation: Would the project result in a total of 200,000 square feet or more of retail on a single development site or 200,000 square feet or more of region-serving retail across multiple sites? This type of development may have the potential to draw a substantial amount of sales from existing businesses within the study area, resulting in indirect business displacement due to market saturation.***

The proposed actions would not introduce retail uses in excess of 200,000 square feet on the One Vanderbilt site; therefore, an assessment of potential indirect business displacement due to retail market saturation is not warranted.

6. ***Adverse Effects on Specific Industries: Is the project expected to affect conditions within a specific industry? This could affect socioeconomic conditions if a substantial number of workers or residents depend on the goods or services provided by the affected businesses,***

or if the project would result in the loss or substantial diminishment of a particularly important product or service within the City.

As the proposed actions would not result in direct business displacement on the One Vanderbilt site and the potential for any indirect business displacement would be limited and not specific to any industry, an assessment of adverse effects on specific industries is not necessary.

Based on the screening assessment presented above, the proposed actions warrant a preliminary assessment of indirect business displacement due to increased rents.

ANALYSIS FORMAT

Based on *CEQR Technical Manual* guidelines, the analysis of indirect business displacement begins with a preliminary assessment. The objective of the preliminary assessment is to learn enough about the potential effects of the proposed actions to either rule out the possibility of significant adverse impacts or determine that a more detailed analysis is required to fully determine the extent of the impacts. A detailed analysis, when required, is framed in the context of existing conditions and evaluations of the future without the proposed actions, or No-Action condition, and the future with the proposed actions, or With-Action condition, by the project Build year. In conjunction with the land use task, specific development projects that occur in the area in the No-Action condition are identified, and the possible changes in socioeconomic conditions that would result, such as potential increases in population, changes in the income characteristics of the study area, new residential developments, possible changes in rents or sales prices of residential units, new commercial or industrial uses, or changes in employment or retail sales. Those conditions are then compared with With-Action condition to determine the potential for significant adverse impacts.

In this case, a preliminary assessment was sufficient to conclude that the proposed actions would not result in any significant adverse socioeconomic impacts resulting from indirect business displacement as a result of development of the One Vanderbilt site.

PROJECT SITES

The proposed Vanderbilt Corridor consists of five blocks along the west side of Vanderbilt Avenue between East 42nd and East 47th Streets, and includes the One Vanderbilt site and other Vanderbilt Corridor sites. These sites are described below.

ONE VANDERBILT SITE

The One Vanderbilt site, bounded by East 42nd and East 43rd Streets and Madison and Vanderbilt Avenues, is occupied by four low- to mid-rise buildings that contain 772,162 gsf of commercial space. The buildings all contain retail space on the ground floor and office space on the upper floors.

OTHER VANDERBILT CORRIDOR SITES

A single office building, the Bank of America Plaza at 335 Madison Avenue, occupies Block 1278 between East 43rd and East 44th Streets. The building contains 874,734 gsf, with ground-floor retail on Madison Avenue.

Vanderbilt Corridor and One Vanderbilt

The portion of Block 1279 that is within the Vanderbilt Corridor between East 44th and East 45th Streets, and contains five commercial buildings and a ventilation building for MTA's under-construction East Side Access project. The Yale Club occupies the building at 50 Vanderbilt Avenue, and MTA has offices in the building at 347 Madison Avenue. In total, the five commercial buildings and the vent building contain 700,346 gsf. The five commercial buildings each contain ground-floor retail.

The Roosevelt Hotel occupies the portion of Block 1281 that is within the Vanderbilt Corridor between East 45th and East 46th Streets. This 598,248-gsf hotel contains 1,015 rooms and ground-floor retail along each street frontage.

A single office building, 383 Madison Avenue, occupies the portion of Block 1282 that is within the Vanderbilt Corridor between East 46th and East 47th Streets. Owned and tenanted by J.P. Morgan Chase & Company, this office building contains approximately 1,174,988 gsf of commercial space. There is ground-floor retail along its Madison Avenue frontage.

STUDY AREAS

According to the *CEQR Technical Manual*, the socioeconomic study area typically reflects the land use study area, and should reflect the scale of the project relative to the area's population. Therefore, the socioeconomic assessment establishes two study areas—a ¼-mile radius around the proposed Vanderbilt Corridor (**Figure 3-1**) and a ¼-mile radius around the One Vanderbilt site (see **Figure 3-2**).

