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## CHAPTER 3: SOCIOECONOMIC CONDITIONS

### A. INTRODUCTION

The New York City Department of Housing Preservation and Development (HPD) is seeking several discretionary actions in order to facilitate the redevelopment of a nine-block portion of the Broadway Triangle area in Williamsburg, Brooklyn, Community District 1. The Proposed Action includes zoning map amendments to establish new residential and commercial zoning districts; zoning text amendments to establish Inclusionary Housing in the Project Area; the disposition of city-owned properties; Urban Development Action Area Project designation; and the modification of the Broadway Triangle Urban Renewal Plan (URP). The Proposed Action would encourage the development of affordable housing and the development of commercial and community facility space to serve the growing residential population in an area well served by mass transit. Its general goal is to encourage housing production, including affordable housing at a density and scale consistent with the surrounding neighborhood, while permitting local commercial and community facility uses to support the growing residential community. Under the Proposed Action, the Project Area would be rezoned to allow as-of-right residential development. Allowable densities for commercial uses would remain the same while new industrial uses would no longer be permitted. As described in detail below, the Proposed Project is expected to result in a net gain of approximately 1,851 dwelling units, (of which ~~905~~ 844 would be affordable), 103,286 square feet of retail space and 35,456 square feet of community facility space. This chapter examines the potential effects of the Proposed Action on socioeconomic conditions in the study area, including changes in population characteristics and economic activities and the potential for displacement of businesses and employment.

According to Chapter 3B, Section 200 of the *CEQR Technical Manual*, significant adverse socioeconomic impacts can occur when an action meets one or more of the following criteria: (1) it leads to the direct displacement of residents such that the socioeconomic profile of the neighborhood is substantially altered; (2) it leads to the displacement of substantial numbers of businesses or employees, or displaces a business that plays a critical role in the community; (3) it results in substantial new development that is markedly different from existing uses in a neighborhood; (4) it affects conditions in the real estate market not only on the site anticipated to be developed, but in a larger area; or (5) it adversely affects economic conditions in a specific industry. In the case of the Proposed Action, there are projected sites where, if redeveloped as assumed under the reasonable worst case development scenario (RWCDS), it is possible that existing residents or businesses could be displaced, subject to lease terms and agreements between private firms and property owners existing at the time of redevelopment. Therefore, a socioeconomic assessment is warranted to assess the possible affects of the Proposed Action on the estimated 39 residents residing in 13 existing housing units, 26 businesses, and 219 employees currently located on these sites. Additionally, the Proposed Action would introduce a substantial amount of new housing which in turn could also lead to increased rents and potential indirect (or secondary) displacement.

### B. OVERVIEW

The analysis is based on the reasonable worst case development scenario (RWCDS), which assumes that redevelopment on projected development sites would result in: a net increase of 1,851 residential units, of which ~~905~~ 844 would be affordable; a net increase of 103,286 square feet of local retail space; a net increase of 35,456 square feet of community facility space; a net decrease of 51,275 square feet of

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manufacturing space; a net decrease of 91,138 square feet of commercial/office space; a net decrease of 28,697 square feet of auto-related uses; and a net increase of ~~843~~ 628 accessory parking spaces.

The analysis finds that the Proposed Action could potentially result in significant adverse indirect residential displacement impacts, but would not result in significant adverse socioeconomic impacts due to direct changes in residential and economic activity or indirect changes in economic activities. The socioeconomic conditions study area contains 1,189 estimated housing units that are not protected by rent-regulation mechanisms and who are therefore potentially at risk of indirect displacement due to rising rents that could occur as part of the Proposed Action. The estimated 39 residents residing in 13 existing housing units who could potentially be directly displaced if sites are redeveloped as assumed under the RWCDs represent a small fraction (0.07 percent) of the approximately 52,909 persons living in the socioeconomic study area; they do not represent a substantial or unique population within the study area. Although every business is important and contributes to the economic well-being and character of the immediate neighborhood, it has been determined that the 26 businesses in the Project Area that could potentially be directly displaced conduct a variety of business activities. In addition, the products and services they provide are widely available in the area (and the city) and would still be available to consumers as many other existing businesses would remain, and firms providing similar products and services would still be available in the surrounding area. Additionally, the Proposed Action is expected to result in an additional ~~905~~ 844 affordable units, creating new opportunities for lower-income renters in the area that could face increased rents in the future irrespective of the Proposed Action. Similarly, some businesses facing rent pressure in the study area would continue to face increased rents in the future with or without the Proposed Action; therefore the incremental pressure generated by the Proposed Action would not result in significant adverse indirect business displacement impacts.

## C. METHODOLOGY

### ANALYTICAL FRAMEWORK

In accordance with the guidelines presented in the *CEQR Technical Manual*, the analysis considers five specific factors that could create significant adverse socioeconomic impacts in an area: (1) direct displacement of a residential population; (2) indirect residential displacement of a residential population; (3) direct displacement of existing businesses; (4) indirect displacement of existing businesses; or (5) adverse effects on specific industries not necessarily tied to a project site or area.

The analysis begins with a preliminary assessment. As described in the *CEQR Technical Manual*, the goal of a preliminary assessment is to discern the effects of a proposed project or action for the purpose of either eliminating the potential for significant impacts, or determining that a more detailed analysis is necessary to answer the question regarding potential impacts. For those factors that could not be eliminated through the preliminary assessment, a more detailed analysis is presented. In sum, the chapter includes:

- A section that defines the study area boundaries and the data sources used for both the preliminary assessment and detailed analyses.
- A preliminary assessment for direct residential, direct business, indirect residential, and indirect business displacement as well as an examination of effects on specific industries:
- A detailed analysis for indirect residential displacement, the one technical area where a socioeconomic impact could not be ruled out by the preliminary assessment. This analysis is presented in three sections: a description of existing housing and demographic conditions in the

study area, a description of study area socioeconomic conditions in the future without the Proposed Action, and the projected impacts under the Proposed Action.

### STUDY AREA

In accordance with *CEQR Technical Manual* guidelines, the socioeconomic study area boundary is identical to that of the quarter-mile land use study area described in Chapter 2, “Land Use, Zoning, and Public Policy”. However, the exact boundary of the socioeconomic study area was modified slightly to match the Census tracts that most closely define a quarter-mile perimeter surrounding the Project Area (see Figure 3-1). By conforming to Census tract boundaries, the socioeconomic analysis more accurately applies Census data to depict the demographic characteristics of the surrounding area. In areas of this chapter where socioeconomic data is discussed relating to the Project Area in particular, 1990 Census data only provided information at the Block Group level. When discussing 1990 and 2000 Census data for the Project Area, it is important to note that the block group boundaries analyzed are not coterminous with the nine block Project Area boundary, which results in counts that are not totally representative of the exact blocks to be rezoned under the Proposed Action. This geographic discrepancy resulted in some over counting of certain characteristics discussed for the Project Area, such as total housing units. For purposes of the detailed analysis presented later in this chapter, the term “Census-defined Project Area” is used when describing Census data that is generally representative of the nine-block Project Area to be rezoned under the Proposed Action.

### DATA SOURCES

#### *POPULATION AND HOUSING*






The analysis of population and housing is based primarily on data from the 1990 and 2000 U.S. Census. These data have been grouped by two study areas, herein referred to as the socioeconomic study area (or simply “the study area”) and the Census-defined Project Area, by the following Census characteristics:

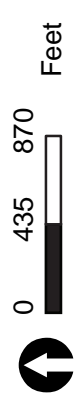
- Total population and age of population;
- Occupation characteristics of population;
- Household and income characteristics, including total households, average household size, median and average household income, and percent of households below poverty, and;
- Housing characteristics, including number of housing units, housing vacancy and tenure (owner versus renter occupied), median contract rent, median home value, and proportion of rent controlled or stabilized units.

Because the two study areas are defined by the area of the Proposed Action, physical barriers, and proximity to the Project Area, they do not match the boundaries of U.S. Census tracts. Therefore, for the Project Area, Census data was gathered at the Block Group-level (a subset of tracts). Only whole blocks are included in the Project Area. The study area includes the remaining Census tracts within one quarter-mile of the Proposed Action area that in their entirety that have at least 50 percent of their area within the outer boundary of the study area.

Because the Census is performed every decade, baseline, or 2008 conditions need to be determined based on trends and current data. Therefore, while the Census data serves as a foundation for the baseline conditions, the information has been updated wherever possible to reflect 2008 conditions in the study areas. Updates are based primarily on a list of housing units built in the study areas between 2000 and 2008, based on Real Property Assessment Data (RPAD) and from the New York City Department of Finance as compiled in April of 2009, and on new building permits filed with the New York City Department of Buildings. Corresponding population estimates were derived using the Census average household size and vacancy rates for each study area.

**Legend**

-  Project Area
-  Quarter Mile Radius
-  Census-defined Project Area
-  Socioeconomic Study Area
-  Census Tract Boundaries



Note: Census-defined Project Area encompasses Block Groups 1, 2, and 3 of Census tract 507 and Block Group 1 of Census tract 509.

The Census data have been supplemented, where appropriate, with information from local real estate listings from local newspapers and real estate websites. While Census data on median contract rent provide a statistical basis for identifying trends, these data are affected by the presence of rent-regulated housing units in the study area, and so do not reflect market trends experienced by the majority of residents in the study area. In order to provide a more accurate picture of current market rate rents in the study area, information was gathered from Trulia.com, *New York Times* real estate sections, and real estate agency web sites.

In accordance with the guidelines set ~~out~~ forth in the *CEQR Technical Manual*, information was also gathered on the status (rent-regulated or non-rent-regulated) of existing housing units. Information on rent-stabilized buildings was obtained from the New York State Division of Housing and Community Renewal (DHCR) and from RPAD. Information on public housing was obtained from the New York City Housing Authority (NYCHA). A list of Mitchell-Lama developments was obtained from the New York City Department of Housing Preservation and Development (HPD).

#### *BUSINESSES, INSTITUTIONS, AND EMPLOYMENT*

Employment data for the study area was obtained from the directory website Manta.com and from the 2000 Census. Employment data is based on Reverse Journey-to-Work data from the 2000 Census for the quarter-mile study area. Employment data were gathered for each Census tract in the study area.

The number of current employees for the projected development sites was estimated based on information from the website Manta.com<sup>1</sup>, the actual businesses, and using the approximate square footage and the standard ratio of 3 employees per 1,000 sf of retail space per guidelines recommended in the *CEQR Technical Manual*. However, the jobs identified on the projected development sites in this assessment might not be located on the affected sites at the time the Proposed Action is underway. The analysis represents a “snap shot in time” that describes the existing socioeconomic conditions in the vicinity of the socioeconomic study area. In addition, a field survey was conducted to ascertain the types of businesses that were in the area, condition of the area, trends, recent developments, and other study area conditions necessary to determine both potential and direct business and institutional displacement. Contact with Industrial Business Area representatives provides the basis for rental estimates. The employment data gathered identify the industry sectors that dominate or characterize the study area. Employment data on specific businesses were based on field surveys and secondary research, as well as testimony submitted by businesses and business relation groups during the EIS scoping hearing. These data were used to estimate the total number of jobs that would be directly displaced by the Proposed Action through private redevelopment initiatives on the projected development sites.

#### **D. PRELIMINARY ASSESSMENT**

Under *CEQR Technical Manual* guidelines, the first step in a socioeconomic impact analysis is a preliminary assessment, or “screening”. The goal of a preliminary assessment is to learn enough about the effects of a proposed action either to rule out the possibility of significant impact or to establish that a more detailed analysis will be required to determine whether the Proposed Action would lead to significant adverse impacts.

For four of the five issue areas—direct residential displacement, direct business and institutional displacement, indirect business and institutional displacement, and adverse effects on specific industries—the preliminary assessment rules out the possibility that the Proposed Action would have a significant adverse socioeconomic impact. The preliminary assessment of indirect residential

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<sup>1</sup> Accessed in January, 2009.

displacement could not rule out the possibility that the Proposed Action would have significant adverse impacts, and therefore, a detailed indirect residential displacement is presented in Section E, “Detailed Analysis.”

**DIRECT RESIDENTIAL DISPLACEMENT**

Direct residential displacement (sometimes called primary displacement) is the involuntary displacement of residents from the site of (or a site directly affected by) a proposed action. Direct residential displacement is not in and of itself an impact under CEQR. According to the *CEQR Technical Manual*, direct residential impacts can occur if the numbers and types of people being displaced would be enough to alter neighborhood character and perhaps lead to indirect displacement of remaining residents. An example would be an urban renewal project, such as Lincoln Square in the 1950s, which eliminated a low-income neighborhood and replaced it with a more affluent population. Preliminary analyses therefore seek to determine: whether the socioeconomic profile of the residents who would be displaced is markedly different from those in the overall study area; whether the displaced population represents a substantial or significant portion of the population within the study area; and whether the action would result in a loss of this population group within the neighborhood.

This preliminary assessment concludes that the Proposed Action has the potential to directly displace residents on the projected development sites. However, this potential for displacement would not cause a significant adverse impact. Table 3-1 shows the net changes in housing units and estimated population as a result of the Proposed Action.

**Table 3-1  
Population and Housing Growth: With-Action Condition, 2018**

	Housing Units				Population			
	2018 No-Action Housing Units	Project Increment	Total 2018 With-Action Housing Units	Percent Growth	2018 No-Action Population	Project Increment	2018 With-Action Population	Percent Growth
<b>Study Area</b>	48,276 18,324	1,851	20,127 20,175	10.1	55,949 55,917	5,516	61,465 61,433	9.9

**Notes:** Population growth was calculated by applying the 2000 study area average household size and vacancy rate for the study area to the number of housing anticipated to be added between 2008 and 2018.

**Sources:** U.S. Department of Commerce, Bureau of Census: 1990 and 2000 Census; New York City Department of Finance; Real Property Assessment Data 2008.

The *CEQR* process attempts to project the future actions of private property owners within the study area. However, since it is not possible to determine with certainty the future actions of any private property owner, sites considered likely to be redeveloped based on known information are analyzed to illustrate a potential and conservative assessment of the effects of the Proposed Action, as described in the discussion of the RWCDs in Chapter 1, “Project Description.”

As detailed in Chapter 1, “Project Description,” the RWCDs identifies 34 projected development sites that would be developed by 2018 as a result of the Proposed Action. These 34 sites currently contain 13 residential units (Figure 3-2). Conservatively assuming full occupancy and an average household size of 2.98 persons per unit (the average household size for housing units in Community Districts 1, 3, and 4 combined in 2000), the units are occupied by approximately 39 residents. The projected development sites that have been identified as likely locations for redevelopment under the Proposed Action are analyzed under *CEQR* for potential residential displacement. If these sites are redeveloped in the future with the Proposed Action, it is possible that existing residents could be potentially directly displaced.

However, such displacement would be subject to private contracts and lease terms between tenants and landlords existing at the time of redevelopment.

Although it is anticipated that the projected development sites would be redeveloped to provide additional residential units and that the existing residential units would not be displaced in the future with the Proposed Action, the potential for direct residential displacement exists. Under the RWCDs, the Proposed Action could potentially directly displace those 13 residential units housing 39 residents. However, no significant adverse impacts due to this potential direct displacement are expected to occur as a result of the Proposed Action. Based on the guidelines in the *CEQR Technical Manual*, the potential displacement of these residents would not result in a significant adverse impact because they do not represent a significant proportion of the study area population, they do not ~~likely~~ have socioeconomic characteristics that differ markedly from the study area population as a whole, and the Proposed Action would not result in the loss of any population group within the neighborhood or alter neighborhood character. In addition, if direct displacement of these units were to occur, the housing would be replaced in the future with the Proposed Action with 1,851 dwelling units, ~~905~~ 844 (~~49~~ 46 percent) of which would be affordable units.

Furthermore, as Census data indicate below in Section E, many of the Project Area residents have low incomes and currently reside in potentially displaced units that are not rent-protected. As such these residents are vulnerable to displacement pressures due to general trends of rising rents that may occur with or without the Proposed Action. While the Proposed Action may result in the possible redevelopment of existing unprotected housing, it also would result in the development of a substantial amount of rent-regulated affordable housing. The Proposed Action would diminish the probability that lower income residents vulnerable to displacement would be displaced due to rising rents as the number of affordable housing units created by the Proposed Action would exceed the total number of all residential units (approximately 420) currently existing in the Census-defined Project Area. The future No-Action condition, by contrast, is not expected to include additional affordable housing within the Project Area and residents of unprotected units would remain potentially vulnerable to displacement pressures from the general trends of rising rents the area is experiencing.

In conclusion, although there is the potential for direct displacement to occur as a result of the Proposed Action, no significant adverse impacts are expected to occur as the potentially displaced population of approximately 39 residents in 13 housing units represents only 0.06 percent of the 2018 With-Action population. Therefore, no further socioeconomic analysis of direct residential displacement is warranted.


The analytical framework for this preliminary assessment is derived from the screening criteria outlined in Section 322.1 of the *CEQR Technical Manual* (numbered in italics below), which describe circumstances that can generate potentially significant impacts.

***1. Would the proposed actions add a substantial new population with different socioeconomic characteristics compared with the size and character of the existing population?***

According to the *CEQR Technical Manual*, if a proposed project would increase the study area population by more than 5 percent, it could be large enough to affect socioeconomic trends significantly. The study area had an estimated 2008 population of 52,909 (see Table 3-5). The Proposed Action would add up to 1,851 new housing units to the study area, or approximately 5,516 new residents, a population equivalent



**Legend**

-  Project Area
-  Projected Sites
-  Potential Sites
-  Displaced Business



Source: City of New York Department of City Planning; MapPLUTO Release 07C.1.

