

The past year was filled with tremendous economic growth, bringing many positive changes to the Union Square community. Retailers, restaurants, and services made Union Square their home, beloved neighborhood institutions celebrated significant milestones, development projects advanced, and technology companies expanded their office footprint. New organizations and businesses are taking advantage of the area’s vibrant culture, central location, extensive transit options, historic beauty, and diverse commercial mix. For more than four decades, the Union Square Partnership (USP) has been committed to the district’s success, working diligently to attract investment by marketing the area’s unique offerings and creating partnerships that enliven the streetscape and beautify Union Square Park. As our efforts expand and the neighborhood’s commercial mix evolves, we’re excited about the district’s progress and achievements in the year ahead.

## Union Square’s Booming Innovation Economy Expands



Rendering

City tech hub solidifies Union Square as the heart of NYC’s growing tech scene.

Union Square’s reputation is being cemented as the nexus of NYC’s rapidly growing technology ecosystem. The current site of P.C. Richard & Son, located at 124 East 14th Street, will be the future home of a \$250 million hub for the City’s thriving collection of tech and innovation start-ups. Development of the tech hub will enrich the neighborhood’s existing synergy of TAMI [technology, advertising, media, and information] tenants, and further position Union Square to be the front door for tech in NYC for many years to come. Given the area’s lifestyle, education anchors, easy access to public transit, and its mix of shops, restaurants, bars, and housing, the district is an ideal location for attracting tech talent and TAMI businesses.

Midtown South encompasses Union Square and is considered one of the country’s most desirable office submarkets, capturing over 50% of all Manhattan tech leasing for the sixth consecutive year [Colliers International]. In recent years, TAMI tenants such as Capital One Labs, Compass, Dropbox, eBay, Hulu, Mashable, and StreetEasy have moved to the area, joining reputable neighborhood institutions like Con Edison, Mount Sinai Beth Israel, New York University, and The New School. This year, both BuzzFeed and Facebook established offices in the same updated building off Park Avenue South, bringing more than 1,200 employees. WeWork also opened three locations off the Square, hosting over 3,000 coworking members, as well as a corporate office for technology giant IBM, who will relocate 600 workers to the area.

### UNION SQUARE TAMI TENANTS [Tech, Advertising, Media, Information]

AltSchool	eBay	Photoshelter
Adobe Systems Inc.	Facebook	SeatGeek
AKQA	Hakka Labs	StreetEasy
BuzzFeed	HBS Startup Studio	Teachers Pay Teachers
Canvas	Hinge	The New Republic
Capital One Labs	Honey	Tumblr
Casper	Hulu	Union Square Ventures
Compass	Mastercard Tech Lab	Verve
Dropbox	Mashable	WeWork

With office space in such high demand, local property owners continue to modernize buildings to lure TAMI tenants. Currently under construction, with a projected completion date in early 2018, is the historic renovation of Tammany Hall which will offer more than 40,000 SF of unique light-filled office space. While the rest of the City is experiencing an uptick in vacancies and lowering of rents, the restoration of such buildings has allowed creative tenants to flourish around the district, stimulating business activity to nearby restaurants, retailers, fitness studios, and other amenities.

The addition of the tech hub coupled with the growing number of startups, TAMI companies, and digital workers who now call the area home has Union Square’s innovation economy booming.



TAMI tenants are drawn to the area’s vibrant business mix and transit advantages.

The NYC Economic Development Corporation (NYC EDC) selected Robert Levine’s RAL Development Services to develop the 258,000 SF Union Square Tech Hub. Designed by Davis Brody Bond, the building will be anchored by Civic Hall, a collaborative work and event space advancing the use of technology for the public good. It will house an affordable digital job training facility for all New Yorkers, flexible work space tailored to the needs of early stage startups, and ground-floor retail space. The facility is expected to produce 600 tech jobs and thousands of new digitally trained workers. Redevelopment of the City-owned property into a tech hub further solidifies Union Square’s position as the epicenter for NYC’s growing tech scene and for driving 21st century job creation.