DATA SOURCES

For the indirect business displacement analyses, employment data were obtained from Environmental Systems Research Institute ("Esri")—a private data provider—to perform this analysis. Esri is a tool used to gather geographically specific business and demographic data from a variety of public sources, including the U.S. Census Bureau. Land use and parcel data were collected from the New York City Department of City Planning's MapPLUTO 13V2 database.

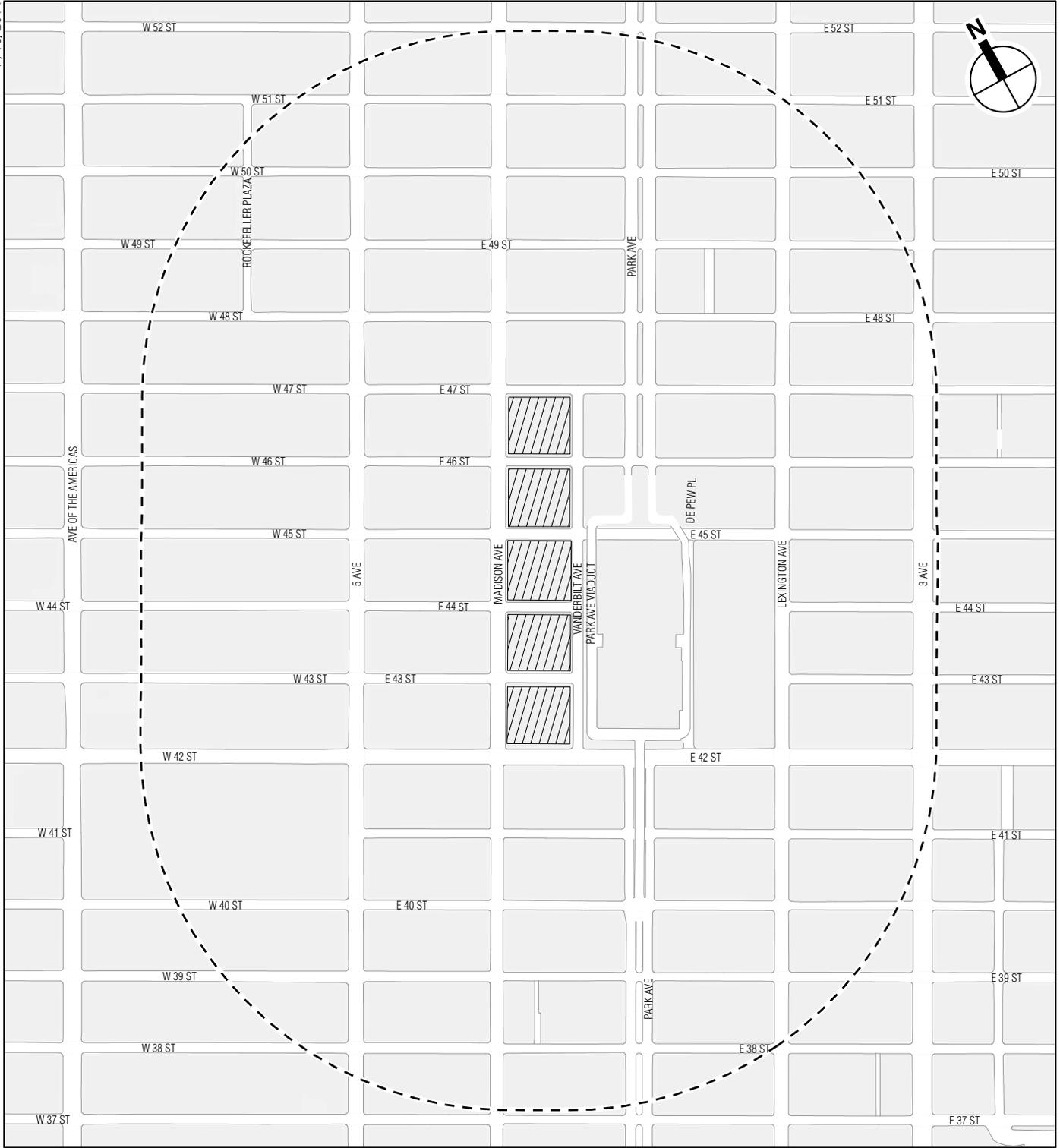
The analyses are also supported by field visits to the study area conducted by AKRF staff in July 2014.