\* This figure has been modified for the FEIS to reflect the revised boundaries of Projected Development Sites 15 and 16.

to 10.4 percent of the existing (2008) study area population, or 9.9 percent over the No-Action condition. As this is greater than five percent, a detailed analysis is required to determine whether the Proposed Action would generate significant adverse socioeconomic impacts due to indirect residential displacement (see Section E, “Detailed Analysis”). However, it is not expected that the Proposed Action would add a substantial population with different socioeconomic characteristics as ~~49~~ 46 percent of new units introduced (~~905~~ 844 units) would be affordable to a range of lower income households, similar to the demographic profile of the existing study area population.

**2. *Would the proposed actions directly displace uses or properties that had a blighting effect on property values in the study area?***

In 1989 the City designated the Broadway Triangle Urban Renewal Area (URA), which includes all of the Project Area except for the three northernmost blocks. This designation was made in part based on a finding that the area was “blighted” and in need of redevelopment. However, for the purposes of urban renewal, a determination of blight is based on conditions on and in the immediate vicinity of a site and do not necessarily indicate that a property or properties have an adverse effect on property values in the broader surrounding area. In fact, the existing uses have no “blighting” effect on property values in the study area. For CEQR, indicators that a property has a “blighting” effect on property values in an area may include: limited development around the property, high vacancy rates, or stagnant or decreasing housing values and rents within the study area. From 1990 to 2000, the median contract rent of the study area (\$557 in 2008 dollars) saw a 5.8 percent decrease, while the borough and city experienced an increase of 3.0, and 6.3 percent, respectively. In addition, the 2000 median housing values in the study area were lower than the borough as a whole. In 2000, the study area’s median housing value was \$213,650—approximately 6.8 percent lower than Brooklyn’s median of \$229,200. However, the vacancy rate of the study area (5.5 percent) is consistent with the vacancy rates of the borough and city as a whole at 5.4, and 5.6 percent, respectively. The relatively lower median housing value and lower median contract rent most likely indicates the constraints on residential growth in the Project Area due to the existing manufacturing zoning restrictions, rather than as a result of blight. In addition, as discussed in Section E, real estate data as of December 2008 indicate rents and sales prices have increased significantly since 2000. Thus, the upward trend in the study area’s residential real estate market is not indicative of an area suffering from blight.

The trend toward residential development in the study area is another indication that the potentially indirectly displaced uses or properties have not had a blighting effect on property values. As included in the future No-Action condition, approximately ~~1,020~~ 1,068 net new residential units are expected to be added to the study area in the future without the Proposed Action, increasing the study area housing unit count (17,256 units in 2008) by ~~5.9~~ 6.2 percent. The most prominent development plans include those units that will be added by the South Williamsburg Rezoning, the HPD initiated Cook Street Muni-Lot, and the Rose Castle development, three projects, which combined, will add approximately 380 units to the study area (accounting for roughly 37.3 percent of new construction).

**3. *Would the proposed actions directly displace enough of one or more components of the population to alter the socioeconomic composition of the area?***

As noted above, there is potential for the estimated 39 residents that reside in the 13 dwelling units located on the RWCDS projected development sites to be directly displaced. However, it is anticipated that there would be no significant adverse impact because it is not expected that the socioeconomic composition of the area would be altered as a result of the potential direct displacement in the future with the Proposed Action as the directly displaced population would be 0.06 percent of the With-Action population.

Furthermore, as discussed above in “Direct Residential Displacement” and indicated by Census data below in Section E, many of the Project Area residents have low incomes and currently reside in

potentially displaced units that are not rent-protected. As such these residents are vulnerable to displacement pressures due to general trends of rising rents that may occur with or without the Proposed Action. While the Proposed Action may result in the possible redevelopment of existing unprotected housing, it also would result in the development of a substantial amount of rent-regulated affordable housing. The Proposed Action would diminish the probability that lower income residents vulnerable to displacement would be displaced due to rising rents as the number of affordable housing units created by the Proposed Action would exceed the total number of all residential units (approximately 420) currently existing in the Census-defined Project Area. The future No-Action condition, by contrast, is not expected to include additional affordable housing within the Project Area and residents of unprotected units would remain potentially vulnerable to displacement pressures from the general trends of rising rents the area is experiencing.

***4. Would the proposed actions introduce a substantial amount of a more costly type of housing compared with existing housing and housing expected to be built in the study area by the time the action is implemented?***

Under the RWCDs the Proposed Action would result in a net increase of 1,851 residential units. As part of the Proposed Action, substantial amounts of affordable housing would be provided through redevelopment of city-owned land and the utilization of the Inclusionary Housing bonus, which together would yield approximately ~~905~~ 844 (~~49-46~~ percent) affordable units in the Project Area, in addition to the ~~322~~ 370 affordable units that would be provided by known future developments under the 2018 No-Action condition (discussed “Future No-Action Condition” below), for a total addition of ~~1,227~~ 1,214 affordable units in the study area. Although about half of the housing units introduced by the Proposed Action would be new, market-rate housing and likely would be more costly than existing older housing stock in the study area, the new market-rate units would be comparable in price to recent and new developments that are planned to be in place by 2018 with or without the Proposed Action. In addition, most of the residential populations most susceptible to increased rents presently occupy rent-protected units, such as those provided in NYCHA public housing. Furthermore, the study area is already experiencing a trend toward increasing housing and rental costs, along with a higher income demographic independent of the Proposed Action. For example, at least 50 new residential units have been added to the Project Area as a result of Board of Standards and Appeals (“BSA”) actions. A more detailed description of recent residential market trends is presented in Section E, “Detailed Analysis.”

***5. Would the proposed actions introduce a critical mass of non-residential uses such that the surrounding area becomes more attractive as a residential neighborhood complex?***

The Proposed Action would not introduce a critical mass of non-residential uses such that the surrounding area would become more attractive as a residential neighborhood complex. Apart from expanding upon the existing residential land use, the RWCDs would result in a net decrease of 28,697 square feet of auto-related uses, a net decrease of 91,138 square feet of commercial/office space, and a net decrease of 51,275 square feet of manufacturing space, and subsequently, ~~with~~ a net increase of 103,286 square feet of retail space, and 35,456 square feet of community facility space on projected development sites within the Project Area.

The area already contains a critical mass of residential amenities (convenience stores, restaurants, laundromats, etc.) that are available to existing residents, within walking distance of their homes. Independent of the Proposed Action, non-residential developments scheduled to occur are expected to continue; thus, non-residential uses introduced by the Proposed Action would not have a substantial effect on the surrounding area. Furthermore, it is anticipated that any retail introduced under the Proposed Action would be similar in character and scale to the existing retail present in the study area today.

***6. Would the proposed actions introduce a land use that could have a similar effect if it is large or prominent enough, or combines with other like uses to create a critical mass large enough to offset***

*positive trends in the study areas, to impede efforts to attract investments to the area, or to create a climate for disinvestment?*

The Proposed Action would not impose any type of change that would diminish investment in the study area. To the contrary, the Proposed Action would encourage moderate and higher density development (including a substantial amount of affordable housing) near public transportation and support continued economic growth in surrounding areas by removing restrictions on residential development.

Overall, the preliminary assessment of indirect residential displacement could not rule out the possibility that the Proposed Action would result in significant adverse impacts. Therefore, a detailed analysis of the issue is presented in Section E, “Detailed Analysis.”

### **DIRECT BUSINESS AND INSTITUTIONAL DISPLACEMENT**

The *CEQR Technical Manual* defines direct business and institutional displacement as the involuntary displacement of businesses or institutions from the site of (or a site directly affected by) a proposed action. A preliminary assessment of direct business displacement looks at the employment and business value characteristics of the affected businesses to determine the significance of the potential impact. A significant direct displacement impact may exist if the businesses in question have substantial economic value to the city or region, are the subject of regulations or publicly adopted plans to preserve, enhance or otherwise protect them, or substantially contribute to a defining element of the neighborhood character. The *CEQR* process attempts to project the future actions of private property owners within the study area. However, since it is not possible to determine with certainty the future actions of any private property owner, sites are analyzed to illustrate a potential and conservative assessment of the effects of the Proposed Action on sites considered likely to be redeveloped based on known information, as described in the description of the RWCDs in Chapter 1, “Project Description”. This preliminary assessment concludes that the Proposed Action would not cause a significant direct business displacement impact. Projected sites that have been identified as likely redevelopment locations under the Proposed Action are analyzed under *CEQR* for potential business displacement. It is assumed that these identified areas will be the focus of potential private market development. It is not known, however, if these sites will be developed. If these sites are redeveloped in the future with the Proposed Action, it is possible that existing businesses could be displaced. However, such displacement would be subject to private contracts and lease terms between tenants and landlords existing at the time of redevelopment.

Additionally, while the EIS analyzes long-term development trends, it nevertheless identifies the firms subject to potential direct displacement based on existing conditions and the businesses currently located on the identified development sites. In fact, however, New York City’s commercial streets and industrial areas are dynamic. Businesses regularly open and close in response to changes in the economy, local demographics, and consumer trends. Therefore, it is likely that a number of the businesses identified as likely to face displacement pressure as sites redevelop, may ~~would~~ close or relocate prior to assumed site development due to reasons independent of the Proposed Action.

Currently, there are approximately 26 firms located on 19 of the 34 projected development sites (see Table 3-2). The number of current employees for the projected development sites was estimated based on information from the website Manta.com<sup>2</sup>, the actual businesses, and using the approximate square footage and the standard ratio of 3 employees per 1,000 sf of retail space based on CEQR recommended guidelines. Based on the information obtained, these firms provide jobs for roughly 219 people. Not all of these firms would be displaced by the Proposed Action. On some sites, the development anticipated under the Proposed Action would not affect the existing businesses. On others, the buildings with active commercial uses are expected to be converted to residential use or renovated for other commercial use even if the Proposed Action is not implemented.

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<sup>2</sup> Accessed in January, 2009.

## Broadway Triangle

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As shown in Table 3-2, 19 projected development sites contain 26 businesses with an estimated 219 employees. Five of the projected development sites are anticipated to be redeveloped with a commercial use (retail or office) in the No-Action condition. The remaining 14 sites are anticipated to be redeveloped under the Proposed Action (see Table 1-1 in Chapter 1, “Project Description” and Table 3-2 below). If these sites are redeveloped as assumed under the RWCDS, it is possible that these existing firms could be displaced, subject to lease terms and agreements between private firms and property owners existing at the time of redevelopment. While the businesses and jobs currently located on the projected development sites may not be located on the affected sites when redevelopment under the Proposed Action occurs, the current businesses and employment are representative of the economic activities that could potentially be displaced in the future with the Proposed Action.

Excluding those businesses that would be displaced in both the With-Action and No-Action scenarios, the Proposed Action would directly displace approximately 19 firms and 138 employees.<sup>3</sup> As shown in Table 3-3, 18 of the businesses are industrial firms: eight manufacturers, two wholesale businesses, seven businesses engaged in transportation, communications, or public utility work, and two are commercial firms: one restaurant, and one storage facility. Business activities vary within each category. For example, the seven manufacturing firms produce an assortment of products such as printed materials, sheet metal, metal doors, food products, and apparel, plus a locksmith shop. The two wholesale firms distribute products such as restaurant supplies. The nine non-manufacturing firms subject to displacement in the future with the Proposed Action include an eating and drinking establishment, a storage facility, several auto repair shops, an auto sales shop, and a bus company.

~~The These~~ estimated 138 workers represent less than 1 percent of this study area employment (14,705 workers based on 2000 Census data); therefore the Proposed Action would not result in a substantial employment loss within the study area. Of the 19 potentially displaced businesses, 10 are estimated to have less than ten employees each. The remaining 9 businesses have between 10 and 26 employees.

Additionally, it should be noted that new temporary construction jobs are expected to be created within the study area in response to the approval of the Proposed Action. For conservative analysis purposes, estimates of new temporary construction jobs were derived from HPD/HDC and are considered only for those sites that are owned by the City, as it is more difficult to predict what may occur on privately owned sites. HPD/HDC projects that approximately 1,513 new temporary construction jobs would be added to the study area over the course of the analysis period (through 2018).

This preliminary assessment examines the employment and business value characteristics of the affected businesses, and responds to the CEQR preliminary assessment questions (numbered in italics below) to determine the potential for significant adverse impacts:

~~These estimated 138 workers represent less than 1 percent of this study area employment (14,705 workers~~

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<sup>3</sup> This figure does not include approximately 81 employees who are currently working at businesses located on projected development sites, but who would be displaced under both Action and No-Action conditions.

Table 3-2  
Projected Development Sites with Existing Businesses

Projected Development Site #	# of Existing Firms/Businesses	Type of Business (1)	Est. Square footage (1)	Est. # of Employees	Existing Urban Renewal Site?	Redeveloped in No-Action?
1	1	Auto repair	1,440	2**	No	No
2	2	Restaurant, restaurant supply	12,019	19*	No	No
4	1	Auto repair	6,975	18**	No	No
5	1	Auto repair	4,945	15**	Yes	Yes
10	2	Manufacturing/storage	10,000	26*, **	Yes	No
12	1	Bus company	2,500	8*	Yes	No
13	2	Printing, garment supply manufacturer	7,500	11*	Yes	No
16	1	Auto repair	2,500	8**	Yes	No
17	1	Manufacturing/storage	2,500	8**	Yes	Yes
19	2	Locksmith, sheet metal manufacturing	2,500	5*, **	Yes	No
22	1	Food manufacturing	10,000	1*	No	Yes
23	1	Manufacturing/storage	2,500	6**	No	No
24	3	2 Food distribution, clothing wholesale	20,000	7*	No	Yes
26	1	Metal door manufacturer & supply	7,500	6*	No	No
29	1	Auto repair	1,950	6**	No	No
31	2	Auto sales, wholesale	2,200	7**	No	No
32	1	Auto repair	1,375	4**	No	No
33	1	Auto repair	96,728	50***	No	Yes
35	1	Food manufacturing	4,000	12**	No	No
<b>TOTALS</b>	<b>26</b>		<b>199,132</b>	<b>219</b>		

Source: New York City Department of Housing and Preservation RWCDs, January 2009 (See also Chapter 1, "Project Description), Oasis, as well as PHA field visit.

**Notes:**

(1) Square foot estimates and number of businesses exclude storage/garage uses

\* Estimated # of employees taken from Manta.com

\*\*Estimated # of employees based on 3 employees per 1,000 sf

\*\*\*Estimated # of employees provided by business

***1. Do the businesses or institutions that could be displaced have substantial economic value to the City or region, and can they be relocated only with great difficulty or not at all?***

As set forth in the *CEQR Technical Manual*, the consideration of a business' economic value is based on: 1) its products and services; 2) its locational needs, particularly whether those needs can be satisfied at other locations; and 3) the potential effects on businesses or consumers of losing the displaced business as a product or service. As described above, the businesses subject to direct displacement offer a wide variety of products (e.g., apparel, cabinetry, industrial supplies, food) and services (e.g., packing and crating, information retrieval, trucking, graphic design). None of these products or services is unique to the Project Area; similar products and services are offered at other locations borough- and citywide. Therefore, their products and services do not classify them as businesses having substantial economic value to the city or region.

**Table 3-3  
Businesses Subject to Direct Displacement Under Proposed Action**

<b>Projected Development Site #</b>	<b>Number of Existing Firms/ Businesses</b>	<b>Type of Business (1)</b>	<b>Estimated # of Employees</b>
1	1	Auto repair	2**
2	2	Restaurant, restaurant supply	19*
4	1	Auto repair	18**
10	2	Manufacturing/storage	26 *, **
12	1	Bus company	8*
13	2	Printing, garment supply manufacturer	11*
16	1	Auto repair	8**
19	2	Locksmith, sheet metal manufacturing	5*, **
23	1	Manufacturing/storage	6**
26	1	Metal door manufacturer & supply	6*
29	1	Auto repair	6**
31	2	Auto sales, wholesale	7**
32	1	Auto repair	4**
35	1	Food manufacturing	12**
<b>TOTALS</b>	<b>19</b>		<b>138</b>

**Source:** New York City Department of Housing and Preservation RWCDs, January 2009 (See also Attachment A, "Project Description), Oasis, as well as PHA field visits.

**Notes:**

(1) Square foot estimates and number of businesses exclude storage/garage uses

\* Estimated # of employees taken from Manta.com

\*\*Estimated # of employees based on 3 employees per 1,000 sf

\*\*\*Estimated # of employees provided by business

The potentially displaced businesses' goods and/or services would not be typically utilized by residents of the study area, besides the restaurant on Site 2 and the locksmith on Site 19. The businesses that include, for example, a bus company, food manufacturer, and sheet metal and metal door manufacturer, serve other businesses in the study area and in a broader market. While some of the businesses, such as the restaurant, and locksmith require close proximity of a customer base, none of the businesses need to be located in close proximity to the study area's residential consumer base. They could be viable at other locations either within the study area, in the borough, or in the city more broadly.

The businesses that could be displaced conduct a variety of business activities. Although the potentially displaced firms each contribute to the city's economy and therefore have economic value, the products and services they provide are widely available in the area and the city and would still be available to consumers as many other existing businesses would remain and firms providing similar products and services would still be available in the surrounding area. The city has 18 Industrial Business Areas, of which 16 contain blocks designated as IBZs. An IBZ designation protects an area as an industrial center through a commitment by the city to preserve the areas for manufacturing and commercial uses. An IBZ also helps companies that relocate to an IBZ from within the city via a one time \$1,000 per employee tax credit. A portion of the North Brooklyn IBZ is located just outside the study area to the east, the Brooklyn Navy Yard IBZ is located to the west of the area, and the Greenpoint/Williamsburg IBZ is located to the northwest of the area. Thirteen additional IBZs are located throughout New York City.

