

A. INTRODUCTION

The Proposed Actions would result in the development of affordable and market-rate housing (up to 1,350 dwelling units in total), approximately 17,500 gross square feet (gsf) of retail uses, the relocation and expansion of the P.S. 51 public school, and a total of up to 204 accessory parking spaces. In order to facilitate the proposed development, two buildings on the Project Site (a vacant industrial building and a stable) would be demolished, an existing rail cut would be decked over, parking lots would be redeveloped, and the existing school would be converted to residential use.¹

One of the primary issues concerning socioeconomic conditions is the involuntary displacement of residents, businesses, and institutions (and their associated employment). The Project Site contains two businesses and employment associated with those businesses which would be directly displaced. In addition, the Proposed Actions would introduce substantial new development, which could indirectly affect local real estate trends. For these reasons, an assessment is warranted to determine whether the Proposed Actions could cause significant adverse impacts on socioeconomic conditions.

In accordance with the guidelines in the *2001 City Environmental Quality Review (CEQR) Technical Manual*, this chapter evaluates five specific factors that could lead to significant adverse socioeconomic impacts in an area: (1) direct displacement of a residential population; (2) direct displacement of existing businesses and institutions; (3) indirect displacement of a residential population; (4) indirect displacement of businesses and institutions; and (5) adverse effects on specific industries.

Following this introduction and the chapter's principal conclusions, the rest of the chapter is organized as follows:

- Section B provides an overview of the methodology utilized in assessing potential socioeconomic impacts; and
- Section C presents the preliminary assessments of direct and indirect residential displacement, direct and indirect business and institutional displacement, and potential adverse effects on specific industries.

PRINCIPAL CONCLUSIONS

By 2013, the Proposed Actions would not result in significant adverse impacts measured by the five socioeconomic areas of concern prescribed in the *CEQR Technical Manual*.

¹ The existing school would function as a school until the new, expanded school is operational.

DIRECT RESIDENTIAL DISPLACEMENT

Since the Project Site does not contain any dwelling units, the Proposed Actions would not directly displace a residential population.

DIRECT BUSINESS DISPLACEMENT

The Proposed Actions would not result in significant adverse impacts due to direct business displacement. The Proposed Actions would directly displace two businesses currently located on the Project Site: a public parking lot, with an estimated 10 employees; and a horse stable, with an estimated 10 employees.

While the potentially displaced businesses both contribute to the City's economy and therefore have economic value, they do not have substantial economic value to the City or region as defined by CEQR. Study area businesses and consumers are not dependent upon the potentially displaced businesses for their business or consumer needs, and the potentially displaced businesses do not substantially contribute to neighborhood character in a socioeconomic sense. Parking services are available to residents, visitors, and consumers at other locations within the study area. The loss of the horse stable and its 10 employees would not adversely affect neighborhood character, and would not result in the displacement of other area businesses which in turn could alter the character of the neighborhood.

INDIRECT RESIDENTIAL DISPLACEMENT

The Proposed Actions would not result in significant adverse impacts due to indirect residential displacement. By 2013, the Proposed Actions would increase the study area's population by an estimated 2,606 residents, or a 9.7 percent increase over the Future without the Proposed Actions conditions.¹ Approximately half of these residents (between 1,255 and 1,448 residents) would live in the 650 to 750 market-rate units contemplated under the Proposed Actions. The remaining half (1,158 to 1,351 residents) would be living in the 600 to 700 affordable units contemplated under the Proposed Actions. Given the diversity of incomes and unit prices that would be introduced, the Proposed Actions would not generate a dramatic demographic shift that could substantially affect area rents or the socioeconomic characteristics of the study area.

INDIRECT BUSINESS AND INSTITUTIONAL DISPLACEMENT

The Proposed Actions would not result in significant adverse impacts due to indirect business or institutional displacement. The Proposed Actions would introduce a combination of residential, neighborhood retail, and community facility uses, none of which would be new economic activities in the study area. The study area has a well-established residential market; since 2000 there have been approximately 2,703 units built in the study area, and there are plans for an additional 3,380 units by 2013 in the Future Without the Proposed Actions. The overall study area trend toward residential development, and the economic activities associated with residential demand, will occur irrespective of the Proposed Actions.