C. PRELIMINARY ASSESSMENT

INDIRECT BUSINESS DISPLACEMENT

The preliminary assessment of indirect business displacement focuses on whether the proposed actions could increase commercial property values and rents within the ¼-mile study area for the One Vanderbilt site such that it would become difficult for some categories of businesses to remain in the area. The following three questions (numbered in italics below) address the potential for significant adverse indirect business displacement impacts.

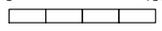
- 1. Would the proposed actions introduce a trend that increases commercial property values, making it difficult for businesses essential to the local economy—or a business that is the subject of regulations or publicly adopted plans to preserve, enhance, or otherwise protect it—to remain in the study area?*



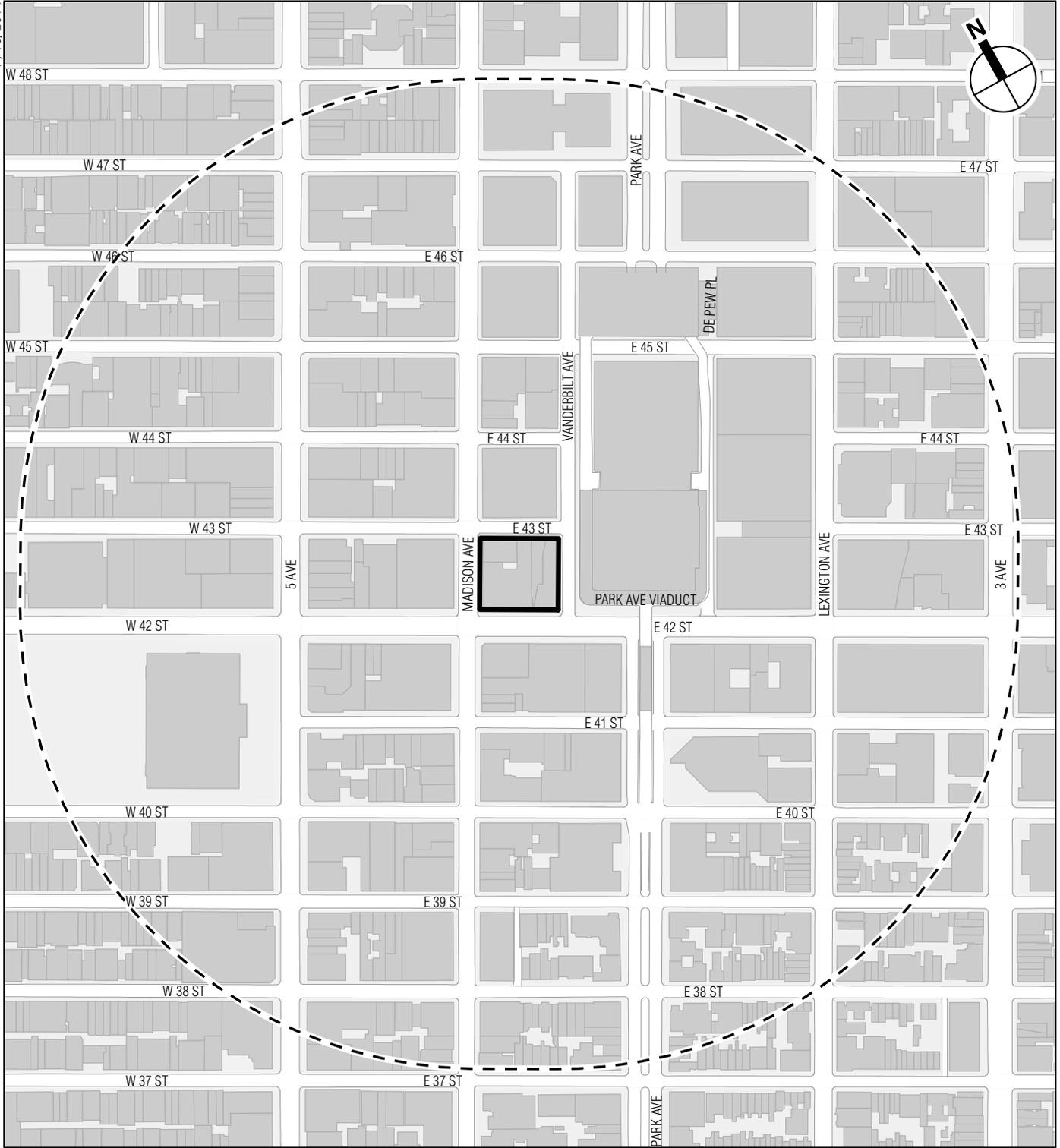
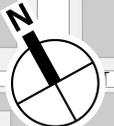
 Proposed Vanderbilt Corridor

