

This chapter provides an assessment of the potential growth-inducing aspects of the Proposed Project. The term “growth-inducing aspects” generally refers to “secondary” impacts of a proposed action that trigger further development outside the directly affected area. The 2020 *City Environmental Quality Review (CEQR) Technical Manual* indicates that an analysis of the growth-inducing aspects of a proposed action is appropriate when the project: (1) adds a substantial new land use, residents, or employment that could induce additional development of a similar kind and/or development of support uses (e.g., stores to serve new residents or employees); and/or (2) introduces or greatly expands infrastructure capacity.

As described in Chapter 1, “Project Description,” the Proposed Project would reinvigorate the Project Area and by creating a revitalized, transit-oriented commercial district centered around Penn Station. The Proposed Project would result in approximately 20 million gross square feet (gsf) of primarily Class A commercial office, retail, and hotel space on eight development sites within the Project Area. The Proposed Project would also support the reconstruction and proposed expansion of Penn Station and provide public transportation and public realm improvements, including new and enhanced publicly accessible open spaces. The Proposed Project would support and accommodate New York City’s long-term growth, and would maintain Manhattan’s competitive market condition; it is not expected to induce additional notable growth outside of the Project Area.

While the Proposed Project would improve existing infrastructure, including passenger rail and subway facilities, the infrastructure in the study area—i.e., the ¼-mile area surrounding the Project Area—is already well-developed such that improvements associated with the Proposed Project would not induce additional growth in that surrounding area. The study area’s residential market demand is already heavily influenced by its location proximate to a major commercial district and transit hub. Similarly, the retail uses introduced by the Proposed Project are already present in the study area and available to residents, workers, and visitors. For these reasons, the Proposed Project is not expected to induce residential growth in the ¼-mile study area.

The Proposed Project would not create new access to undeveloped areas, but rather would support and improve existing mobility and projected growth within the Project Area. The Proposed Project’s commercial development would serve to accommodate expected growth in the City’s demand for commercial space and the ever-present need for modern office facilities. As discussed in Chapter 2, “Analytical Framework,” dozens of commercial and residential developments are under construction or projected to be developed in the ¼-mile study area surrounding the Project Area by the 2028 and 2038 analysis years. Much of this development was contemplated by the City in connection with land use and zoning changes enacted in the last 20 years. Growth in these neighborhoods has been occurring for years and is a result of changes to zoning and land use policy. While the Proposed Project would generally make the ¼-mile study area more attractive to business and investment, major developments are already accounted for and underway, and growth is limited by existing zoning, which is not anticipated to change in the foreseeable future. Therefore, induced development in the ¼-mile study area is not expected as a result of the Proposed Project.

As described in Chapter 3, “Land Use, Zoning, and Public Policy,” the Proposed Project would increase commercial density in the Project Area compared to the No Action condition. The increase

Empire Station Complex Civic and Land Use Improvement Project

in density would be consistent with broader land use trends of high-density commercial development in adjacent areas of Manhattan, including adjacent to Grand Central Terminal, and would capitalize on the Project Area's unparalleled transit access. The Proposed Project is not expected to alter land use patterns in the ¼-mile study area, which contains long-established residential neighborhoods like Chelsea and commercial areas such as Midtown and Hudson Yards. Furthermore, the Proposed Project includes site-specific requirements to guide development on 8 development sites, adjacent public rights-of-way, and rail and transit facilities. The Proposed Project does not include area-wide zoning or land use changes affecting other sites in the ¼-mile study area.

Chapter 4, "Socioeconomic Conditions," assesses the indirect (or secondary) effects of the Proposed Project on market conditions within neighborhoods surrounding the Project Area. The analysis in Chapter 3, "Land Use, Zoning, and Public Policy," finds that the Proposed Project would not introduce uses that would substantively alter market conditions in a manner that could result in significant adverse impacts. The analysis did not identify With Action conditions that would indicate the potential for notable induced growth. For example, a project may induce residential development if it introduces a critical mass of non-residential uses such that the surrounding area becomes more attractive as a neighborhood complex. As detailed in Chapter 4, "Socioeconomic Conditions," while the Proposed Project would add a substantial amount of commercial development to the Project Area, this would not be a new use. The study area already has a well-established commercial office market, and the Proposed Project would not introduce new economic activities to the Project Area or to the ¼-mile study area that would substantively alter existing economic patterns. While the Proposed Project would generate increased economic activity in the form of new businesses and employment on the development sites and contribute to growth in the city and state economies, it would not be expected to induce substantial growth beyond the development sites. New York City already has a highly mobile worker population; with nearly 60 percent of workers commuting via public transit. The far reach and flat-fare nature of the City's mass transit system allows workers—including those without access to personal automobiles—to commute from all corners of the metropolitan area and substantially reduces the need to live in close proximity to employment opportunities.

The proposed expansion of Penn Station would increase the current station's platform capacity by approximately 40 percent, which would alleviate the limitations on train operations within Penn Station. The new tracks and platforms are expected to primarily serve New Jersey Transit (NJT), which anticipates the highest rate of service growth in mid- and long-term projections of the three railroads serving Penn Station. Thus, the Proposed Project would accommodate expected growth in rail service demand from New Jersey rather than inducing new growth. Furthermore, the potential for induced growth in New Jersey is outside New York State and therefore outside the scope of this New York State Environmental Quality Review Act (SEQRA) EIS.

Although the Proposed Project will benefit the Long Island Rail Road (LIRR) by freeing up platform space and improving conditions within Penn Station, it is not expected to result in substantial increases in ridership from Long Island compared to conditions in the future without the Proposed Project. Ridership projections show a modest increase in ridership into Manhattan on the LIRR with the Proposed Project. The Proposed Project would not attract increased ridership to LIRR stations at a level that would stimulate development or changes in land use patterns, and therefore would not result in induced growth in Long Island. Any induced development in Long Island would be a result of capacity-building projects for LIRR, such as the East Side Access project, which will provide LIRR access to Grand Central Terminal and which will be completed irrespective of the Proposed Project.

Overall, the Proposed Project is not expected to induce additional growth beyond the Project Area.

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