The second criteria for determining the economic value of a business is whether or not a business can be relocated without any difficulty. The businesses with the potential for displacement, such as the sheet metal manufacturer, garment supply manufacturer, and auto repair shops could be accommodated in other industrial areas of the city.

Available retail, manufacturing, warehouse and storage space in the city is located within close proximity to the Project Area. For example, nearby industrial buildings in North Brooklyn Industrial Business Area are well suited to accommodate the potentially displaced businesses because they are of similar type and size (generally between 1,000 square feet and 20,000 square feet and built in the same early 20th century period) as the industrial buildings that are within the study area. These buildings are within easy commute to major access roads such as the Brooklyn-Queens Expressway and the Williamsburg Bridge. The space requirements for the potentially displaced businesses are not extraordinary and can be accommodated by a variety of building styles. Generally, industrial rents in the North Brooklyn Industrial Business Area are between \$7.50 and \$19 per square foot.

Finally, these potentially displaced businesses would not have a significant adverse effect on the remaining businesses or consumers in the study areas. The establishments subject to displacement do not provide goods and services that local residents rely on for their day-to-day needs, nor are they businesses that require close proximity to other study area establishments. These businesses could readily find space throughout the city and continue to access their existing customer base. Additionally, the product and service mix of the potentially displaced industrial businesses are not uniquely dependant upon the study area's customer base. It is not expected that moving out of the study area would create an insurmountable or unreasonable hardship for these businesses because they generally do not include a location-specific business model that is reliant on close proximity to a customer base.

***2. Is the category of businesses or institutions that would be directly displaced subject to regulations or publicly adopted plans to preserve, enhance, or otherwise protect it?***

The potentially displaced businesses are not the subject of regulations or publicly adopted plans that preserve and protect their business category. The Broadway Triangle Urban Renewal Area, established in 1989, designated sites in the northern portion of the area for industrial development with the hopes of creating 300-500 permanent jobs. However, industrial development did not occur and these sites remain largely vacant and underutilized. There are no other policies or regulations that directly protect the businesses that are expected to be displaced as a result of the Proposed Action (the businesses affected do not fall within any in-place industrial parks or business improvement districts for example).

***3. Do the businesses or institutions in question define or contribute substantially to a defining element of neighborhood character, or do a substantial number of businesses or employees that would be displaced collectively define the character of the neighborhood?***

According to the *CEQR Technical Manual*, neighborhood character is defined by certain features, such as land use, urban design, visual resources, historic resources, socioeconomic conditions, traffic, or noise, which, depending on the neighborhood in question, create its distinct "personality." The businesses that would be displaced do not individually or collectively define neighborhood character within the study area. As detailed in Chapter 2, "Land Use, Zoning, and Public Policy," the study area is characterized by a mix of uses, including residential, commercial office, industrial, community facilities, and vacant land.

Economic sectors with the highest employment in a study area tend to be those which contribute substantially to the character of the neighborhood in an economic sense. As shown in Table 3-4, economic sectors with the highest employment in the study area are educational, health and social services, manufacturing, and other services (including auto repair). These three industry categories account for a majority (approximately 61 percent) of the employment in the study area.

Table 3-4 also shows the potentially displaced employment by industry sector. The industry category most affected by potential displacement would be manufacturing/storage, from which 3 percent of the study area's employment could potentially be displaced. However, manufacturing/storage is not a defining industry category from an employment perspective; jobs in manufacturing/storage make up 14.3 percent of the study area's employment in 2000. For all other industry sectors, the employment loss

would represent less than five percent of each sector's employment within the study area. Although each business adds to the commercial fabric, they do not individually or collectively define the character of the study area based on the criteria described in the *CEQR Technical Manual*. Therefore, the amount of potential displacement that could occur within these sectors would not create a significant adverse impact on the socioeconomic character of the neighborhood. In addition, there is an existing trend away from manufacturing and toward residential uses present in the study area as well as in Brooklyn and New York Ccity as a whole. Overall, the preliminary assessment of direct business and institutional displacement concludes that the Proposed Action would not result in significant adverse impacts, and no further analysis of this direct business and institutional displacement is required.

### INDIRECT BUSINESS AND INSTITUTIONAL DISPLACEMENT

Indirect business displacement is the involuntary displacement of businesses that results from a change in socioeconomic conditions created by a proposed action. Similar to indirect residential displacement, the issue for indirect business displacement is that an action would increase property values and thus rents throughout the study area, making it difficult for some categories of business to remain at their current locations.

The preliminary assessment is based on a characterization of the study area in terms of: conditions and trends in employment; physical and economic conditions; existing conditions and trends in real estate values and rents; zoning and other regulatory controls; the presence of categories of vulnerable businesses/institutions or employment; and underlying trends in the city's economy. Like the assessment for indirect residential displacement, the preliminary assessment is based on the screening criteria outlined in the *CEQR Technical Manual*.

This preliminary assessment concludes that the Proposed Action would not cause significant indirect business displacement impacts.

### *CEQR ASSESSMENT CRITERIA*

The preliminary assessment responds to the following CEQR questions (numbered in italics below) to determine the potential for significant adverse impacts (the data used to inform those responses is presented afterwards):

#### ***1. Would the proposed actions introduce enough of a new economic activity to alter existing economic patterns?***

The Proposed Action would introduce zoning changes that would allow for low- to medium-density residential uses within an area that has a combination of commercial and residential uses. It is expected that there will be a change from predominately manufacturing and industrial uses to neighborhood retail and services in the Project Area. This zoning change is expected to result in a net decrease of 91,138 square feet of commercial/office space, a net decrease of 51,275 square feet of manufacturing space, and a decrease of 28,697 sf of auto-related use space on projected development sites within the Project Area. Because the Proposed Action would allow for mixed-uses to continue, there would not be any specific new economic activities introduced to the study area. For instance, the RWCDS would result in a net increase in housing units, retail space, community facility space, and parking spaces, which are already prevalent in the study area, thus no specific new economic activities would be introduced by the Proposed Action. Although the new housing units would increase the retail expenditure potential of the study area, this consumer spending would not constitute a new economic activity, given that the study area already contains a large residential population and street-level retail is common and located on major commercial corridors in the primary study area. Increased consumer spending would also not constitute a new economic activity in the study area.

**Table 3-4  
Employment by Industry Sector for the Study Area, Brooklyn, and New York City**

Industry Sector	Est. Displaced Employment	% of Displaced Employment	Study Area	%	Brooklyn	%	New York City	%
Agriculture, Forestry, etc.	0	0.0%	0	0.0%	445	0.1%	2,190	0.1%
Armed Forces	0	0.0%	180	1.2%	680	0.1%	2,150	0.1%
Arts, Entertainment, etc.	0	0.0%	393	2.7%	34,535	5.2%	276,230	7.4%
Construction	0	0.0%	645	4.4%	36,835	5.5%	171,880	4.6%
Educational, health and social services	0	0.0%	5,665	38.5%	219,180	32.8%	838,210	22.3%
FIRE	0	0.0%	438	3.0%	45,725	6.9%	488,170	13.0%
Information	0	0.0%	335	2.3%	16,615	2.5%	219,010	5.8%
Manufacturing	64	46.0%	2,105	14.3%	47,590	7.1%	226,420	6.0%
Other Services (except public admin.)	51	34.0%	1,184	8.1%	39,535	5.9%	189,985	5.1%
Prof, scientific, mgmt admin, waste mgmt	0	0.0%	754	5.1%	45,435	6.8%	475,170	12.7%
Public Administration	0	0.0%	980	6.7%	39,210	5.9%	191,285	5.1%
Retail Trade	19	14.0%	1,003	6.8%	59,785	9.0%	306,865	8.2%
TWU	0	0.0%	720	4.9%	59,145	8.9%	248,485	6.6%
Wholesale Trade	4	3.0%	568	3.0%	22,760	3.4%	119,075	3.2%
<b>TOTAL</b>	<b>138</b>	<b>100%</b>	<b>14,705</b>	<b>100%</b>	<b>667,475</b>	<b>100%</b>	<b>3,755,125</b>	<b>100%</b>

Source: US Census 2000

The expanded commercial space would provide local goods and services for the new population that would move into the area under the Proposed Action. Thus, because the retail uses would serve the added demand from the future new resident populations, and there are strong existing retail corridors throughout the study area, it is not expected that the Proposed Action would result in significant adverse impacts. Moreover, the added income to the area would be expected to support the existing retail corridors such as Broadway, Flushing Avenue, and Union Avenue in addition to the new establishments introduced under the Proposed Action.

The Proposed Action would also permit the as-of-right residential conversion or redevelopment of properties in the Project Area that, in the future without the Proposed Action, would continue to be manufacturing-zoned. This may marginally alter existing economic patterns, which have already seen an increase in the number of residences in manufacturing zones, as described in Chapter 2, “Land Use, Zoning, and Public Policy.” However, a trend of rising rents, and falling manufacturing and other industrial employment has already been observed in those locations where as-of-right residential development would be permitted by the Proposed Action. There is also a trend of rising industrial rents in those areas. Given these trends, the introduction of a greater number of residential units as a result of the Proposed Action is not expected to induce significant amounts of indirect business and industrial displacement.

**2. Would the proposed actions add to the concentration of a particular sector of the local economy enough to alter or accelerate an ongoing trend to alter existing economic patterns?**

There is already a well-established trend toward residential development in the study area such that the Proposed Action would not alter or accelerate ongoing trends. The Proposed Action would result in a 10.1 percent increase in the number of residential units in the study area as compared to conditions in the future without the Proposed Action. Given the ongoing trend toward increased residential development in the study area, this amount of development would not be enough to accelerate the trend. With the Proposed Action, residential development would continue, but it would be directed to appropriate areas (along avenues and wide streets, for example), and would respect the area’s mid-rise streetwall neighborhood character. The Proposed Action would not alter or accelerate existing patterns in the retail

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sector. As a result of the Proposed Action, the amount of retail on projected development sites would increase by approximately ~~103,535~~ 103,286 sf as compared to the future without the Proposed Action, which is less than the CEQR threshold of 200,000 sf.

Businesses most vulnerable to indirect displacement due to increased rent are typically those businesses whose uses are less compatible with the economic trend that is creating upward rent pressures in the study area; i.e., those businesses that tend not to directly benefit (in terms of increased business activity) from the market forces generating the increases in rent. In the study area, there is an existing trend toward increased demand for convenience goods and neighborhood services from the growing residential population. Uses that are less compatible with residential conditions (such as light manufacturing) may not be able to afford increases in rent due to increases in property values compared to a neighborhood services use, such as a restaurant, which could see increased business activity from the increased residential and employee presence.

Even certain commercial uses within sectors that are generally compatible with economic trends may be vulnerable if their product is directed toward a demographic market that is declining in the area. For example, although neighborhood services and convenience goods stores generally benefit from increases in residential population, if a store targets a particular demographic group whose numbers are decreasing within the study areas even as total population is increasing, then that store may be vulnerable to displacement due to increases in rent. Increased volumes of pedestrian traffic and/or changing demographics of the area could result in changes in consumer preferences, and some discount apparel and convenience stores may be less likely to capture spending dollars from new, more affluent residents and workers in the area. The Proposed Action would increase the study area population by approximately 9.9 percent. A population change of this size would not likely affect established real estate conditions in the neighborhood, and would not result in a substantial new consumer base for retail goods that could affect shopping patterns, causing commercial rents to rise in the area.

Overall, the Proposed Action would contribute to an ongoing study area trend toward increased residential activity. This increase in residential activity could lead to limited indirect displacement of some area businesses. However, the Proposed Action would not result in significant adverse impacts because: the potential displacement pressures would exist in the future with or without the Proposed Action; the uses that are vulnerable to displacement—while they contribute to neighborhood character and provide value to the city’s economy—are not of substantial economic value as defined by CEQR; and the properties where displacement could occur would not remain vacant—they would be redeveloped with uses that contribute to the overall economic vitality of the neighborhood. Therefore, while the Proposed Action could result in limited indirect displacement of existing businesses, it would not alter or accelerate trends that would change existing economic patterns in a manner that would result in significant indirect displacement.

As described above, the ~~103,535~~ 103,286 net ~~new~~ square feet of new local retail development anticipated under the Proposed Action would not alter economic trends, but would add to the existing retail base, which has been expanding as the area attracts more, and higher-income, residents. This new commercial activity would be primarily concentrated along the Avenues within the Project Area and is not anticipated to be regional destination retail that would draw customers from a larger area. In sum, the neighborhood goods and services that are anticipated would, in fact, support the existing commercial retail pattern (no new commercial office space is proposed). No significant adverse indirect impacts on any sector of the local economy would be expected with the Proposed Action.

***3. Would the proposed action directly displace uses or properties that have a “blighting” effect on commercial property values in the area, leading to rises in the commercial rents?***

As shown in Table 3-3, 14 projected development sites contain 19 businesses with an estimated 138 employees that would not be developed under the No-Action condition. If these sites are redeveloped as assumed under the RWCDS, it is possible that these existing firms could be displaced, subject to lease terms and agreements between private firms and property owners existing at the time of redevelopment. Field surveys revealed that businesses located on projected development sites do not appear to have a "blighting" effect on commercial property values. Many of the properties contain industrial, commercial and residential uses that are commonly found in mixed-use neighborhoods, and generally are not in a condition so severe that they would negatively affect the properties around them.

Many residential developments have been recently constructed or are currently being constructed to the west of the Project Area along Wallabout Street, Lorimer Street, and Flushing Avenue and to the east of the Project Area along Throop Avenue. These new residential developments are within sight of several of the Project Area's projected development sites. Removing the current uses on the sites and replacing them with newer uses could enhance the amenities of those living in the area, but removing them would not eliminate a use that has had a blighting effect.

***4. Would the proposed actions 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 shown in Table 3-3, 14 of the projected development sites contain 19 businesses with an estimated 138 employees. If these sites are redeveloped as assumed under the RWCDS, it is possible that these existing firms could be displaced, subject to lease terms and agreements between private firms and property owners existing at the time of redevelopment, as discussed earlier under "Direct Business Displacement". The uses located on these sites—primarily auto repair shops and manufacturing uses—do not directly support businesses in the area or bring people to the area that form a customer base for local businesses. As discussed in the preliminary assessment of direct business and institutional displacement, local businesses do not rely on the potentially displaced businesses' products and services for day-to-day needs. And these uses characteristically do not draw large volumes of customers to their locations so as to create a customer base to surrounding establishments. As a result, it is not expected that the Proposed Action would result in a significant adverse impact on local business support.

***5. Would the proposed actions directly or indirectly displace residents, workers, or visitors who form the customer base of existing businesses in the Study Area?***

The Proposed Action would not directly or indirectly displace enough residents, workers, or visitors to adversely affect the customer base of existing businesses in the study area. As described in the preliminary assessment of direct residential displacement, no residents would be directly displaced. As shown in Table 3-3, 14 projected development sites contain 19 businesses with an estimated 138 employees. If these sites are redeveloped as assumed under the RWCDS, it is possible that these existing firms could be displaced, subject to lease terms and agreements between private firms and property owners existing at the time of redevelopment. These workers account for approximately less than 1 percent of the overall employment in the study area. It is unlikely that the low number of directly displaced workers would have a significant impact on surrounding businesses.

With respect to indirectly displaced residents and workers, as described in the assessment of indirect residential displacement and this assessment of indirect business displacement, the Proposed Action is not expected to result in significant adverse impacts due to indirect displacement of workers, although there is potential for the indirect displacement of residents in the study area. While potentially displaced employees and residents may form a small portion of the customer base of neighborhood service establishments (food and drink establishments, retail, etc) they would be replaced by a new residential population of a similar socioeconomic profile. In addition, new commercial uses that are drawn being attracted to the area due to a growing residential base would also bring added employment to the area. As

a result, the Proposed Action is not expected to result in a significant adverse impact on the customer base of the area. In fact, the impacts could be positive.

***6. Would the proposed action introduce a land use that could have a similar indirect effect, through the lowering of property values if it is large enough or prominent enough, or combines with other like uses to create a critical mass large enough to offset positive trends in the Study Area, to impede efforts to attract investment to the area, or to create a climate for disinvestment?***

As described in Chapter 1, “Project Description,” the general goal of the Proposed Action is to encourage housing production, including affordable housing and mixed-use development consistent with the scale of the surrounding neighborhood in an area well-served by mass transit, while permitting local commercial and community facility uses to support the growing residential population. In addition, the Proposed Action would bring residential uses currently located in manufacturing districts into conformance with zoning regulations. Under the Proposed Action, residential development would be allowed on an as-of-right basis and incentives would be provided for the development of affordable housing. The Proposed Action would facilitate the redevelopment of long-held city-owned land with affordable housing. The Proposed Action would expand residential land uses in the Project Area, a land use that is already prominent in the area. The addition of new residents in the study area would expand the customer base and benefit existing businesses. The Proposed Action would make the area more attractive to visitors and local residents, and would not impede efforts to attract investment to the area, or create a climate for disinvestment.

### **ADVERSE EFFECTS ON SPECIFIC INDUSTRIES**

According to the *CEQR Technical Manual*, a significant adverse impact may occur if an action would measurably diminish the viability of a specific industry that has substantial economic value to the city’s economy. An example as cited in the *CEQR Technical Manual* would be new regulations that prohibit or restrict the use of certain processes that are critical to certain industries.