 Vanderbilt Corridor Study Area Boundary (1/4-Mile Perimeter)

0 400 FEET



7/18/2014



- One Vanderbilt Development Site
- One Vanderbilt Study Area Boundary (1/4-Mile Perimeter)



As shown in **Table 3-1**, as of January 2014 there were an estimated 103,278 employees in the ¼-mile study area. These employees represented approximately 6.6 percent of Manhattan’s total employment, and 3.2 percent of the employment in all of New York City. Within the development site study area, the Professional, Scientific, and Technical Services sector accounted for the largest share of total employment (20.4 percent), followed by the Finance and Insurance sector (19.2 percent) and the Administrative and Support and Waste Management and Remediation Services sector (7.8 percent). These findings are consistent with the wide variety of office space that is found in East Midtown.

Table 3-1
Estimated Employees in ¼-Mile Study Area, Manhattan, and New York City

Type of Job by NAICS Category	Study Area		Manhattan		New York City	
	Employees	Percent	Employees	Percent	Employees	Percent
Agriculture, forestry, fishing and hunting	10	0.0%	959	0.1%	2,173	0.1%
Mining	118	0.1%	736	0.0%	1,107	0.0%
Utilities	60	0.1%	1,108	0.1%	6,974	0.2%
Construction	958	0.9%	23,296	1.5%	107,313	3.3%
Manufacturing	6,760	6.5%	73,915	4.7%	148,776	4.6%
Wholesale trade	5,184	5.0%	71,320	4.5%	151,302	4.7%
Retail trade	3,744	3.6%	110,279	7.0%	296,080	9.2%
Transportation and warehousing	2,038	2.0%	25,262	1.6%	101,471	3.2%
Information	7,268	7.0%	110,994	7.0%	148,807	4.6%
Finance and insurance	19,837	19.2%	145,150	9.2%	198,707	6.2%
Real estate and rental and leasing	9,078	8.8%	63,699	4.0%	123,439	3.8%
Professional, scientific, and technical services	21,075	20.4%	260,290	16.5%	368,167	11.5%
Management of companies and enterprises	361	0.3%	16,921	1.1%	20,385	0.6%
Administrative and support and waste management and remediation services	8,046	7.8%	108,346	6.9%	218,991	6.8%
Educational services	1,544	1.5%	101,308	6.4%	304,898	9.5%
Health care and social assistance	3,220	3.1%	155,423	9.9%	395,631	12.3%
Arts, entertainment, and recreation	719	0.7%	38,389	2.4%	59,312	1.8%
Accommodation and food services	4,809	4.7%	92,432	5.9%	158,544	4.9%
Other services (except public administration)	3,402	3.3%	74,834	4.7%	180,926	5.6%
Public administration	5,047	4.9%	101,701	6.5%	218,047	6.8%
Total	103,278	100.0%	1,576,362	100.0%	3,211,050	100.0%

Source: Esri and Dun and Bradstreet, Business Analyst Online, Business Summary Report, 2014.

As discussed above, the proposed actions would introduce expanded commercial uses on the One Vanderbilt site, resulting in an approximately 1.8-million-gsf building that would consist primarily of Class A office space (1.08 million gsf), trading floors (approximately 246,000 gsf), retail space (approximately 53,000 gsf), a 27,000-square-foot restaurant, and a 55,000-square foot rooftop amenity at the top of the building, which may include tenant amenity space, restaurant space, and a public observation deck. The No-Action building (with which the proposed building is compared) would be approximately 811,034 gsf, with 83,648 gsf of retail space and 636,312 square feet of office space, but no trading floors and no rooftop amenity space. Therefore, the proposed One Vanderbilt development would result in approximately 1 million gsf of incremental commercial uses compared with the No-Action condition, including approximately 442,688 gsf of incremental Class A office space, trading floors (approximately 246,000 gsf), and a 55,000-square-foot rooftop amenity on the One Vanderbilt site. The proposed actions would result in a nominal decrease in retail space on the One Vanderbilt site compared with the No-Action condition.