The Proposed Actions would not offset positive trends in the study area, impede efforts to attract investment, or create a climate for disinvestment. To the contrary, the Proposed Actions would

¹ Project-generated population estimate is based on the study area's average household size (1.93 persons per household) from the 2000 Census.

introduce a new residential population, create affordable housing, generate new employment opportunities, and add to existing community facility and neighborhood retail space in order to meet the growing demands of the neighborhood.

ADVERSE EFFECTS ON SPECIFIC INDUSTRIES

The Proposed Actions would not result in significant adverse impacts on any specific industry in New York City. The two potentially displaced businesses located on the Project Site represent two different industries, and their employees account for only a small fraction of the total employment within their respective employment sectors. The parking industry, and all industries that rely on parking, would remain viable in the Future with the Proposed Actions. The horse-drawn carriage industry also would remain viable in the Future with the Proposed Actions. Conservatively assuming that the displaced stable is not relocated, many of the horses formerly boarded at the displaced stable could be boarded at other stables in Manhattan. The overall loss of stable capacity may reduce the total number of horse-drawn carriage operators, but not to a level that would jeopardize the viability of the horse-drawn carriage industry in the City. The impact on the horse-drawn carriage industry would not be significant, and would not have an adverse effect on the broader New York City tourism industry.

B. METHODOLOGY

CEQR REVIEW

As mentioned previously, the CEQR socioeconomic assessment considers the potential for significant adverse impacts with respect to the following five issues of concern: (1) direct residential displacement; (2) direct business and institutional displacement; (3) indirect residential displacement; (4) indirect business and institutional displacement; and (5) adverse effects on specific industries.

Direct displacement is defined as the displacement of residents, businesses, or institutions from the actual site of (or sites directly affected by) a proposed project or action. Examples include proposed redevelopment of a currently occupied site for new uses or structures, or a proposed easement or right-of-way that would take a portion of a parcel and thus render it unfit for its current use. Since the occupants of a particular site are usually known, the disclosure of direct displacement focuses on specific businesses and employment, and an identifiable number of residents and workers.

Indirect or secondary displacement is defined as the involuntary displacement of residents, businesses or employees in an area or close to a project site that results from changes in socioeconomic conditions created by a proposed project. Examples include rising rents in an area that result from a new concentration of higher-income housing introduced by a proposed project, which ultimately may make existing housing unaffordable to lower income residents; a similar turnover of industrial to higher-rent commercial tenancies induced by the introduction of a successful office project in an area; or the flight from a neighborhood that can occur if a proposed project creates conditions that break down the community (such as a highway dividing the area).

Even where a proposed project does not directly or indirectly displace businesses, they may affect the operation of a major industry or commercial operation in the City. In these cases, CEQR review may assess the economic impacts of the project on the industry in question.

DETERMINING WHETHER A SOCIOECONOMIC ASSESSMENT IS APPROPRIATE

Under CEQR, socioeconomic assessments should be conducted if a project may be reasonably expected to create substantial socioeconomic changes within the area affected by the project that would not be expected to occur without the project. According to the *CEQR Technical Manual*, there are five circumstances that would typically require a socioeconomic assessment:

- The project would directly displace residential populations so that the socioeconomic profile of the neighborhood would be substantially altered.
- The project would directly displace substantial numbers of businesses or employees, or it would directly displace a business or institution that is unusually important as follows:
 - It has a critical social or economic role in the community and would have unusual difficulty in relocating successfully;
 - It is of a type or in a location that makes it the subject of other regulations or publicly adopted plans aimed at its preservation;
 - It serves a population uniquely dependent on its services in its present location; or
 - It is particularly important to neighborhood character.
- The project would result in substantial new development that is markedly different from existing uses, development, or activities within the neighborhood. Such a project could lead to indirect displacement. Typically, projects that are small to moderate in size would not have significant socioeconomic effects unless they are likely to generate socioeconomic conditions that are very different from existing conditions in the area. Residential development of 200 units or less or commercial development of 200,000 square feet or less would typically not result in significant socioeconomic impacts.
- Notwithstanding the above, the project may affect conditions in the real estate market not only on the site anticipated to be developed, but also in a larger area. When this possibility cannot be ruled out, an assessment may need to be undertaken to address indirect displacement. This project can include those that would raise or lower property values in the surrounding area.
- The project may adversely affect economic conditions in a specific industry.