This preliminary analysis is based on the screening criteria (in italics, below) presented in Section 323 of the *CEQR Technical Manual*. According to the manual, a Proposed Action may have a significant adverse impact on specific industries depending on the answers to the following questions:

***1. Would the proposed actions significantly affect business conditions in any industry of any category of business within or outside the study areas?***

The businesses that could be displaced vary and do not represent a significant concentration in any one business category. And while all businesses provide value to the city’s economy, the services offered by potentially displaced businesses are not essential to the viability of other businesses within or outside of the study areas. In this case, there would not be an adverse impact on any specific industry within or outside of the study area.

***2. Would the proposed actions indirectly substantially reduce employment or impair the economic viability in the industry or category of businesses?***

As described in the assessments of business displacement, the Proposed Action does not have the potential to displace a substantial amount of employment from any one industry sector or category of businesses. Therefore, there would be no significant adverse impact on any specific industry or category of businesses.

## **E. DETAILED ANALYSIS OF INDIRECT RESIDENTIAL DISPLACEMENT**

The possibility that the Proposed Action could cause significant adverse indirect residential displacement impacts could not be ruled out through the preliminary assessment presented above. Therefore, a detailed analysis is necessary. According to section 332.1 of the *CEQR Technical Manual*, the approach to a detailed assessment of indirect residential displacement is similar to that of the preliminary assessment but requires more in-depth analysis of Census information and can include field surveys and interviews. The objective of the analysis is to characterize existing conditions of residents and housing in order to identify populations that may be vulnerable to displacement (“populations at risk”), to assess current and future socioeconomic trends in the area that may affect these populations, and to examine the potential effects of the Proposed Action on prevailing socioeconomic trends and, thus, its impact on the identified populations at risk.

In accordance with CEQR guidelines, this analysis is divided into three sections: existing conditions, including detailed population and housing characteristics, future No-Action conditions, and future With-Action conditions, including a determination about whether the Proposed Action would cause significant indirect residential displacement impacts. The analysis concludes that the Proposed Action could result in significant adverse indirect residential impacts.

As explained in the Data Sources and Methodology section of this chapter, the study area boundary matches the boundaries of U.S. Census tracts that have at least 50 percent of their area within the boundary of the quarter-mile radius study area extending from the Project Area. For demographic Census data analysis, the approximate Project Area is described at the Block Group level within the Census tract. When discussing 1990 and 2000 Census data for the Project Area, it is important to note that the block group boundaries analyzed are not coterminous with the nine block Project Area boundary, which results in counts that are not totally representative of the exact blocks to be rezoned under the Proposed Action. This geographic discrepancy resulted in some over counting of certain characteristics discussed for the Project Area, such as total housing units. For purposes of the detailed analysis presented later in this chapter, the term “Census-defined Project Area” is used when describing Census data that is generally representative of the nine-block Project Area to be rezoned under the Proposed Action.

### **EXISTING CONDITIONS**

This section describes the population and housing characteristics of the socioeconomic study area, presents trend data since 1989, and compares study area characteristics to the borough and city as a whole. As described below, the characteristics of the study area differ from those of Brooklyn and New York City in several ways. For example, the median household income in the study area is approximately 4.4 percent higher than the median household income for the Project Area. The median household income in Brooklyn decreased in real terms by 6.9 percent between 1989 and 1999, while the study area experienced a 16.4 percent increase in median household income between 1989 and 1999. Trends in the study area rental rates also differ from those in Brooklyn as a whole. Between 1989 and 1999, study area rents decreased by approximately 5.8 percent, compared to a 10 percent increase in the Borough of Brooklyn.

#### *POPULATION*

According to the 2000 Census, the population of the socioeconomic study area is approximately 45,155 people. As shown in Table 3-5, the study area’s population increased by 3.6 percent from 1990 to 2000—growing at a slower rate than the Borough of Brooklyn, which saw a population increase of 7.2 percent over the decade, and the city as a whole, which grew by 9.4 percent over the same period. During the period of 2001 through 2008 the study area saw much faster growth. Over those seven years, the study

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area's population growth rate (approximately 14.7 percent) was more than five times the growth of Brooklyn (approximately 2.5 percent), for a 2008 total population of 52,909. In addition, the study area experienced more than four times the rate of growth of the city as a whole (approximately 3.3 percent).

### *Census-defined Project Area*

The 2000 Census counted approximately 1,156 people in the Project Area vicinity. The population grew by 27.3 percent between 1990 and 2000—far greater than the 7.2 percent population increase that occurred across the borough over that decade. Though the growth of 27.3 percent was also higher than the study area growth (3.6 percent), the area gained fewer residents in absolute terms—318 as compared to 1,583 in the overall study area.

Based on New York City Department of Finance Real Property Assessment Data (RPAD), approximately 51 housing units were added to the Census-defined Project Area between the 2000 Census and 2008. (This figure does not include any new residential units that have been illegally created in buildings zoned for non-residential use.) Assuming a study area average household size of 2.98 persons per household, and that the vacancy rate has remained at 5.5 percent (see Households and Income section below), these new units would result in a population increase of approximately 144 people, bringing the total current population to approximately 1,300, a 12.5 percent increase.

### *Study Area*

The study area has gained approximately 2,753 housing units since the 2000 Census, not including new residential units that have been illegally created in buildings zoned for non-residential use. Assuming an average household size of 2.98 persons per household and that the vacancy rate has remained at 5.5 percent (see Households and Income section below), these new units have led to a population increase of approximately 7,754 people, bringing the total current population to approximately 52,909.

**Table 3-5  
Population**

	<b>1990</b>	<b>2000</b>	<b>Est. 2008</b>	<b>% Change 1990-2000</b>	<b>% Change 2000-2008</b>
<b>Census-defined Project Area</b>	838	1,156	1,300	27.3	12.5
<b>Study Area</b>	43,572	45,155	52,909	3.6	17.2
<b>Brooklyn</b>	2,300,664	2,465,326	2,528,050	7.2	2.5
<b>New York City</b>	7,322,564	8,008,278	8,274,527	9.4	3.3

**Notes:** 2008 population for the study area was estimated by applying the 2000 study area average household size and vacancy rate to the total number of new units added to the study area between 2001 and 2008. Most recent 2008 population for Brooklyn and New York City is from the U.S. Census Bureau's Annual Population Estimates.

**Sources:** U.S. Department of Commerce, Bureau of the Census, 1990 and 2000 Census, Summary File 1; New York City Department of Finance; Real Property Assessment Data

AGE DISTRIBUTION

Table 3-6 demonstrates how the total population is distributed into various age brackets in 1990 and 2000. Over these ten years, the proportion of residents in the study area over 60 years old gained 1.3 percentage points. However, the borough and city experienced a decline overall in the age group. At the same time, the study area’s “young workforce” share of the population (18-24 years) decreased its share by 0.4 percentage points, as did Brooklyn and New York City, which saw a decrease of 0.5, and 0.6 percentage points, respectively, within this age bracket. Overall, these figures reveal that from 1990 to 2000, the study area’s share of residents under 17 years of age grew. In addition, the study area, Brooklyn, and New York City experienced an increase in population between the ages of 35 and 60.

**Table 3-6  
Age Distribution as a Percent of Total Population**

1990					
	0-17	18-24	25-34	35-59	60+
Census-defined Project Area	32.3	17.8	20.9	24.7	5.0
Study Area	34.7	12.8	15.5	25.7	11.3
Brooklyn	26.3	10.8	17.6	28.7	16.6
New York City	23.0	10.6	18.7	30.2	17.5
2000					
	0-17	18-24	25-34	35-59	60+
Census-defined Project Area	35.1	16.9	18.0	23.8	6.2
Study Area	33.9	12.4	14.0	27.1	12.6
Brooklyn	26.9	10.3	15.8	31.7	15.3
New York City	24.2	10	17.1	33	15.6

Sources: U.S. Bureau of the Census, 1990 and 2000 Census Summary File 1.

HOUSEHOLDS AND INCOME

Income characteristics for the study area population are described below using three measures: median household income, poverty rate, and the overall distribution of household incomes within the study area, borough and city. Table 3-7 shows the number of households and the average household size in the rezoning and study area. The median household income represents the mid-point of all household incomes in a study area. As shown in Table 3-8, the median household incomes in the rezoning and study areas are considerably lower than the medians for borough and city, indicating that the study area contains a population that is earning significantly less than the median household income. However, Table 3-9 shows that a number of households within both the study area and Census-defined Project Area earn significantly more than the median household income (in 2008 dollars).

As discussed below, there is considerable variation in income and poverty between the Census-defined Project Area and the socioeconomic study area, with the study area containing a higher proportion of lower income households than the Census-defined Project Area. As a whole, however, the socioeconomic study area is characterized by median household income that is lower than the medians for Brooklyn and New York. The study area’s median household income (\$25,228) is approximately 39 percent lower than the median for Brooklyn (\$41,529) and roughly 49 percent lower than the median for New York City (\$49,487). The poverty rate for the study area is high, with 42.1 percent of the population living below the

## Broadway Triangle

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poverty level. Table 3-7 includes household characteristics and Table 3-8 presents income characteristics for the Census-defined Project Area and the socioeconomic study area.

### *Census-defined Project Area*

According to the 2000 Census, there are approximately 289 households in the Census-defined Project Area, and the average household size is 3.7 persons. The median household income increased by 19.6 percent in constant dollar terms between 1989 and 1999 (from \$28,036 to \$34,878, in 2000 dollars) so that in 1999, it was lower than the median for Brooklyn (\$41,529), and lower than the median for New York City (\$49,487). In comparison, the median household incomes for Brooklyn and New York City decreased by 5.9 percent and 6.7 percent, respectively, between 1989 and 1999.

The poverty level in the Census-defined Project Area decreased substantially from 51.2 percent to 29.5 percent between 1989 and 1999. As of the 2000 Census, the poverty rate in the Census-defined Project Area was lower than the poverty rate for the study area (29.5 percent and 42.1 percent respectively) but higher than Brooklyn and New York (25.1 percent and 21.2 percent, respectively).

### *Study Area*

According to the 2000 Census, the study area contains a total of approximately 13,712 households. The average household size for the study area is 3.52, greater than the average household size for Brooklyn—2.75 persons per household—and the 2.59 average across the city. The median household incomes in the area increased substantially over the decade, from a median of \$22,865 in 1989 to \$25,228 in 1999. At the same time, however, the poverty rate decreased, from 44.2 percent to 42.1 percent. Census tracts in the northern and southern portion of the primary study area generally have lower median household incomes and higher poverty rates than those located in the eastern and western portions of the study area due to the ~~location~~ presence of four NYCHA housing developments, which are discussed in more detail below.

Income distributions indicate that a higher proportion of households in the study area earn incomes lower less than \$40,000 (57.1 percent) relative to Brooklyn (58.1 percent) and New York City (51.6 percent). This indicates that over half of all study area residents earn incomes below the Brooklyn median income of \$40,974. As shown in Table 3-8, the highest proportion (44.8 percent) of residents earned incomes in the lowest income bracket (below \$19,999). The highest share of residents in Brooklyn and New York City also earned incomes in the lowest bracket, approximately \$19,999 as of 1999.

**Table 3-7  
Household Characteristics**

	Total Households			Average Household Size		
	1990	2000	% Change	1990	2000	% Change
<b>Census-defined Project Area</b>	233	289	19.4	N/A	3.7	N/A
<b>Study Area</b>	13,383	13,712	2.5	3.41	3.52	3.2
<b>Brooklyn</b>	828,199	880,727	6.3	2.74	2.75	0.4
<b>New York City</b>	2,819,401	3,021,588	7.2	2.54	2.59	1.9

Sources: 1990 and 2000 U.S. Census, Summary File 1 and Summary File 3

**Table 3-8  
Income and Poverty Status**

	Median Household Income <sup>1</sup>			Poverty Status <sup>2</sup>		
	1989	1999	% Change	1989	1999	% Change
<b>Census-defined Project Area</b>	28,036	34,878	<b>19.6</b>	51.2	29.5	<b>-73.6</b>
<b>Study Area</b>	22,865	25,228	<b>9.4</b>	44.2	42.1	<b>-5.0</b>
<b>Brooklyn</b>	43,999	41,529	<b>-5.9</b>	22.6	25.1	<b>11.1</b>
<b>New York City</b>	52,491	49,487	<b>-6.7</b>	19.3	21.2	<b>9.8</b>

**Notes:** <sup>1</sup>Median household income presented in constant 2008 dollars based on the U.S. Department of Labor Bureau of Labor Statistics' December 2008 Consumer Price Index for all urban Consumers for New York-Northern New Jersey-Long Island.

<sup>2</sup>The Census Bureau uses as set of money income thresholds that vary by family size and composition to detect who is poor. If the total income for a family or unrelated individual falls below the relevant poverty threshold, then the family or unrelated individual is classified as being "below the poverty level."

**Sources:** 1990 and 2000 U.S. Census, Summary File 1 and Summary File 3

**Table 3-9  
1999 Household Income Distribution**

	Less than \$19,999		\$20,000 - \$39,999		\$40,000 - \$49,999		\$50,000 - \$74,999		\$75,000 and Over	
	Population	Percent	Population	Percent	Population	Percent	Population	Percent	Population	Percent
<b>Census-defined Project Area</b>	113	<b>44.8</b>	31	<b>12.3</b>	37	<b>14.7</b>	41	<b>16.3</b>	30	<b>11.9</b>
<b>Study Area</b>	7,030	<b>50.9</b>	3,425	<b>24.8</b>	1,078	<b>7.8</b>	1,359	<b>9.8</b>	932	<b>6.7</b>
<b>Brooklyn</b>	301,553	<b>34.2</b>	210,938	<b>23.9</b>	79,706	<b>9.0</b>	136,962	<b>15.5</b>	151,847	<b>17.2</b>
<b>New York City</b>	876,094	<b>29.0</b>	681,572	<b>22.6</b>	273,548	<b>9.1</b>	503,722	<b>16.7</b>	687,541	<b>22.7</b>

**Notes:** Median household income presented in constant 2008 dollars based on the U.S. Department of Labor Bureau of Labor Statistics' December 2008 Consumer Price Index for all urban Consumers for New York-Northern New Jersey-Long Island.

**Sources:** 2000 U.S. Census, Summary File 3

### HOUSING CHARACTERISTICS

The type, quality and age of housing structures vary across the study area. Generally, most dwelling units are equally distributed around the study area, with three NYCHA housing developments located to the south and one to the north, and one Mitchell-Lama development to the east (see Figure 3-3). Toward the immediate east and south, residences are less concentrated, and are located in closer proximity to industrial and commercial uses than residences in the rest of the study area. Most residential structures throughout the study area are small in scale, consisting mainly of attached multi-family homes in two to four-story buildings, with approximately one to eight units per building. Further south NYCHA properties account for larger buildings in more densely populated residential areas. The housing stock in the study area is generally newer than housing in the borough. According to Census data, approximately 28.1 percent of housing units in the study area are in structures built before 1940. In comparison, 40.8 percent of the housing stock in the borough was built before 1940.

Table 3-10 shows a distribution of housing units in 2000 based on the year the structure was built. Among all units in the study area, Brooklyn and New York City; 2000 Census data indicate that the study area had a relatively high proportion of units built before 1960 (55.1 percent), while units built between 1980

## Broadway Triangle

and 2000 were less common (11.0 percent). The low share of units built after 1980 is attributable to the study area's industrial character. Many of the neighborhoods in this area have been zoned as manufacturing districts since 1961, which prohibited the development of new housing. Only in the past decade have portions of Williamsburg and Bushwick been rezoned to allow for residential uses as-of-right. Brooklyn showed similar traits, though with new development to a lesser degree. Within the borough 72.2 percent of units were built before 1960, but 6.6 percent were built between 1980 and 2000.

As shown in Table 3-11, according to the 2000 Census, there are approximately 14,503 housing units in the study area with an additional 2,753 units added as of 2007, a 19 percent increase, bringing the 2008 number of housing units to 17,256. Of the 14,503 housing units included in the 2000 Census, approximately 7.7 percent are owner-occupied and 92.3 percent are renter-occupied. This owner-occupancy rate is low when compared to the averages for Brooklyn (25.6 percent) and New York City (28.5 percent). This high concentration of renter-occupied units can be attributed to the presence of three aforementioned NYCHA properties and one Mitchell-Lama development, which accounted for 8,187 dwelling units (50.0 percent) of the total number of occupied housing units in 2000, in addition to the large proportion of multi-family structures in the study area. The area's vacancy rate in 2000 was approximately 5.5 percent, greater than the 5.4 percent vacancy rate in Brooklyn, but lower than the 5.6 percent rate in New York City. Ultimately, however, the vacancy rate is similar to prevailing rates in the borough and city overall.