There is already substantial commercial development and consumer demand in the ¼-mile study area. The ¼-mile study area includes approximately 41.3 million gsf of commercial office space. As described in Chapter 3, “Socioeconomic Conditions” of the *East Midtown Rezoning and*

Vanderbilt Corridor and One Vanderbilt

Related Actions FEIS, which analyzed the proposed addition of over 3.8 million gsf of commercial office space in East Midtown, “East Midtown is one of the most sought-after dynamic office markets and central business districts in the New York region that is largely defined by a wide variety of office space. The area is a dense urban center with few vacant properties.” The *East Midtown Rezoning and Related Actions FEIS* found that the introduction of over 3.8 million gsf of office space would not be an amount that would alter or accelerate commercial market trends within the East Midtown Rezoning study area, which includes the ¼-mile study area.

The incremental office space resulting from the proposed actions—approximately 442,688 gsf—would not represent substantial new development that is markedly different from existing uses, development, and activity within the area. The incremental office space introduced in the With-Action condition would represent an approximately 1 percent increase over the office square footage in the development site study area in the No-Action condition, would not be considered substantial in an area already characterized by significant commercial development, and would not be enough to alter or accelerate existing economic trends. The proposed actions would result in a nominal decrease in the retail square footage in the study area compared with the No-Action condition. The proposed retail would serve the existing residents as well as those introduced by planned projects. Moreover, the study area already contains a particularly dense retail sector, with ground-floor retail facilities located along most frontages. Local retail uses, particularly restaurants, are typically located along the street frontages, while the avenue frontages contain a greater number of destination shopping facilities. Fifth and Madison Avenues are particularly strong shopping corridors, featuring large national retail chains and high-end apparel stores.

In the With-Action condition, a limited and targeted amount of higher-density commercial office and retail development would occur in the study area as compared with the No-Action condition. The commercial development resulting from the proposed actions would not constitute new economic activities in the study area, but would be introduced into a high-density, transit-rich area that is already predominantly commercial. The office and retail uses introduced by the proposed actions would not be of an amount that would accelerate commercial market trends within the study area.

The proposed One Vanderbilt development would introduce trading floors (approximately 246,000 gsf) on the One Vanderbilt site. Trading floors already exist in the development site study area including at First New York Securities LLC on Park Avenue between East 39th and East 40th Streets, at JPMorgan Chase Headquarters at 270 Park Avenue between East 47th and East 48th Streets, and at the Bear Sterns Building at 383 Madison Avenue. Many other trading floors are located just outside the ¼-mile study area including at the Bank of America Tower (six trading floors) at One Bryant Park and Instinet’s 33,000-square-foot trading floor on Sixth Avenue between West 41st and West 42nd Streets. Therefore the proposed trading floors would not represent new uses in the study area, and would not add to a particular sector of the local economy such that it would affect overall ongoing economic trends. In addition, the potential observation deck’s consumer base would largely be tourists and visitors rather than commercial office tenants, and in this respect would not be expected to substantially affect commercial office rents, especially since there are already substantial numbers of tourists in this part of Manhattan. Observation decks currently exist just outside the study area at the Empire State Building at Fifth Avenue and West 34th Street and the Top of the Rock Observation Deck at 30 Rockefeller Plaza (between Fifth and Sixth Avenues and West 49th and West 50th Streets).

In areas with increasing commercial development, industrial businesses can be potentially vulnerable to indirect displacement due to increased rent, as they tend not to benefit directly from the increased consumer dollars in the area and therefore are less able to afford rent increases due to rising property values. However, based on the land use assessment in Chapter 2, industrial uses are almost non-existent in the study area; there is no specific industrial business within the study area that is critical to the local economy or that is the subject of regulations or publicly adopted plans to preserve, enhance, or otherwise protect its use.