## TOP OFFICE LEASE TRANSACTIONS

Business Name	Size (SF)	Address
1. NYC Human Resources (Renewal)	349,777	109 East 16th Street
2. Capital One	78,000	11 West 19th Street
3. IBM	70,000	88 University Place
4. Capgemini America	43,000	79 Fifth Avenue
5. Teachers Pay Teachers	27,000	225 Park Avenue South
6. Compass (Exp. to 115,000)	25,000	90 Fifth Avenue
7. Rakuten (Renewal)	37,806	215 Park Avenue South
8. T. Rowe Price	13,450	233 Park Avenue South
9. Clique Media Group	12,187	215 Park Avenue South
10. ODA Architecture (Renewal)	11,985	250 Park Avenue South

## From Fine Dining to Fine Casual #USQEats Has it All

Walk around Union Square and you’ll find one of NYC’s richest culinary mixes. From fine-casual eateries and farm-to-table restaurants, to new food concepts and international outposts, Union Square is known as a destination for any gastronomic taste. The district’s ever-expanding, innovative food scene continues to play into its identity, and this year was no exception.

Danny Meyer, relentless pioneer, unveiled the new location of the beloved Union Square Cafe. The restaurant, which opened in 1985 and was one of the forerunners of the farm-to-table movement, has an updated feel while maintaining its original nature. It’s accompanied by Daily Provisions next door, a new bakery and coffee shop concept. Jean-George Vongerichten, of ABC Kitchen and ABC Cocina fame, also opened his much anticipated vegetable-focused concept, ABCV. Blue Water Grill revamped its iconic corner location and added oyster bar Metropolis below. Steps from the Greenmarket, operator GrowNYC opened their sustainability center and event space, Project Farmhouse. All this activity is proof that Union Square continues to be an incubator for new concepts, even as our neighborhood staples remain strong.

Throughout the year we’ve seen the district become a proving ground for one-of-a-kind flagships and first NYC outposts. On 20th Street, L.A. hit Sugarfish has developed a fanatical following for “Trust Me” omakase sushi tastings. D.C.-based Cava Grill broke into the NY market via Union Square as well, with their chef-driven, customizable Mediterranean menu. On the same block, the brains behind Bark Hot Dogs and Melt Shop started their new venture, Make Sandwich. Such openings aren’t limited to national groups. TsuruTonTan, the Japanese Udon Noodle Brasserie, opened its first U.S. location on 16th Street.



Thirty years later, Union Square Cafe continues to shape the district’s culinary scene.

Union Square is also a constant destination for trending eats. The poké craze arrived, bringing four different takes on the delicious Hawaiian fish salad, and the opening of Union Fare’s chic part-restaurant, part-food hall created a culinary mecca in itself. Newcomers like Sweetgreen embraced the moniker fine casual. Combining fine dining’s regard for high-quality ingredients, with the price points and service of grab-n-go, the trend is the best thing to happen to the more than 100,000 local employees.

With the City’s largest Greenmarket at the heart of the district, it’s no wonder that Union Square is the go-to place for an ever-changing but always delicious dining scene. The area’s inventive food culture is more vibrant than ever as we celebrate milestones at neighborhood institutions, welcome a bevy of highly anticipated newcomers, and enjoy new trends.



Cava Grill joins a number of grab-n-go eateries on Fourth Ave, south of the Square.

## NOTABLE GRAB-N-GO BITES

Beyond Sushi	Glaze Teriyaki	Pokéworks
Bite	Halal Guys	Pret a Manger
Cava Grill	Hu Kitchen	Roast Kitchen
Chop’t	Juice Generation	Sandwicherie
Croque Monsieur	Liquiteria	Sweetgreen
Dig Inn	Make Sandwich	Taboonette
Daily Provisions	Maison Kayser	The PokéSpot
Dos Toros Taqueria	Maoz Vegetarian	Union Fare Gastro Hall



# Union Square District Facts

## True Urban Village

- One of NYC's most dynamic neighborhoods, Union Square boasts a **thriving cultural, retail, and restaurant scene** that surrounds beautiful the **Union Square Park** and its world-famous **Greenmarket**.
- Union Square is home to more than **73,000 residents** whose median age is **35**; 83% hold a college or advanced degree, and **39% own their home** while 61% rent.