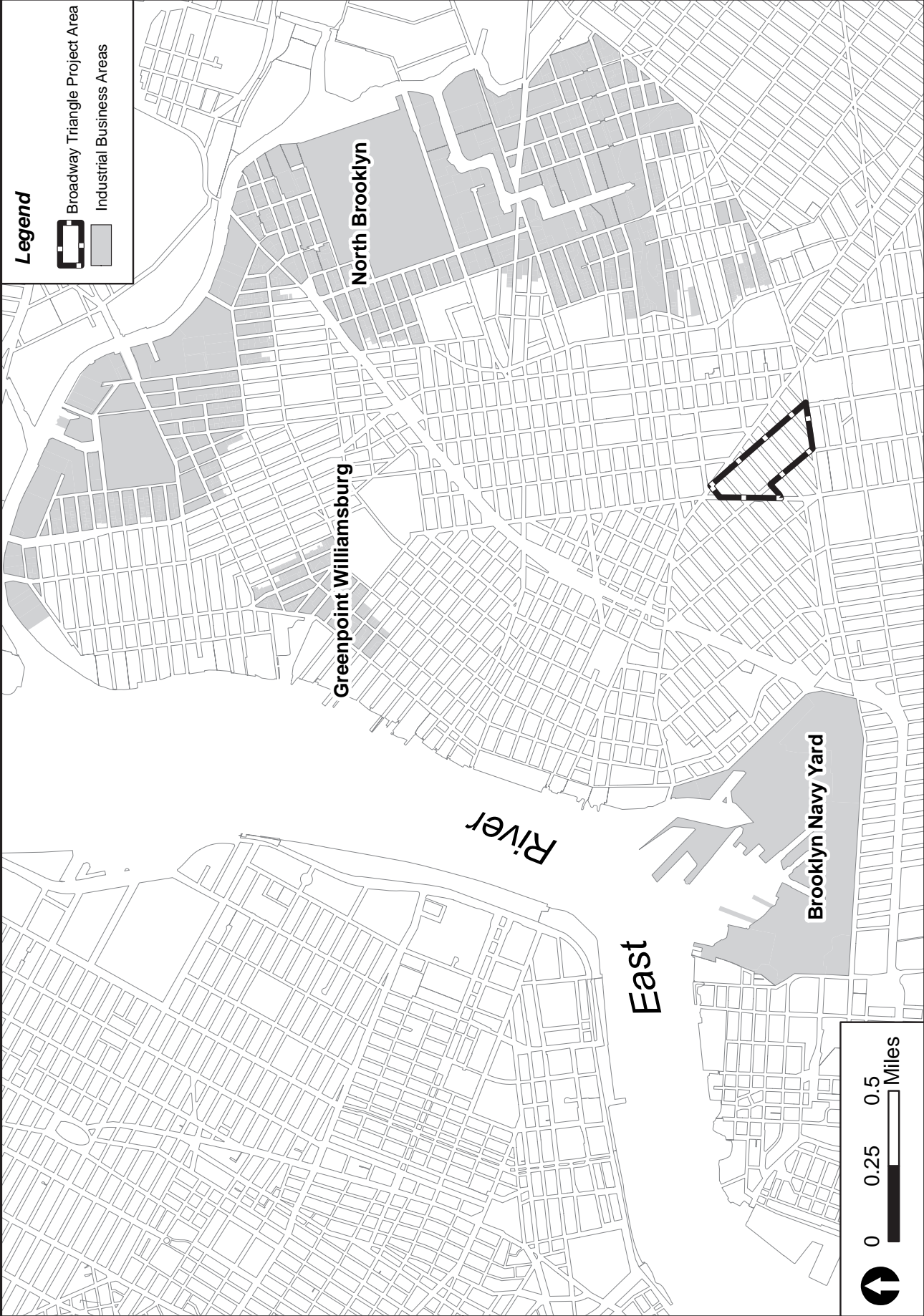
**Table 3-10**  
**2000 Housing Units by Year Structure Built**

	Built 1939 or Earlier		Built 1940 to 1959		Built 1960 to 1979		Built 1980 to 2000		Total Housing Units	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Census-defined Project Area</b>	69	19.1	90	24.9	114	31.6	88	24.4	361	100.0
<b>Study Area</b>	4,090	28.1	3,923	27.0	4,927	33.9	1,602	11.0	14,542	100.0
<b>Brooklyn</b>	367,460	40.8	283,135	31.4	190,689	21.2	59,582	6.6	900,866	100.0
<b>New York City</b>	1,151,286	36.0	998,069	31.2	762,214	23.8	289,343	9.0	3,200,912	100.0



**Notes:** The number of housing units in this table presents sample data from Summary File 3. However, the total number of housing units in Table 3-11, "Housing Unit Characteristics," presents 100 percent data from Summary File 1.

**Sources:** 1990 and 2000 U.S. Census, Summary File 3.

According to the Census, a lower proportion of people moved into the study area between 1990 and 2000 than in Brooklyn or New York City (see Table 3-12). In 2000, approximately 52.7 percent of the study area's population has moved to the area within the past 10 years (i.e., since 1990), lower than the borough (60.3 percent) and city (59.8 percent). During those ten years, growth in the study area may have been due to the growth of substantial amounts of relatively larger families or more generally, a larger number of people per household as compared to the borough and city. This would account for an increased household size, combined with a relatively stagnant number of housing units which reflects the current restrictive zoning framework for residential growth. The study area had a 2.5 percent increase in households, which is less than half of the growth seen in Brooklyn (6.3 percent increase), and New York City (7.2 percent increase). Meanwhile, the study area had a substantial growth in average household size between 1990 and 2000 experiencing a 3.2 percent increase, while Brooklyn experienced a modest increase in average household size at 0.4 percent, and New York City had a 1.9 percent increase in average household size.



**Legend**

-  Broadway Triangle Project Area
-  Industrial Business Areas



**Table 3-11  
Housing Unit Characteristics**

	Total Housing Units			Vacancy Rate		2000 Tenure, All Occupied Units	
	1990	2000	Est. 2008	1990	2000	% Owner-Occupied	% Renter-Occupied
<b>Census-defined Project Area</b>	208	369	420	9.1	21.6	7.9	92.1
<b>Study Area</b>	13,875	14,503	17,256	3.5	5.5	7.7	92.3
<b>Brooklyn</b>	873,671	930,866	NA	5.2	5.4	25.6	69.0
<b>New York City</b>	2,992,169	3,200,912	NA	5.8	5.6	28.5	65.9

**Notes:** 2008 housing units were estimated for the study area based on RPAD of the New York City Department of Finance. All buildings constructed during the period between 2001 and 2008 were considered new housing units, and were added to the 2000 Census Bureau total. Estimates for 2008 housing units for Brooklyn and New York City were not yet available from U.S. Census Bureau's Annual Estimates of Housing Units.

**Sources:** 1990 and 2000 U.S. Census, Summary File 1

*Housing Value*

According to the 2000 Census, home values in the study area are low compared to Brooklyn and New York City. At \$213,650, the median home value for the study area is lower than the median home value for Brooklyn and New York City (see Table 3-13). It is not possible to compare 1990 and 2000 Census data on median home value because the median home value reported in the 1990 Census is based on “specified” housing units only (this excludes many apartment units), while the 2000 values are based on all housing units.

**Table 3-12  
Year Moved Into Housing Unit, 1990 & 2000**

	Census Year	Year Moved Into Housing Unit				Total
		1990-2000	1980 to 1989	1970 to 1979	1969 or before	
<b>Census-defined Project Area</b>	<b>1990</b>	-	76.9%	21.2%	1.9%	100.0%
	<b>2000</b>	77.7%	13.1%	2.5%	6.7%	100.0%
<b>Study Area</b>	<b>1990</b>	-	47.0%	28.7%	24.3%	100.0%
	<b>2000</b>	52.7%	17.7%	14.6%	15.0%	100.0%
<b>Brooklyn</b>	<b>1990</b>	-	56.8%	22.8%	20.4%	100.0%
	<b>2000</b>	60.3%	17.0%	12.2%	10.5%	100.0%
<b>New York City</b>	<b>1990</b>	-	55.7%	23.5%	20.8%	100.0%
	<b>2000</b>	59.8%	16.3%	13.0%	10.9%	100.0%

**Sources:** U.S. Bureau of the Census, 1990 and 2000 Census Summary File 1.

**Table 3-13  
Households and Housing Value Characteristics**

	Total Households			Median Contract Rent <sup>1</sup>			Median Housing Value	
	1990	2000	% Change	1990	2000	% Change	1990 <sup>2</sup>	2000
<b>Census-defined Project Area</b>	233	289	19.4	441	645	31.6	NA	N/A <sup>3</sup>
<b>Study Area</b>	13,383	13,712	2.5	591	557	-5.8	NA	213,650
<b>Brooklyn</b>	828,199	880,727	6.3	477	621	3.0	NA	229,200
<b>New York City</b>	2,819,401	3,021,588	7.2	789	839	6.3	NA	287,271

**Notes:** <sup>1</sup> Median contract rent and median housing value presented in 2008 dollars.

<sup>2</sup> Median home values for 1990 and 2000 are not comparable because the Census Bureau's 1990 housing value is based on sample data that excluded multi-unit buildings ("specified owner-occupied units"), while the 2000 median is based on "all owner-occupied units."

<sup>3</sup> No value was identified for the owner-occupied housing units within the Project Area in the 2000 Census.

**Sources:** 1990 and 2000 U.S. Census, Summary File 1 and Summary File 3

In recent years, as residential rental rates and sales prices in Manhattan have escalated, the Williamsburg area (comprised of North, South and East Williamsburg) has become increasingly popular as a conveniently located, lower-cost residential community. This popularity, mainly due to its proximity to Manhattan and convenient transit lines, has spurred the construction of several large condominium projects over the past several years. For example, developments as a result of the South Williamsburg Rezoning and the development of the HPD initiated Cook Street Muni-Lot are expected to introduce a total of 380 units to the study area within the next few years. In addition, thousands of new market-rate and affordable housing have already been introduced to the area as a result of the DCP Greenpoint-Williamsburg Rezoning of 2005. Many of these newer developments are luxury condominiums that increase the desirability of the neighborhood, and in effect, cause rental rates to increase.

Recent listings of homes indicate increased home values since 2000. A popular real estate web site for prospective home buyers - Trulia.com<sup>4</sup>, indicated the median sales prices for the fiscal quarter ending in December of 2008, was \$387,500 in zip code 11206, which includes the Project Area and a portion of the study area. Median home sale prices for zip code 11211, which extends over the remaining portion of the study area was \$545,000 during the same time period<sup>5</sup>. Within the study area, asking prices listed on the Trulia web site ranged from \$425,000 for a one-bedroom apartment, to \$650,000 for five-bedroom condominium.

Median contract rent in the study area, was higher than the median for Brooklyn, though lower than the median for New York City, and declined by 5.8 percent in constant dollar terms (i.e., adjusted for the effects of inflation), as compared to a 3.0 percent increase in Brooklyn and 6.3 percent increase in New York City<sup>6</sup>. However, this figure represents a decrease of only \$34 dollars, which may be attributed to the slower rental rate increases common in NYCHA and other rent-protected housing; of which there are fewer in the Project Area than the study area. Within the Census-defined Project Area, rental rates have increased by 31.6 percent from 1990 to 2000.

<sup>4</sup> Trulia.com was accessed in January ~~2009~~ 2008.

<sup>5</sup> Trulia.com cited this figure based on assessor and title deed data, and Trulia search traffic.

<sup>6</sup> According to the US Census Bureau, median contract rent is "the monthly rent agreed to or contracted for, regardless of any furnishings, utilities, fees, meals, or services that may be included. For vacant units, it is the monthly rent asked for the rental unit at the time of interview."

## Broadway Triangle

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Regarding the rental market for new leases, data provided from the New York Times Real Estate listings<sup>7</sup> indicate a stronger housing market than those reported by the 2000 Census. According to listings, asking prices for one bedroom apartments start at \$1,600, while two bedroom units can rent for as high as \$3,700. Although it should be noted that many of these rental listings are for newer condominium units resulting from new construction, as there are fewer units available for rent in older multi-family buildings at this time. It is estimated that in older walkup buildings, rents may be up to roughly \$500 cheaper than those in newer developments. In general, home and rental prices to the north of the study area, closer to Williamsburg are generally more expensive, while home sales and rental prices to the south and east, further away from Manhattan, are less expensive.

### *Census-defined Project Area*

According to the 2000 Census, the Census-defined Project Area includes approximately 289 occupied housing units (of 369 total dwelling units), 7.9 percent of which are owner-occupied, and 92.1 percent, renter-occupied (see Table 3-11). Median home value in 2000 was not available for the Census-defined Project Area in the 2000 Census data. Median contract rent in the Census-defined Project Area increased from 1990 to 2000, from \$441 in 1990 to \$645 in 2000 (an increase of 31.6 percent), so that by 2000 it was comparable to the median rent for Brooklyn.

Approximately 21.6 percent of housing units in the Census-defined Project Area were vacant in 2000. This vacancy rate is much higher than the overall rates for Brooklyn (5.4 percent) and Manhattan (5.6 percent), and is noticeably higher than it was in 1990, when 9.1 percent were vacant.

Since the 2000 Census, the Census-defined Project Area has gained approximately 51 housing units, bringing the total to 420. As discussed above, this number reflects only those units collected from RPAD data. In recent years, BSA actions have resulted in the addition of at least 50 new residential units on sites formerly zoned for manufacturing uses, which is indicative of real estate pressure in the Project Area as a result of existing land use trends moving away from manufacturing and towards residential uses. New residential activity in the Census-defined Project Area is actually greater than this number indicates as some residential developments have been built in the area since the collection of the 2007 RPAD data.

### *Study Area*

According to the 2000 Census, the socioeconomic study area contains approximately 14,503 housing units. The 2000 vacancy rate (5.5 percent) was about the same as the overall vacancy rates for Brooklyn (5.4 percent) and New York City (5.6 percent). The owner occupancy rate in the study area, though slightly higher than the Census-defined Project Area rate, was less than 15 percent—a marked contrast to the 25.6 percent rate for Brooklyn and the 28.5 percent rate for New York City.

Between 1990 and 2000, rental rates decreased by 5.8 percent from \$591 per month in 1990 to \$557 per month in 2000, a decline of \$34. While almost 70 percent of the study area's housing units are public, subsidized, or otherwise rent-regulated and as such, these rents are not determined by market trends, asking prices for market rate units are substantially higher than median contract rent reported for the study area in the 2000 Census. There is some statistical evidence that the construction of new housing and these rising housing costs are reflected in changes in the socioeconomic profile of the area.

In recent years, the study area has been experiencing a notable trend of construction of new market rate housing and rising home values and rents for unregulated rental units. Based on NYC Department of Finance data, it is estimated that 2,753 housing units have been added to the study area since the 2000 Census, an increase of 16 percent for a 2008 total of 17,256 housing units. As discussed above, this

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<sup>7</sup> New York Times website real estate section was accessed January ~~2009~~ 2008.

number reflects only those units identified using RPAD data from 2007. New residential activity in the study area is actually most likely greater than this number indicates.

### *RENT-REGULATED HOUSING*

The rental rates for many of the housing units in New York City are controlled through several mechanisms: rent control, rent stabilization, direct public subsidies to landlords, and public ownership. There are two main types of rent regulation programs in New York City: rent control and rent stabilization. Rent control limits the rent an owner may charge for an apartment and restricts the right of an owner to evict tenants. In New York City, the rent control program applies to apartments in residential buildings containing three or more units and constructed before February 1947. For an apartment to fall under rent control, the tenant must have been living in that apartment continuously since before July 1, 1971. When a rent controlled apartment becomes vacant, it either becomes rent stabilized or, if it is in a building with fewer than six units, is removed from regulation. Rent stabilization limits the annual rate at which rents can increase. In New York City, rent stabilization generally applies to apartments in buildings containing six or more units built between February 1, 1947 and January 1, 1974. An apartment is no longer subject to rent stabilization if it becomes vacant and could be offered at a legal regulated rent of \$2,000 or more, or if it is occupied by tenants whose total annual household income exceeds \$175,000<sup>8</sup>.

Other types of housing that are rent regulated include Section 8 housing, NYCHA public housing, Mitchell-Lama developments, other HPD-owned public housing, and 421-a or 420-c tax abated buildings. These housing types are defined as follows:

#### *Section 8*

Section 8 housing units are rental units owned by landlords who participate in the low-income rental assistance program. Landlords receive subsidies from the government on behalf of low-income tenants, and the tenants then pay the difference between the actual rent charged by the landlord and the amount that is subsidized by the program. This enables the tenants to pay a limited proportion of their incomes toward rent.

#### *Mitchell-Lama housing*

The New York State Mitchell-Lama Program was created in 1955 as a means of providing affordable rental and cooperative housing to moderate- and middle-income families. Under the Mitchell-Lama program, the city and state provide low-interest mortgages and/or tax exemptions to Mitchell-Lama buildings, and in exchange, building owners must adhere to limitations on profits, income limits on tenants, and supervision by appropriate government agencies. Income requirements for Mitchell-Lama housing vary by development, household size, and rent rates, but in city-sponsored projects, eligibility is generally based on the median income in which the development is located.

#### *Public housing*

Public housing refers to housing units constructed and managed by government for low-income households. In New York City, public housing developments are managed by the New York City Housing Authority (NYCHA), most of which are funded in large part by the federal Department of Housing and Urban Development (HUD).

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<sup>8</sup> Rent regulations obtained from the New York State Division of Housing and Community Renewal, Office of Rent Administration and the New York City Rent Guidelines Board.

### *421-a buildings*

According to the New York City Rent Guidelines Board, newly constructed multiple dwelling buildings with three or more units are eligible for 421-a tax abatement status. In order to receive the abatement, the building owner must agree to stabilize rents in his or her building for a prescribed period. Owners may charge initial rents according to a formula that accounts for development costs and operating expenses, and may only charge guideline rent increases plus 2.2 percent of the original rent per year over the course of the abatement period.

### *420-c buildings*

According to the New York City Rent Guidelines Board, the 420-c program provides tax exemptions for housing that is: owned or controlled by a non-profit housing development fund company; subject to regulatory agreement which requires use as low-income housing; financed in part with a loan from the city or state; and financed with federal low-income housing tax credits.

Based on data from the New York State Division of Housing and Community Renewal (DHCR) and the New York City Department of Finance, LotInfo Database, it is estimated that there are a total of 1,813 rent-stabilized, and 76 rent-controlled housing units in the study area. The study area also includes other rent-regulated units, including 2,702 Mitchell-Lama units, and 5,485 public housing units<sup>9</sup>.