Moreover, while there are portions of the study area—such as the area roughly bounded by East 38th to East 47th Streets between Second and Fifth Avenues—that have relatively low rents, higher vacancy rates, and Class B and C space, there is an existing trend toward new buildings and higher rents that is expected to increase in the future, irrespective of the proposed actions. An expensive office submarket around Bryant Park—on the block bounded by West 42nd Street to the north, West 40th Street to the south, Fifth Avenue to the east, and Sixth Avenue to the west—has recently emerged and experienced dramatic growth and high-quality office space. According to the *East Midtown Rezoning and Related Actions FEIS*, vacancy rates in the office buildings surrounding Bryant Park are low and average asking rents in this exclusive submarket are comparable, if not higher, than the traditionally higher-priced Plaza district of Midtown, which is located directly to the north of the study area and almost \$15 more per square foot than the average in Midtown. The construction of the 51-story office tower at One Bryant Park and a handful of upgrades and renovations to office buildings in the area have contributed to this trend. Constructed in 2009, One Bryant Park is an approximately 2.1 million-square-foot trophy office building that is currently the headquarters of Bank of America. The Bryant Park area has established itself as a hub of high-priced office space, with the park as the center of this submarket. In the No-Action condition, approximately 471,000 square feet of office development are planned at 7 Bryant Park (just outside the study area to the west), and another 748,000 square feet are planned at 50 West 47th Street. Also, to remain viable and marketable to existing and prospective tenants in the highly competitive market of East Midtown, the aging stock of office buildings continuously undergo often substantial and costly renovations, refurbishments, and upgrades (i.e., increased amenities, advances in technological capabilities, and increased efficiencies) to obtain higher rents and renewed interest from tenants. Similar to existing conditions, upgrading of useable older office buildings in East Midtown would continue.

The ¼-mile study area around the One Vanderbilt site already has well-established commercial markets, and therefore the proposed actions would not be introducing new economic activities to the proposed One Vanderbilt site or to the study area that would alter existing economic patterns. The proposed actions are expected to protect, promote, and strengthen the East Midtown CBD, and provide support for the overall continued long-term vitality of the area as an integrated and dynamic office district with a diverse inventory of office space and tenant roster. The office space resulting from the proposed actions would reflect, rather than alter or accelerate, existing economic patterns in the study area, and is expected to be absorbed by the study area due to the historic demand for new Class A office space in Midtown Manhattan. The newly constructed commercial space would command higher rents and would be offered at rents comparable to other Class A and Trophy office buildings in Midtown, including existing high-quality office buildings in the Plaza office district north of West 47th Street and near Bryant Park.

2. *Would the proposed project directly displace uses of any type that directly support businesses in the area or bring people to the area that form a customer base for local businesses?*

As discussed above, the proposed actions would not directly displace residences or businesses on the One Vanderbilt site. Therefore, the proposed actions would not directly displace uses that provide direct support to businesses in the development site study area, or that bring to the area substantial numbers of people that form a customer base for local businesses.

3. *Would the proposed project directly or indirectly displace residents, workers, or visitors who form the customer base of existing businesses in the study area?*

As described above, the proposed actions would not directly displace any residents or businesses on the One Vanderbilt site, and therefore would not result in a substantial loss of a customer base for existing businesses as a result of development on the One Vanderbilt site. In addition, the proposed actions are not expected to result in significant indirect displacement of businesses or residents. The proposed actions on the One Vanderbilt site would add a modest amount of retail to the development site study area (and would actually be a reduction compared with the No-Action building) and would add more office workers, increasing the customer base of existing businesses in the study area.

CONCLUSION

While the proposed actions and the proposed One Vanderbilt development would add a substantial amount of commercial development to the One Vanderbilt site, this would not be a new use to the study area. The study area already has a well-established commercial market, and therefore the proposed actions would not be introducing new economic activities to the One Vanderbilt site or to the study area that would alter existing economic patterns. East Midtown is already characterized by substantial office development, and considered by many as one of the most sought-after dynamic office markets and central business districts in the New York region. In the With-Action condition, a limited and targeted amount of higher-density commercial development would occur in the study area as compared with the No-Action condition. The proposed commercial development would be introduced into a high-density, transit-rich area that is already predominantly commercial. The office and retail uses introduced by the proposed actions would not be of an amount that would accelerate commercial market trends within the study area. The retail added to the One Vanderbilt site would serve the existing residents as well as those introduced by planned projects. The observation deck and trading floors introduced by the proposed actions would not be expected to alter or accelerate trends that would make it difficult for some businesses to remain in the area. An observation deck generally is a tourist attraction, which would not be expected to substantively affect commercial office rents, especially since there are already substantial numbers of tourists in this part of Manhattan. Moreover, the proposed trading floors would not be considered substantial new development that is markedly different from existing uses, development, and activities within the neighborhood. Therefore, based on *CEQR Technical Manual* guidelines, the proposed development of the One Vanderbilt site would not result in any significant adverse impacts due to indirect business displacement. (See Chapter 19, “Conceptual Analysis,” for an assessment of the proposed actions’ potential socioeconomic impacts on the proposed Vanderbilt Corridor). *