## RESIDENTIAL OVERVIEW

	Union Square	Manhattan	NYC
Total Population	73,116	1,636,268	8,550,405
Housing Units	42,727	869,866	3,459,639
Median Asking Rent	\$3,700	\$3,150	\$2,800
Median Home Value	\$1,000,001	\$848,700	\$494,800
% Owner Occupied	36%	23%	32%
Median Household Income	\$113,578	\$72,871	\$53,373
Median Age	34.7	35.7	35.8
Average Household Size	1.6	2.1	2.7

## High Traffic Neighborhood

- Daily pedestrian volumes have increased dramatically, **344,000 visitors** walk through Union Square on a summer Greenmarket Friday and more than **1M shoppers** browse Urbanspace's Holiday Market each December.
- With over **58M annual tourists** to NYC, Union Square features **600+ hotel rooms**, anchored by the W New York - Union Square and Hyatt Union Square.
- The New School and NYU bring over **60,000 students** to the neighborhood with approximately **4,410 dorm residents**.

## Major Transportation Center

- In 2016, **34.3M riders** passed through the Union Square subway station, which is ranked as the 4th busiest station on weekdays and the 2nd busiest station on weekends.
- Transportation options include:



- Union Square is one of NYC's largest transit hubs with 10 subway lines, over 10 bus lines, the PATH, and 12 Citi Bike stations with almost 400 docks.

## Dynamic Retail Cluster

- Ground-floor Business Improvement District (BID) vacancy rate remains at a low **1.7%**, with over **40** new businesses opening.
- Known as the epicenter of NYC's **health + wellness scene**, **100+** innovative fitness studios, gyms, athleisure retailers, healthy eateries, and juice shops are located around the Square.

## RETAIL OVERVIEW

		Avg. Ground Floor Asking Rent (\$/SF/YR)
Ground Floor Businesses	892	Around Union Square \$350-\$600
No. of New Establishments	41	Fifth Ave: 14th - 23rd St. \$300-\$480
Vacancy Rate (BID)	1.7%	Broadway: 14th - 23rd St. \$350-\$430
		East 14th Street \$150-\$300
		Side Streets \$100-\$200

## COMMERCIAL OVERVIEW

Total Businesses	10,256
Total Employees	163,932
Employee/Resident Population Ratio	2.2:1

Office Space	Union Square/Flatiron	Midtown South
Total Inventory (SF)	26.7M	72.9 M
Vacancy Rate	6.9%	8.5%
Asking Rent (\$/SF/YR)	\$70	\$73

Top Sectors by No. of Firms	Businesses	Employees
Prof., Scientific & Tech Services	1,634	22,549
Retail	1,426	21,764
Accommodation & Food Services	853	13,687
Information	596	12,571
Real Estate, Rental & Leasing	744	9,508
Health Care & Social Assistance	729	25,050
Finance & Insurance	356	3,791

## Major Employers

ABC Carpet & Home	New York Eye & Ear Infirmary
Barnes & Noble	NYC Human Resources Administration
Buzzfeed	NYU Administration
Compass	NYU Hospital for Joint Disease
Con Edison	The New School
Facebook	Spotify
J. Crew	Tory Burch
Mount Sinai Beth Israel	WeWork

Radius of Union Square Area: Typically 1/2 mile from Union Square Park. Sources: ABS Partners, Cushman & Wakefield, Colliers International, Dun & Bradstreet Inc., ESRI, US Census 2010, Newmark Grubb Knight Frank, StreetEasy, The Real Deal, The Commercial Observer, REBNY, MTA, and USP.

The Union Square Partnership works to ensure the community's continued growth and success by providing public safety, sanitation, economic development, and marketing services, and by investing in the beautification of Union Square Park. For more information, visit [unionsquarenyc.org](http://unionsquarenyc.org)

4 IRVING PLACE  
ROOM 751  
NEW YORK, NY 10003  
TEL 212 460 1200  
FAX 212 460 8670

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SQUARE  
PARTNERSHIP**