The study area contains four public housing complexes; Williamsburg, Tompkins, Marcy, and Sumner homes (all New York City Housing Authority [NYCHA] housing developments, see Figure 3-4). The Williamsburg Houses are located to the northeast of the Project Area in Census tract 505 and contain 1,628 units and 3,087 residents. The Tompkins Houses are located in Census tract 259.02 and contain 1,045 units and 2,899 residents. The Marcy Houses are located in Census tract 255 and contain 1,714 units and 4,382 residents. The Sumner Houses are located in Census tract 285.02 and contain 1,098 units and 2,386 residents. The latter three NYCHA housing projects are located to the south of the Project Area. The Mitchell-Lama Lindsay Park Houses are located to the east of the Project Area in Census tracts 491, 505, and 511. In total, these NYCHA and Mitchell-Lama buildings contain 8,187 dwelling units, and approximately 20,806 residents, representing 39.3 percent of the 2008 study area population<sup>10</sup>. In addition, a review of data on Section 8 housing vouchers provided in the *Greenpoint-Williamsburg Rezoning Final EIS* indicates that there are at least approximately 82 housing units in the study area that are rent-protected through Section 8. This brings the total amount of rent-regulated housing units to 10,158, which is 59 percent of all identified housing units in the study area. Some portion of the remaining units are single-family homes. Although owner-occupancy information is not available through LotInfo, it is likely that many of these units are, like condos and co-ops, owner-occupied.

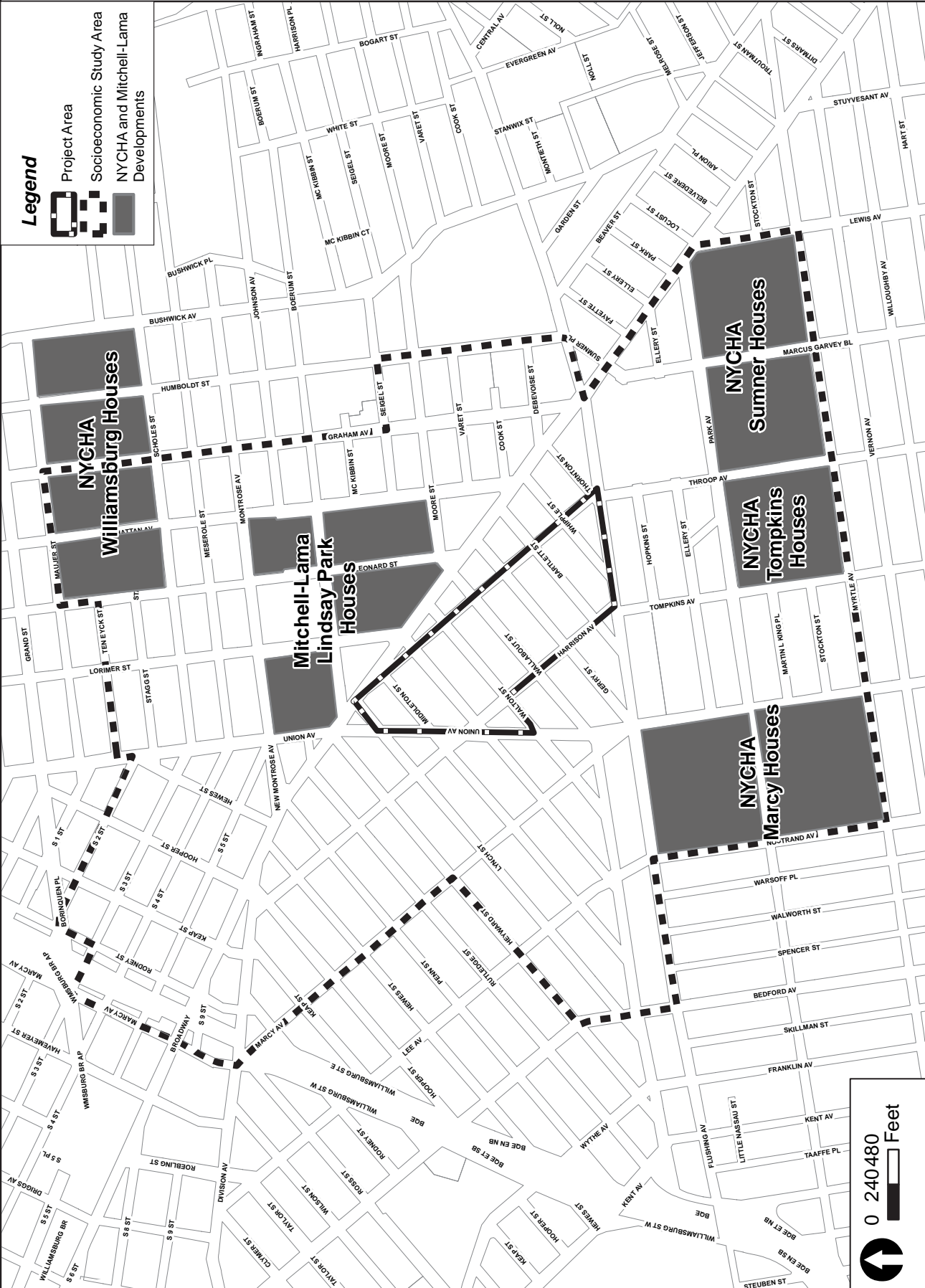
### *Population at Risk of Displacement*

According to the *CEQR Technical Manual*, a population at risk of indirect displacement consists of renters living in privately held units unprotected by rent control, rent stabilization, or other forms of rent regulation, whose incomes or poverty status indicate that they could not support substantial rent increases that would occur as a result of the Proposed Action.




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<sup>9</sup> Information on rent controlled and stabilized units was obtained in part from the New York State Division of Housing and Community Renewal (DHCR), which maintains a list of rent stabilized buildings in the city, and in part by using LotInfo to identify buildings that fit the criteria for rent stabilization. Information on public housing was obtained from the New York City Housing Authority (NYCHA). A list of Mitchell-Lama developments was obtained from the New York City Department of Housing Preservation and Development (HPD).

<sup>10</sup> New York City Housing Authority website: <http://www.nyc.gov/html/nycha/html/home/home.shtml>. Accessed February 2009.



**Legend**

-  Project Area
-  Socioeconomic Study Area
-  NYCHA and Mitchell-Lama Developments



To estimate the study area population currently at risk of indirect displacement, the analysis first identifies the number of unprotected units in the study area. Census data on household incomes, combined with an examination of recent residential trends, is then used to determine whether these unprotected units house a population potentially vulnerable to displacement (i.e., whether the occupants of unprotected units could afford rent increases).

This section of the chapter presents information needed to determine whether the study area contains a population that would be at risk of indirect displacement under the Proposed Action. This information (which includes a tract-level analysis of the study area's economic characteristics along with the estimated number of unprotected rental units in each of the study area's Census tracts) is followed by an analysis of the "population at risk." The methodology for determining whether and where that population at risk is located is presented below, under "Identifying Population At Risk."

### *ECONOMIC STATUS OF STUDY AREA POPULATION: DETAILED ANALYSIS*

In general, the study area is characterized by a relatively high percentage of low- and moderate-income households. As discussed earlier, the poverty rate for the study area (42.1 percent) is higher than the borough-wide and citywide rates, and according to the 2000 Census, median household income (in 1999 dollars) in the study area, (\$25,228), is lower than the median household income for both Brooklyn (\$41,529) and New York City (\$49,487). However median household income in the study area increased by 9.4 percent between 1989 and 1999 (in constant dollar terms), compared with decreases in Brooklyn (-5.9 percent), and New York City (-6.7 percent).

The characteristics of the Census-defined Project Area, in terms of income and poverty, are more favorable than the study area as a whole. According to the 2000 Census, the median household income (in 2008 dollars) for the Census-defined Project Area is \$34,878, higher than the median for the socioeconomic study area but lower than Brooklyn. Furthermore, the Census-defined Project Area experienced a substantial increase in median household income between 1989 and 1999 (19.6 percent), while median household incomes in the study area also increased. However, incomes in Brooklyn and New York City both decreased between 1989 and 1999.

For the Census-defined Project Area as a whole, the poverty rate was approximately 29.5 percent, which is higher than the borough-wide rate (25.1 percent), but lower than the study area (42.1 percent, reflecting the presence of large public housing developments). This indicates that in both the Census-defined Project Area and the study area, median household incomes increased while poverty rates decreased, while in the borough and the city, the opposite occurred.

#### *Census-defined Project Area*

As shown in Table 3-14, when income and poverty are analyzed by Block Group, the Blocks within the Census-defined Project Area generally have higher incomes and lower poverty rates than the Census tracts outside the Census-defined Project Area. Some of the highest incomes are in Block Groups located almost completely within the Census-defined Project Area, such as Block Group 1 in Census Tract 509.

#### *Study Area*

When compared to the Census-defined Project Area, household incomes are lower in most of the surrounding socioeconomic study area Census tracts, but generally the same in the tracts directly to the ~~north and south~~ east and west. According to Census 2000 data, the tracts located in the southern and northern parts of the study area: 255, 285.01, 285.02, 259.02, 507, 509, 527, and 529; have some of the lowest median and average household incomes. Tract 255, which encompasses the NYCHA Marcy

Houses, has the lowest household income in the entire study area, with a median household income of \$15,278 and an average household income of \$20,797. The area to the east and west of the Census-defined Project Area has notably higher incomes than the tracts in the northern and southern portion of the study area. Tracts 257, 491, 505, 511, and 531 have incomes ranging from a median of \$28,431 to \$41,710 and an average of \$33,093 to \$50,200. In general, the poverty rate follows the same pattern as household income. The poverty rate is highest (over 50 percent) in tracts 255, 259.02, 285.02, 509, and 529, the area to the north and south of the Project Area. As indicated previously, this is partially attributable to the presence of large public housing developments in the area to the south of the Project Area.

**Table 3-14**  
**Census-defined Project Area and**  
**Socioeconomic Study Area Median Income**  
**and Poverty Status**

	2000 Median Household Income <sup>1</sup>	Poverty Status
<b>Block Groups</b>		
Block Group 1, CT 507	19,924	52.0
Block Group 2, CT 507 <sup>2</sup>	0	0.0
Block Group 3, CT 507	27,731	32.3
Block Group 1, CT 509	56,980	33.9
<b>Total Census-defined Project Area</b>	<b>34,878</b>	<b>29.5</b>
<b>Census Tracts</b>		
Census Tract 255	15,278	50.2
Census Tract 259.02	17,082	54.3
Census Tract 257	41,710	18.5
Census Tract 285.01	17,082	37.1
Census Tract 285.02	15,326	53.9
Census Tract 491	31,609	32.9
Census Tract 505	28,431	32.1
Census Tract 507	24,000	46.7
Census Tract 509	22,077	57.1
Census Tract 511	34,335	25.0
Census Tract 527	29,310	41.9
Census Tract 529	22,249	51.4
Census Tract 531	29,460	46.7
<b>Total Study Area</b>	<b>25,228</b>	<b>42.1</b>
<b>Brooklyn</b>	<b>41,529</b>	<b>25.1</b>
<b>New York City</b>	<b>49,487</b>	<b>21.2</b>

**Notes:** <sup>1</sup>Median household income presented in constant 2008 dollars based on the U.S. Department of Labor Bureau of Labor Statistics' December 2008 Consumer Price Index for all urban Consumers for New York-Northern New Jersey-Long Island.

<sup>2</sup>Block Group 2 in Census tract 507 did not contained any residential population.

**Sources:** 1990 and 2000 U.S. Census, Summary File 1 and Summary File 3

*Unprotected Units*

The populations vulnerable to indirect displacement pressure are those with low and moderate incomes living in buildings not protected by rent control, rent stabilization, or other publicly assisted housing programs. Based on information available from RPAD data, the New York City Housing Authority, and

the 2000 Census, identification of the number of residential units in the study area that are in buildings that meet the following criteria, and therefore are unprotected from rent increases were identified as follows: 1) they are privately owned buildings (i.e. no public housing units); 2) they are not subject to rent control or rent stabilization; and/or 3) buildings too small to be subject to rent control or stabilization. The total number of residential buildings with one to four units and five or more units built after 1974 in the study area was determined using RPAD and HEIP data.

Based on calculations using the data identified above, the study area has a total of 12,588 renter-occupied units, of which 2,430 are unprotected. This number of unprotected renter-occupied units represents approximately 16.8 percent of the total number of residential units in the study area in 2000, and 19.3 percent of all renter-occupied units. A total of 84 of the identified unprotected renter-occupied housing units are located in the Census-defined Project Area, which is 31.8 percent of all renter-occupied units in the Census-defined Project Area but only 0.7 per cent of all renter-occupied units in the socioeconomic study area.

### *Identifying Population at Risk*

In order to determine whether a population at risk exists in the study area, the *CEQR Technical Manual* recommends analyzing “Census data on income and renters in structures containing fewer than five units” combined with data on other factors, including the presence of subsidized housing and land use.

The following steps were used to identify population at risk:

1. Census 2000 tract-level data were used to determine the average household income of renters in small (1-4 units) buildings. As described above, these buildings are not generally subject to rent regulation laws.<sup>11</sup>
2. For each Census tract, the average household income for renters in small buildings was compared to the average household income for renters in large buildings to determine where income disparities exist between renters in small and large buildings. This information was used to gain a better understanding of the income distribution across housing types and Census tracts. Average incomes were used in place of median incomes for this analysis because Census data on median household income by size of building is not publicly available.
3. For each Census tract, the average household income for renters in small buildings was compared to the average household income for all renters in Brooklyn. If the average for small buildings was lower than the borough-wide average for all renters, the Census tract was identified as having a potentially vulnerable population.
4. Census tracts identified as having a potentially vulnerable population were examined in greater detail to determine whether the discrepancy in average incomes between renter-occupied small buildings in the tract and all renter-occupied buildings in Brooklyn is indicative of a truly vulnerable population. In some cases, for example, the income discrepancy is likely to have decreased since the 2000 Census (due to new construction and apartment turnover), and in others, the geographic location of the Census tract makes it less vulnerable to indirect displacement pressures. Any tracts that were not screened out through this more detailed examination of current conditions were assumed to contain some vulnerable population.

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<sup>11</sup> Census data on renter income is collected for pre-defined categories of buildings. These categories include buildings with 1-4 units and buildings with 5-9 units, making it impossible to develop an accurate average income for renters in buildings with 1-5 units. The average income for unprotected units is therefore based on the incomes for only those renters living in 1-4 unit buildings. This data constraint does not affect the overall analysis. Incomes for these units are likely to be similar to incomes in buildings with 1-4 units, and because they represent a small proportion of the unprotected units, they would not substantially affect the average income.

In general, if average incomes in unprotected (small) buildings are low compared to average incomes in protected (large) buildings and in renter-occupied buildings in Brooklyn as a whole, then the study area might contain a significant population at risk. Given recent trends in market rents, described above under “Housing,” it is likely that the average income of renters in unregulated units would in general be higher than the average income for renters in regulated units. It should be noted that unlike previous analyses conducted in this chapter, the following uses only data at the Census tract level as data used for the Census-defined Project Area and is not available at the Block Group level. Therefore, this analysis will represent population at risk within the socioeconomic study area only.

The Census data are generally consistent with the prediction that incomes for renters in small, unregulated buildings would be higher than the incomes for renters in regulated buildings. As shown in Table 3-15 and illustrated in Figure 3-5, this is true for all but five Census tracts in the study area, one of which encompasses part of the Project Area (tract 507). Census tracts in which the average household income for renter-occupied units in small buildings is lower than the average household income for all renter-occupied units in Brooklyn are shown in italics. As described above, this is the criteria used for identifying tracts that could contain a vulnerable population.







As shown in Table 3-15, residents living in small (unprotected) buildings are generally more affluent than those living in protected units. However, in the majority of tracts, the average income for renters in unprotected units falls below the average income for Brooklyn renters as a whole. It can be inferred from this data that overall, higher income households moving into the study area during the 1990s were disproportionately concentrated in unregulated housing units, where there are no controls on rent increases and which therefore were most likely to turn over. Thus, in the existing condition, unregulated units in the study area are largely turning over to higher income households, when speaking in terms of average and median household income for the study area. In 8 of the 13 Census tracts within the study area, the average household income of renters in unprotected buildings exceeded that of renters in protected buildings by amounts ranging from \$75 to \$22,394. Nonetheless, there are nine Census tracts in the study area where the average income for renters in unprotected units is lower than the average income for Brooklyn renters, however only seven of them are analyzed as two tracts contain rent regulated NYCHA housing developments; and therefore, do not represent a population considered at risk.

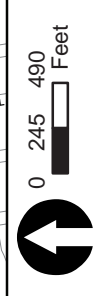
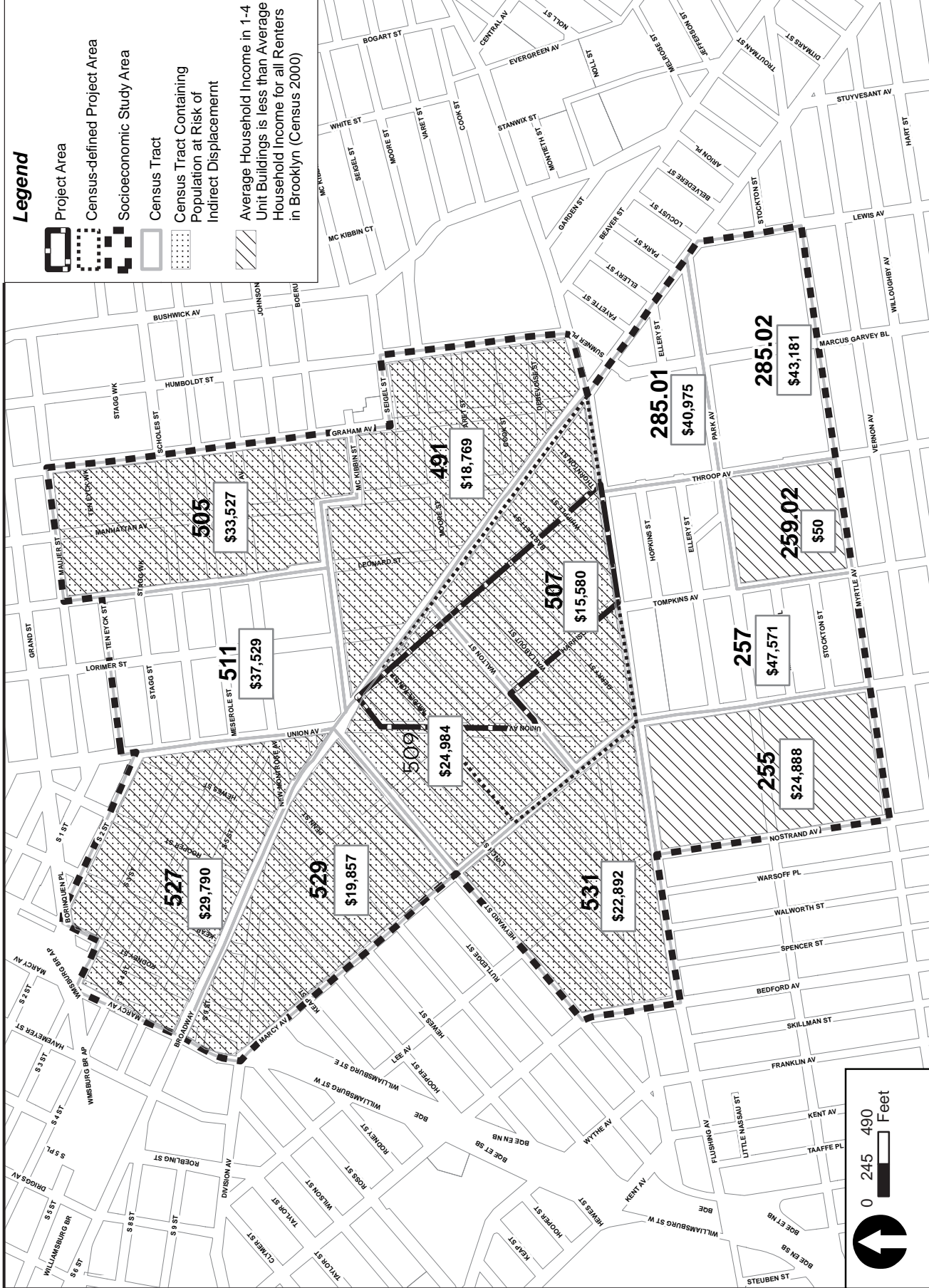
There are several tracts in which the average income for renters in small, unregulated buildings is less than the average income for all renters in Brooklyn. These tracts include: 491, 505, 507, 509, 527, 529, and 531<sup>12</sup>. Together, the 1,189 unregulated units in these seven tracts represent 6.9 percent of all existing housing units and 9.4 percent of all renter-occupied housing units in the study area. Table 3-16 presents a comparison of protected and unprotected renter-occupied units in the study area. The following section examines each of the nine Census tracts containing 7,901 occupied dwelling units to determine whether recent residential development trends (since 2000) may have substantially altered the income levels in a tract, which in turn could alter the number of potentially at risk residents. Table 3-17 shows the number of unprotected units and average household income for each of the Census tracts containing a population at risk of indirect residential displacement.

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<sup>12</sup> All of the housing units in Census Tracts 255, 259.02, and 285.02 are regulated NYCHA public housing units and have been eliminated from the tract-level analysis.

**Legend**

-  Project Area
-  Census-defined Project Area
-  Socioeconomic Study Area
-  Census Tract
-  Census Tract Containing Population at Risk of Indirect Displacement
-  Average Household Income in 1-4 Unit Buildings is less than Average Household Income for all Renters in Brooklyn (Census 2000)



Note: Brooklyn Average Household Income for Renters is \$35,844.

**Table 3-15**  
**Average Household Income for Renters in Small Buildings, Buildings with 5 or More Units, and All Renter-Occupied Buildings in 2000**

Census Tract	Average Household Income in Small Buildings*	Average Household Income in Large Buildings	Difference Between Small and Large Buildings	Difference Between Small Buildings and Brooklyn Average**
<b>Study Area</b>				
255	\$24,888	\$20,754	\$4,134	-\$10,956
257	\$47,571	\$34,195	\$13,376	\$11,727
<i>259.02</i>	\$50****	\$30,017	-\$29,967	-\$35,794
285.01	\$40,975	\$38,431	\$2,544	\$5,131
285.02	\$43,181	\$20,787	\$22,394	\$7,337
491	\$18,769	\$32,419	-\$13,650	-\$17,075
505	\$33,527	\$30,763	\$2,764	-\$2,317
507	\$15,580	\$31,500	-\$15,920	-\$20,264
509	\$24,984	\$24,909	\$75	-\$10,860
511	\$37,529	\$32,538	\$4,991	\$1,685
527	\$29,790	\$27,206	\$2,584	-\$6,054
529	\$19,857	\$29,165	-\$9,308	-\$15,987
531	\$22,892	\$24,657	-\$1,765	-\$12,952
<b>Notes:</b>				
* The average household income for small renter-occupied buildings is based on renter-occupied units in buildings with 1 to 4 units.				
** This number represents the difference between the average household income for renters in small buildings and the average household income for all Brooklyn renters, which is \$34,855.				
*** Tracts in italics are those in which the average household income for renter-occupied units in small buildings is lower than the average household income for all renter-occupied units in Brooklyn.				
****Tract 255, 259.02, 285.02 contains NYCHA housing and few small buildings are known to exist.				
<b>Source:</b> U.S. Bureau of the Census, 2000 Census, Summary File 3.				

**Table 3-16**  
**Comparison of Protected and Unprotected Renter-Occupied Housing Units in the Study Area**

	# Housing Units	# Renter-Occupied Units	# Rent-Protected Units	# Unprotected Units	# Units Vulnerable to Indirect Displacement
<b>Study Area Housing</b>	17,256	12,588	10,076	2,512	1,189
<b>Study Area Population</b>	52,909	37,512	30,026	7,486	3,543

Sources: 2000 US Census, Summary File 1 and Summary File 3

**Table 3-17**

**Census Tracts With Population At Risk of Indirect Displacement**

Census Tracts	Total No. of Renter-Occupied Units	Protected Housing Units		Unprotected Housing Units		Average Household Income of Census Tract	Average Household Income of Renter's in Unprotected Buildings
		# of Units	% of Total	# of Units	% of Total		
491	1,866	1,732	92.8	134	7.2	\$34,090	\$18,767
505	1,424	1,191	83.6	233	16.4	\$32,186	\$33,527
507	169	123	72.8	46	27.2	\$29,472	\$15,581
509	325	194	59.7	131	40.3	\$25,881	\$24,984
527	2,006	1,697	84.6	309	15.4	\$28,065	\$29,790
529	866	621	71.7	245 <sup>1</sup>	28.3	\$27,151	\$19,857
531	451	291	64.5	160 <sup>2</sup>	35.5	\$49,954	\$22,892
<b>Total</b>	<b>7,107</b>	<b>5,849</b>	<b>82.3</b>	<b>1,258</b>	<b>17.7</b>		

**Notes:** <sup>1</sup>Unprotected housing units in tract 529 totaled 490, but was reduced by 50 percent as discussed below.

<sup>2</sup>Unprotected units in tract 531 totaled 319, but reduced by 50 percent and then rounded to the nearest whole number

**Sources:** 2000 U.S. Census, Summary File 1 and Summary File 3

*Census Tracts 491 and 505*

Tract 505 is the most northeastern tract in the socioeconomic study area and tract 491 is the easternmost. The northernmost portion of tract 505 primarily consists of NYCHA public housing units (Williamsburg Homes), while The Lindsay Park Houses, a Mitchell-Lama development, is located in the southwestern portion of the tract, and crosses over into the northeastern portion of tract 491. Other land uses in these Census tracts consist mainly of multi-family and mixed residential/commercial related uses with some institutional and industrial uses. The assessment conducted above indicates that in tract 505 there are 233 unprotected units with 694 residents, and that average household incomes for renters in small buildings based on 1999 Census data is \$33,527 (\$43,328 in 2008 dollars), slightly below the 1999 Brooklyn average of \$35,844. However, as shown in Table 3-17, the average household income of residents in unprotected units is greater than that of all households in tract 505 (\$1,341 higher), indicating a wealthier population in unprotected units that are less likely to be vulnerable to indirect displacement.

In tract 491 there are 134 unprotected units with 399 residents, and the average household incomes for renters in small buildings is \$18,767 (\$24,253 in 2008 dollars), 47.6 per cent below the 1999 Brooklyn average of \$35,844. In both Census tracts existing market forces are likely to have a greater influence on rents than the Proposed Action itself would in these areas. In particular, many of these housing units are dominated by public and publicly-assisted housing, a condition that is likely to limit potential significant increases in rents in the limited number of unprotected units in these areas.

However, given post- 2000 real estate and development trends within the Census tracts and the surrounding neighborhoods (particularly Williamsburg to the north), it is likely that the 367 unprotected units have been turning over to newer residents of higher average household incomes, all of which are not reflected in 2000 Census average household income figures. Census 2000 data indicate that approximately 34 percent of households in these two Census tracts earn incomes similar to or higher than the Brooklyn average of \$35,844, including over 160 households that earn \$100,000 or more, annually. As both tracts are located in the northern portion of the study area, in very close proximity to Williamsburg proper as well as the JMZ, L, and G subway lines, it is assumed that residents living in this tract are more likely to have higher incomes, and therefore the population in these units is not at risk of indirect displacement. However, the estimated 1,094 residents in unprotected units in both tracts are conservatively assumed to contain a population currently at risk of displacement.

*Census Tracts 507 and 509*

Tracts 507 and 509 encompass the entirety of the Project Area. Land uses in these tracts are predominantly parking and auto-related uses, manufacturing and industrial uses, many vacant lots, single and multi-family buildings, and a few institutional uses such as public schools, and public open spaces. There are some retail uses located in the eastern portion of the tracts along Broadway, a major thoroughfare in the study area. As of the 2000 Census there are approximately 137 residents living in 46 unprotected units in tract 507. The population is primarily consists of low-income Hispanic residents and the average income of households in unprotected buildings is \$15,581 (\$20,136 in 2008 dollars), which is 56.5 percent lower than the Brooklyn average. However, approximately 32.7 percent of residents in this tract earn incomes similar to or greater than the Brooklyn average. There has been little new residential development in this portion of the study area due to the current zoning restrictions, allowing mainly manufacturing uses in this area. It is likely that the small number of housing units located in this tract have felt increased rental rates due to the influx of new development in the surrounding area. Nevertheless, it is conservatively assumed that these developments have not lead to indirect displacement, and that many of the approximately 137 residents could be considered part of a population potentially at risk of secondary displacement.

Tract 509 consists of a mix of Hispanic and Hasidic and/or Orthodox Jewish communities. There are approximately 390 residents living in 131 unprotected units, with an average household income of \$24,984 (\$32,288 in 2008 dollars), which is 30.3 percent less than the Brooklyn average. However, approximately 32.5 percent of residents in this tract earn incomes similar to or greater than the Brooklyn average. Due to the large amount of residential uses within this tract, rental increase pressures may be greater as this tract is located in closer proximity to Williamsburg, and the L subway line rendering it more desirable than tract 507. Relationships between landlords and tenants, which may be aided by strong ethnic and/or religious ties, appear to have shielded some vulnerable residents from substantial rent increases despite an influx of higher income residents into the study area. This is supported by Table 3-17, which shows that 52.9 percent of all renter-occupied units in tract 509 are unprotected, while Census 2000 data indicates that average household incomes of renters in small buildings are almost equivalent to those renters living in large buildings (\$24,984 and \$24,909, respectively), and not higher as is usually predicted. As tract 509 has a median household income of \$17,083, which is fairly low-income, this indicates a trend toward equal distribution of incomes among unprotected and protected units and the likelihood that many residents of unprotected units in this tract may indeed be shielded by ethnic or religious ties and are therefore not as likely to be indirectly displaced by the Proposed Action.

*Census Tract 527*

Tract 527 encompasses the northwestern portion of the socioeconomic study area. Land uses in this tract are predominantly multi-family residential with some mixed commercial/residential and a concentration of neighborhood retail establishments along Broadway. As of 2000, there were an estimated 921 residents living in 309 unprotected units. The population is primarily low-income and Hispanic. The average household income for renters in small buildings is \$29,790 (\$37,247 in 2008 dollars)—approximately 17 percent lower than the average for all Brooklyn renters, while 32 percent of the tract 527 earns more than the Brooklyn average. The housing stock includes a mix of small apartment buildings, one- and two-family homes, as well as larger tenement buildings. Approximately 407 new dwelling units have been constructed since 2000, a large number of which are likely to be new condominium developments that may be influencing rents for the unprotected units in this Census tract by introducing a newer residential population with higher average household incomes. It is conservatively assumed that these developments have not lead to indirect displacement, and that many of the 921 residents could be considered part of a population potentially at risk of secondary displacement. However, as shown in Table 3-17, renters in unprotected units earn higher average household incomes than the Census tract as a whole (\$1,725

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## Broadway Triangle

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higher), indicating that renters in these unprotected units are wealthier and therefore less likely to face increased rent pressures as a result of new development.

### *Census Tracts 529 and 531*

Census tract 529 is located within the westernmost portion of the Broadway Triangle study area. The majority of the tract primarily consists of multi-family residences, along with a number of single family residential uses, in addition to a mixture of industrial, commercial, and institutional land uses. Tract 529 and 531 are characterized by unique relationships between tenants and landlords in the area, which contains a large Hasidic and/or Orthodox Jewish population. In tract 529, renters in small buildings earned an average income of \$19,857 (\$24,827 in 2008 dollars)—43.0 percent lower than the Brooklyn average for all renters. As of 2000, there was an estimated 1,559 residents living in 490 unprotected units. In tract 531, renters in small buildings earned an average income of \$22,892 (\$28,622 in 2008 dollars)—34.3 percent lower than the Brooklyn average for all renters. In addition, this tract contains approximately 974 residents living in 327 unprotected units.

Since 2000, there has been a substantial increase in new residential units constructed. However, despite an active housing market both in and around tracts 529 and 531, the population living in unprotected units—a relatively ethnically homogenous, low-income group of residents—has remained in the area. Even in 2000, when the area had already experienced substantial changes in the real estate market that would indicate an influx of higher income residents, low-income residents continued to live in unprotected units. Similar to tract 509, relationships between landlords and tenants, which may be aided by strong ethnic and/or religious ties, appear to have shielded vulnerable residents from substantial rent increases despite an influx of higher income residents. Due to these conditions in tracts 529 and 531 and consistent with the approach employed in the *Flushing-Bedford Rezoning FEIS* (March 2001), it is estimated that only half of the legally unprotected units, approximately 245 units in tract 529 and 160 units in tract 531 (as shown in Table 3-17) would be at risk of indirect displacement pressure. The 405 total units conservatively assumed to be at risk have an estimated population of 1,207 residents who could be considered a potential population currently at risk of secondary displacement.

### *Conclusion: At-Risk Population*

The above analyses indicate that there are an estimated 1,258 unprotected units in the study area. Applying the study area's 94.5 percent occupancy rate from the Census, it is estimated that there are approximately 1,189 that are occupied. These units house an estimated 3,543 residents (applying 2000 study area average household size of 2.98) that could be potentially vulnerable to displacement. These residents account for approximately 6.7 percent of the study area population as of 2008.

## **FUTURE CONDITION WITHOUT THE PROPOSED ACTION**

This section describes the population and housing conditions that are expected in the future without the Proposed Action, and identifies development and population changes that are projected to occur in the study area through 2018. The analysis is based on projects known to be planned for the study area.

Where allowable under existing zoning or pursuant to BSA variances, the socioeconomic study area is experiencing an influx of new residential development. Absent the Proposed Action, the study area is expected to gain an additional ~~1,020~~ 1,068 residential units through 2018 (see Table 3-18) for a total of ~~18,276~~ 18,324 housing units. Overall, this is a ~~5.9~~ 6.2 percent increase from the number of units in 2008. This is based on known developments identified in the study area and is indicative of ongoing trends reflecting strong demand for rental and for-sale housing at various price levels. Based on the 2000 study

area average household size of 2.98, the study area will gain an estimated additional ~~3,040~~ 3,008 residents through 2018 without the Proposed Action, and increase of 5.7 percent.

**Table 3-18  
Population and Housing Growth: Future Condition Without the Proposed Action, 2008-2018**

	Housing Units				Population			
	2008 Housing Units	2008-2018 Planned Housing Units	Total 2018 No Action Housing Units	Percent Growth	2008 Population	2008-2018 Growth	2018 No Action Population Growth	Percent Growth
<b>Study Area</b>	17,256	<del>1,020</del> 1,068	<del>18,276</del> 18,324	<del>5.9</del> 6.2	52,909	<del>3,040</del> 3,008	<del>55,949</del> 55,917	5.7

**Notes:** Population growth was calculated by applying the 2000 study area average household size and vacancy rate of the study area to the number of housing anticipated to be added between 2008 and 2018.

**Sources:** U.S. Department of Commerce, Bureau of Census: 1990 and 2000 Census; New York City Department of Finance; Real Property Assessment Data 2008.

It is anticipated that the majority of new units will be rented or sold at the current market-rate value. As indicated by various residential real estate sources, existing market rate condominiums in Williamsburg and Bushwick are expected to cost between \$385,000 to over a million dollars. Current rents for available housing units in the area are significantly higher than median contract rents in 2000, as reported in the Census. Current apartment listings in the study area range from \$1,600 to \$3,700, approximately 64.3 percent higher than the median contract rent in 2000<sup>13</sup>. Thus, new units scheduled to be constructed by 2018 independent of the Proposed Action, would likely rent or sell at these prices or higher.

These new units also would include approximately ~~322~~ 370 affordable housing units for low- and low-moderate income households. These units would help to address the demand for this type of housing. Rents and income restrictions for occupants would be set by the guidelines of the programs under which such units are being developed. These would include both projects developed under programs administered by HPD and pursuant to Inclusionary Housing zoning regulations.

It is likely that by 2018 without the Proposed Action, some portion of the remaining vulnerable population identified in the study area could experience rent increases that in turn could result in secondary displacement. Further discussion of this at-risk population is presented below.

**FUTURE CONDITION WITH THE PROPOSED ACTION**

The analysis of the future with the Proposed Action considers the effects of the Proposed Action in the context of existing conditions and the future without the Proposed Action. This section analyzes the uses under the Proposed Action by 2018 and evaluates the potential for indirect residential displacement associated with those uses.

The Proposed Action would result in a net increase of 1,851 residential units to the study area, increasing the housing stock to ~~20,127~~ 20,175 units in 2018. This addition would increase the residential units by approximately 10.1 percent in the study area by 2018 as compared with the future without the Proposed Action. Based on the 2000 average household size for the study area (2.98), the Proposed Action would

<sup>13</sup> According to US Census Bureau, median contract rent is the middle value of the monthly rent agreed to or contracted for, regardless of any furnishings, utilities, fees, meals, or services that may be included. In addition, this figure is based on all area rents, including rent-controlled and rent-stabilized housing units, those of which are less frequently advertised. Although median contract rent is not directly comparable to current rental listings, the disparity between the median contract rent in 2000 and current listings indicate that there has been a notable increase in rents.

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add up to 5,516 residents to the study area by 2018, an incremental increase of 9.9 percent compared with the 2018 future without the Proposed Action population (see Table 3-19).

**Table 3-19**  
**Population and Housing Growth: With-Action Condition, 2018**

	Housing Units				Population			
	2018 No-Action Housing Units	Project Increment	Total 2018 With-Action Housing Units	Percent Growth	2018 No-Action Population	Project Increment	2018 With-Action Population	Percent Growth
<b>Study Area</b>	48,276 18,324	1,851	20,127 20,175	10.1	55,949 55,917	5,516	61,465 61,433	9.9

**Notes:** Population growth was calculated by applying the 2000 study area average household size and vacancy rate for the study area to the number of housing anticipated to be added between 2008 and 2018.

**Sources:** U.S. Department of Commerce, Bureau of Census: 1990 and 2000 Census; New York City Department of City Planning Division of Housing Economic Infrastructure and Planning data 2008; New York City Department of Finance; Real Property Assessment Data 2008.

In addition, all of the known development projects identified in the future No-Action condition combined with the Proposed Action would provide up to ~~4,227~~ 1,214 affordable housing units (~~42.7~~ 41.6 percent of all new units in the With-Action condition) for low- and low-moderate income households in the 2018 future With-Action condition. Of these affordable housing units, ~~905~~ 844 would be located within the Project Area as provided by the Proposed Action. These units would help to address the demand for this type of housing in the study area. As discussed above, rents and income restrictions for occupants would be set by the guidelines of the programs under which such units are being developed. These would include both projects developed under programs administered by HPD and pursuant to Inclusionary Housing ~~zoning~~ regulations.

According to the *CEQR Technical Manual*, indirect displacement of a residential population most often occurs when an action increases property values and thus rents throughout a study area, making it difficult for some existing residents to continue to afford to live in the community. The *Manual* states that:

If the proposed action may introduce a trend or accelerate a trend of changing socioeconomic conditions *and* if the study area contains population at risk, then it can be concluded that the action would have an indirect displacement impact. Understanding the action's potential to introduce or accelerate a socioeconomic trend is a function of the size of the development resulting from the action compared to the study area and the type of action (does it introduce a new use or activity that can change socioeconomic conditions in the study area)...Generally, if the proposed action would increase the population by less than 5 percent, it would not be large enough to alter socioeconomic trends significantly.

As indicated above, the Proposed Action would increase the study area by population by 5,516 persons, or 9.9 percent over the 2018 future without the Proposed Action condition. Although the *CEQR Technical Manual* does not suggest thresholds for determining the significance of indirect residential displacement impacts, it does say that an impact could generally be considered significant and adverse if "households or individuals would be displaced by legal means...they would not be likely to receive relocation assistance, and, given the trend created or accelerated by the Proposed Action, they would not be likely to find comparable replacement housing in their neighborhood."

As discussed above, this detailed analysis of the potential for indirect residential displacement impacts estimates that the study area contains approximately 1,189 occupied units (3,543 residents) in Census tracts 491, 505, 507, 509, 527, 529, and 531 that could be at risk of indirect displacement if their rents were to increase as a result of the Proposed Action. This would account for approximately 5.9 percent of

all units, and 5.8 percent of all residents, in the study area with the Proposed Action in 2018. While there are ongoing trends of increased rent pressures and it is possible that households occupying the 1,189 unprotected housing units identified above may have been subject to indirect displacement since the 2000 Census or could be in the future without the Proposed Action, the Proposed Action could potentially result in significant adverse impacts relating to indirect residential displacement. The Proposed Action could potentially lead to increased rent pressures that would adversely affect vulnerable residents in unprotected units.

Notwithstanding the significant adverse impact disclosed herein, there are several factors which may lessen the impact of the Proposed Action:

- **There is an existing trend toward increased rents that is expected to accelerate in the future without the Proposed Action.** Recent data show that there is already an existing trend toward rent increases due to post-2000 development. As evidenced through local real estate data, asking rents for rental units within the study area are considerably higher, particularly with respect to rental units closer to Williamsburg—a neighborhood that in recent years, has experienced an influx of new residential development consisting of market-rate and luxury rental units. Market pressures have in effect, spread to adjacent neighborhoods such as East Williamsburg, South Williamsburg, Bushwick, and Bedford-Stuyvesant. Census Tracts 491, 505, 507, 509, 527, 529, and 531, located in the northern portion of the study area (containing 1,189 at risk units) are those located closest to Williamsburg. Given their close proximity, it is likely that some vulnerable units already have been, or will be, displaced as a result of these existing market pressures.

Furthermore, as described above in Section E, 1990 and 2000 Census data indicate that within the Project Area, the poverty rate has decreased 73.6 percent between 1990 and 2000, while the median household income has increased 19.6 percent during that same period. Within the socioeconomic study area, the poverty rate has fallen by 5.0 percent while the median household income has increased by 9.4 percent between 1990 and 2000. This illustrates a shift in the socioeconomic profile of the neighborhood with a higher income population currently present in the study area. Therefore, increased market pressures in the area are the result of an existing trend spurred by the influx of higher income residents that would continue to exist in the future with or without the Proposed Action.

- **The Proposed Action would encourage a mix of market-rate and affordable housing.** The Proposed Action would introduce 1,851 units to the study area. As determined by the RWCDS, ~~905~~ 844 units (~~48.8~~ 45.6 percent) would be affordable through the redevelopment of city-owned property and utilization of the Inclusionary Housing program. The new residential population would likely mirror the economic diversity of the existing population in the study areas and would likely be more diverse than the population that will be introduced to the study areas in the future without the Proposed Action. As detailed below, this diverse new population and increased housing supply could help to relieve the trend toward increased rents in the study areas, rather than accelerate it. As discussed in Chapter 24, “Mitigation,” the ~~905~~ 844 affordable housing units generated by the Proposed Action, which would be rent protected units that would shield vulnerable populations from indirect displacement pressures unlike the existing unprotected units in the study area, would serve to partially mitigate the significant adverse indirect displacement impacts that potentially could occur as a result of the Proposed Action. Combined with the ~~322~~ 370 affordable housing units that would be provided by known future developments under the 2018 no-action condition a total of ~~1,227~~ 1,214 affordable units would be added to the study area by 2018.

The future No-Action condition, by contrast, is not expected to include additional affordable housing within the Project Area and residents of unprotected units would remain potentially

vulnerable to displacement pressures from the general trends of rising rents the area is experiencing.

- **The Proposed Action could serve to relieve, rather than increase market pressure in the study area.** Presently, there is a high demand for housing in the surrounding area due to its proximity to Manhattan, access to transit, and increased housing costs in nearby neighborhoods. The proposal would allow as-of-right residential development in an area that currently prohibits new residential uses. The development of new residential buildings in the proposed Broadway Triangle Project Area would increase the supply of both market rate and affordable housing in an area where housing demand is high.

## F. CONCLUSION

The Proposed Action could result in significant adverse indirect residential displacement impacts. It would not result in significant adverse socioeconomic impacts related to direct residential displacement, direct or indirect business and institutional displacement, or effects to specific industries. Conclusions related to each of the five areas of potential socioeconomic impact, as outlined in the *CEQR Technical Manual*, are summarized below.

### DIRECT RESIDENTIAL DISPLACEMENT

Under the RWCDS, the Proposed Action has the potential to directly displace 13 residential units, housing 39 residents. However, no significant impacts due to potential direct displacement is expected to occur as a result of the Proposed Action. Based on the guidelines in the *CEQR Technical Manual*, the potential displacement of these residents would not result in a significant adverse impact because they do not represent a significant proportion of the study area population, they do not likely have socioeconomic characteristics that differ markedly from the study area population as a whole, and the Proposed Action would not result in the loss of any population group within the neighborhood or alter neighborhood character.

In addition, if direct displacement were to occur due to the purchase of such properties by the city or through eminent domain, the City Relocation Rule would take effect. The city rule, like the federal Uniform Relocation Act, was written to compensate residential and commercial tenants who are forced to relocate because of governmental acquisition of real property for a public purpose. The City Relocation Rule, 28 RCNY §18-04 governs "relocation practices and benefit payments for those eligible site occupants who are displaced from public improvements and quasi-public sites or from urban renewal sites which are not federally assisted". The rule mandates that HPD provide monetary and other benefits to eligible "displaced persons". A "displaced person" includes any residential or commercial occupant that is "displaced or moves from real property after the date of acquisition of the real property for the site or project". The eligibility requirements for relocation benefits are: 1) the real property in which the person resides or does business must have been acquired by the city and the person must have moved because of the acquisition, 2) the person must have been an occupant on the date title vested, and 3) displacement was made necessary by the city's acquisition of the real property.

In conclusion, although the potential for direct residential displacement exists, no significant impacts are expected to occur as a result of the Proposed Action because the projected development sites are expected to be redeveloped and expanded. In addition, if direct displacement of these units were to occur, the housing would be replaced in the future with the Proposed Action with 1,851 dwelling units, ~~905~~ 844 (49 46 percent) of which would be affordable units.

**INDIRECT RESIDENTIAL DISPLACEMENT**

Within the study area there are an estimated 3,543 residents living in 1,189 units that are currently vulnerable to indirect displacement due to increased rents. The Proposed Action could initiate a trend toward increased rents in the study area. Although there are ongoing trends of increased rent pressures in the study area and the adjacent Williamsburg and Bushwick neighborhoods, the Proposed Action's contributions to rent pressures in the study area could be significant. As discussed in Chapter 24, "Mitigation," the provision of new housing, particularly 905 844 new affordable housing units that would be rent protected, in addition to the 370 affordable units in the No-Action condition, for a total of 1,214 affordable units that would provide partial mitigation for these impacts.

**DIRECT BUSINESS AND INSTITUTIONAL DISPLACEMENT**

~~This~~ ~~The~~ analysis was done for the Proposed Actions in accordance with the *CEQR Technical Manual*. However, since it is not possible to determine with certainty the future actions of any private property owner, sites are analyzed to illustrate a potential and conservative assessment of the effects of the ~~P~~proposed ~~A~~action on sites considered likely to be redeveloped based on known information, as described in the description of the RWCDs in Chapter 1, "Project Description". Under *CEQR*, displacement of a business or group of businesses is not, in and of itself, necessarily considered a significant adverse impact. Rather, the *CEQR Technical Manual* provides a framework to analyze the effects of displacement by asking whether the businesses in question have "substantial economic value to the city or region" or "contribute substantially to a defining element of neighborhood character." While all businesses contribute to neighborhood character and provide value to the city's economy, the analysis methodology in the *CEQR Technical Manual* seeks to determine whether displacement of a single business or group of businesses would rise to a level of significance in terms of impact on the city's or the area's economy, or the character of the affected neighborhood.

As shown in Table 3-3, 14 projected development sites contain 19 businesses with an estimated 138 employees. If these sites are redeveloped as assumed under the RWCDs, it is possible that these existing firms could be displaced, subject to lease terms and agreements between private firms and property owners existing at the time of redevelopment. The businesses that could be displaced conduct a variety of business activities. Although the potentially displaced firms each contribute to the city's economy and therefore have economic value, the products and services they provide are widely available in the area and the city and would still be available to consumers as many other existing businesses would remain and firms providing similar products and services would still be available in the surrounding area.

Based on the guidelines in the *CEQR Technical Manual*, the direct displacement of these businesses would not result in a significant adverse impact.

**INDIRECT BUSINESS AND INSTITUTIONAL DISPLACEMENT**

The Proposed Action would not result in significant adverse impacts due to indirect business and institutional displacement. The Proposed Action would increase business opportunities related to residential uses as new housing is developed in the study area. New housing would also increase demand for resident-oriented services. There is already a trend toward increased demand for such services within the study area, and the ~~P~~proposed ~~A~~actions would not significantly alter or accelerate this ongoing trend. Businesses currently vulnerable to indirect displacement due to the ongoing trends in the study area—primarily industrial businesses that do not capture residential consumer spending—would continue to face displacement pressures. And while all businesses contribute to neighborhood character and provide value to the city's economy, the loss of potentially vulnerable businesses would not rise to a level of significance in terms of its impact on the city's or area's overall economy.

In addition, as discussed above, HPD projects that approximately 1,513 new temporary construction jobs would be added to the study area over the course of the analysis period, by 2018. Although these jobs provide only temporary employment within the study area, construction on the proposed development sites are likely to take place in phases over a number of years. Therefore, these new temporary workers could provide a customer base for the proposed new commercial uses expected to exist in the study area in the future with the Proposed Action.

### **ADVERSE EFFECTS ON SPECIFIC INDUSTRIES**

The potentially displaced businesses vary and are not concentrated within a significant business sector. Neither are the businesses subject to displacement essential to the survival of other industries outside of the study area, as they do not serve as the sole provider of goods and services to an entire industry or category of business in the city. Therefore, the potential displacement of these businesses would not result in significant adverse socioeconomic impacts.

## **G. NEPA ASSESSMENT**

### **RESIDENTIAL AND COMMERCIAL DISPLACEMENT**

As discussed above, the Proposed Action would not result in significant adverse impacts associated with direct residential displacement. Under the RWCDS, the Proposed Action has the potential to directly displace 13 residential units housing 39 residents through new development on the sites containing existing housing or through eminent domain. As also discussed above, if unexpected direct displacement were to occur due to the purchase of such properties by the city or through eminent domain, the City Relocation Rule would take effect.

Significant adverse indirect residential displacement impacts identified under CEQR potentially could occur as a result of the Proposed Action. However, the Proposed Action would introduce approximately ~~905~~ 844 units of affordable housing and that would partially mitigate the impact of the Proposed Action and could potentially relieve market pressure by increasing the supply of housing in an area where housing demand is currently high. The potential indirect residential displacement that may occur as a result of the Proposed Action would not be considered an impact for the purposes of NEPA.

The Proposed Action may result in the direct displacement of 19 businesses. In the event that federal funding from the US Department of Housing and Urban Development is used for the redevelopment of the sites, the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and the applicable implementing regulations set forth in Title 49, Part 24 of the Code of Federal Regulations (collectively, the “Uniform Act”) would apply. In general, tenants who are displaced by any federally-funded development will be afforded all rights and benefits available under the URA and any other applicable law. Displaced owner-occupants are compensated for the value of their property and fixtures through the NYS eminent domain process and may also be entitled to additional benefits under the relocation benefit laws and regulations.

The Uniform Act covers the appraisal and acquisition of real property, relocation services, moving payments, replacement housing payments, and other allowable payments related to commercial and residential moving costs and displacement. The Uniform Act’s protections and assistance apply to persons displaced by the acquisition, rehabilitation, or demolition of real property for federal or federally-funded projects (such as HOME-funded projects).

If and when Uniform Act's requirements apply, displaced residents would be eligible to receive relocation advisory services, reimbursement for moving expenses, and/or payments for the added cost of renting or purchasing comparable replacement housing. Displaced persons do not include those who are not required to relocate permanently as a direct result of a project. Determination of displaced persons will be made by HPD in accordance with any guidelines established by the Federal Agency funding the project (HUD).

Businesses displaced in connection with the designation of an urban renewal site would be afforded relocation and planning advisory services under the Uniform Act. Under the Uniform Act, HPD would be required to determine the relocation needs and preferences of displaced businesses and to provide an explanation of relocation payments and other assistance for which a displaced business may be eligible, the related eligibility requirements and the procedures for obtaining such assistance. Displaced businesses would also be afforded relocation payments and information related to the availability of other sites, purchase prices and rental costs of suitable commercial locations.

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