If a project would exceed any of these initial thresholds, an assessment of socioeconomic conditions is generally appropriate. The Proposed Actions' residential component is well in excess of the 200-unit CEQR threshold, and therefore, a socioeconomic assessment was conducted.

ANALYSIS FORMAT

This chapter follows the analytical framework established in Chapter 3B of the *CEQR Technical Manual*. In conformance with *CEQR Technical Manual* guidelines, the analysis begins with a preliminary assessment. The purpose of the preliminary assessment is to learn enough about the effects of the Proposed Actions to either rule out the possibility of significant adverse impacts or to determine that a more detailed analysis will be required to resolve that question.

For all of the five areas of socioeconomic concern—direct residential displacement, direct business displacement, indirect residential displacement, indirect business displacement, and adverse effects on specific industries—a preliminary assessment was sufficient to conclude that

the Proposed Actions would not result in any significant adverse impacts on socioeconomic conditions.

STUDY AREA

A study area is defined as the area most likely to be affected by a proposed project. Following the guidelines of the *CEQR Technical Manual*, the study area for the socioeconomic analysis (shown in **Figure 3-1**) is similar to the study area defined in Chapter 2, “Land Use, Zoning, and Public Policy.” This socioeconomic study area is referred to as the “¼-mile study area” or “study area.” In accordance with *CEQR Technical Manual* guidelines, the exact boundaries of the ¼-mile study area were modified to match the census tract boundaries that most closely delineate a ¼-mile radius surrounding the Project Site. Census tracts that straddle the ¼-mile boundary were included or excluded depending on what proportion of the tract fell within ¼ mile of the Project Site (i.e., tracts with more than 50 percent of the tract area within this study area were included). By conforming to census tract boundaries, the socioeconomic analysis more accurately applies census data to depict the demographic characteristics of the surrounding area. The socioeconomic study area contains the following Census Tracts: 117, 121, 127 and 129.

DATA SOURCES

RESIDENTIAL DISPLACEMENT

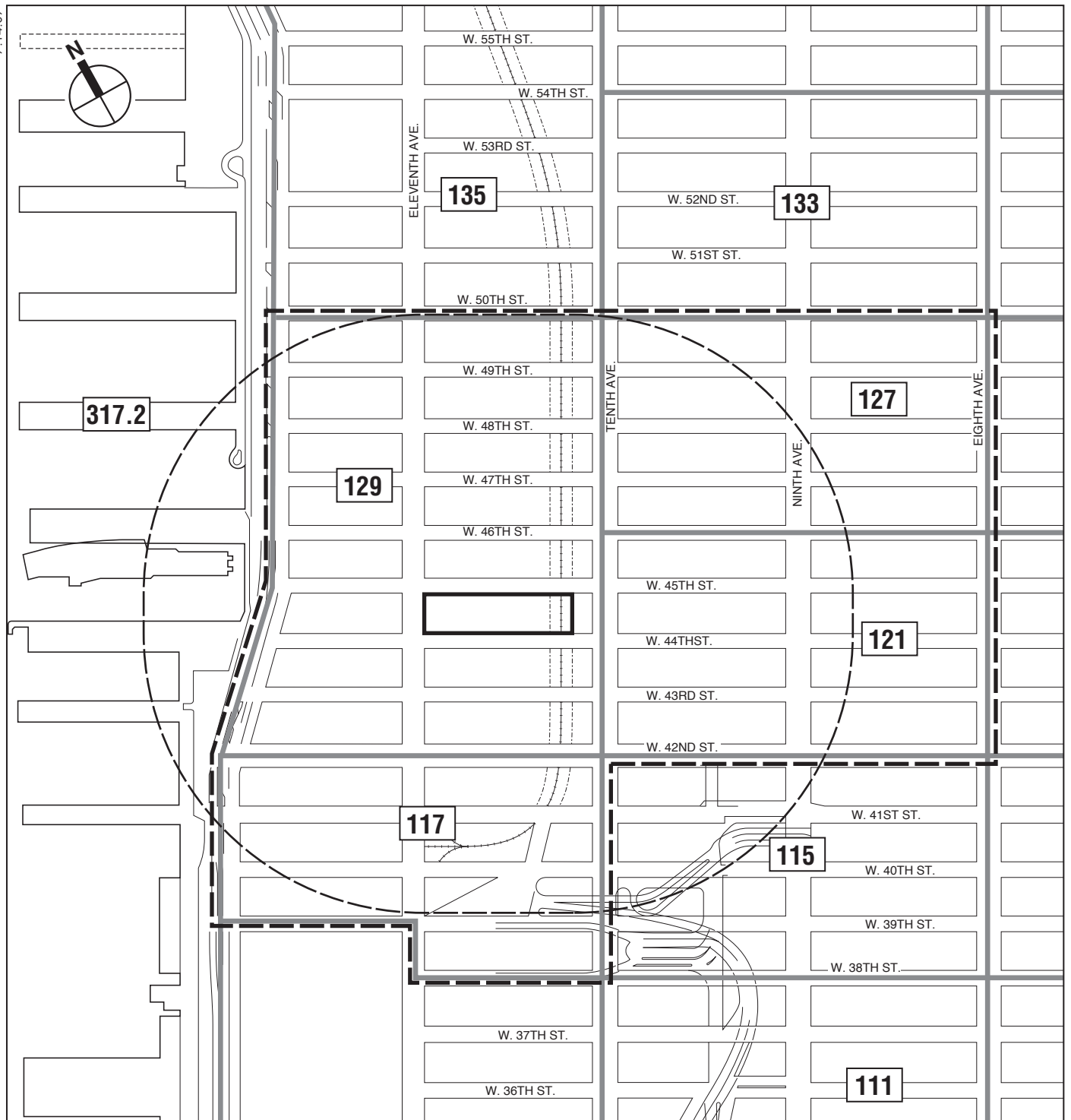
The residential displacement analyses are based primarily on data from the 1990 and 2000 U.S. Census, updated wherever possible to reflect 2008 conditions. Demographic census data have been grouped for the socioeconomic study area by the following census characteristics:

- Total population and age of population;
- Household and income characteristics, including total households, average household size, median 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 and median home value.

Because the census is performed every decade, baseline—or 2008 conditions—also are characterized based on trends and more current data. Estimates of the number of housing units that were developed between 2000 and 2007 were obtained from the New York City Department of Finance Real Property Assessment Data (RPAD). In order to provide a more accurate picture of current market rate rents and trends in the study area, information was gathered from *The New York Times*, and other real estate Web sites such as trulia.com and citihabitats.com.

BUSINESS/INSTITUTIONAL DISPLACEMENT

The assessments of business and institutional displacement begin with an analysis of employment trends in the study area, in Manhattan and New York City as a whole. Employment data were gathered for each census tract in the ¼-mile study area. Estimates of the number of businesses and employment by industry were obtained from ESRI Business Analyst, a private data provider. Information on the real estate market in the study area, the surrounding area, and Manhattan as a whole was gathered from online real estate brokerages and field surveys conducted in December 2008.



- Project Site*
- 1/4-Mile Perimeter*
- Socioeconomic Study Area Boundary*
- 135 *Census Tract Number*

0 400 1000 FEET
SCALE

Socioeconomic Conditions
Figure 3-1

ADVERSE EFFECTS ON SPECIFIC INDUSTRIES

The analysis of effects on specific industries is based on much of the same data used in the assessments of business and institutional displacement. Information about the horse-drawn carriage industry was obtained from newspaper articles and online sources, such as industry web sites. This information was supplemented by interviews with stable operators.

C. PRELIMINARY ASSESSMENT

DIRECT RESIDENTIAL DISPLACEMENT

Since the Project Site does not contain any dwelling units, the Proposed Actions would not directly displace any residents. Therefore, the Proposed Actions would not result in significant adverse impacts due to direct residential displacement, and no further analysis of this issue is required.

DIRECT BUSINESS AND INSTITUTIONAL DISPLACEMENT

The following section evaluates whether the Proposed Actions would result in significant adverse impacts due to direct business and institutional displacement. Direct displacement is the involuntary displacement of a business or institution from the site of a proposed project.

PROFILE OF DIRECTLY DISPLACED BUSINESS ACTIVITIES

The Proposed Actions would directly displace two businesses currently located on the Project Site: a public parking lot and a horse stable. The parking lot contains a total of 300 spaces and employs an estimated 10 workers. The second business, Shamrock Stables (referred to as “the horse stable”), is a facility used to accommodate approximately 30 horses used for recreational horse-drawn carriage rides in and around Central Park. Shamrock Stables employs an estimated 10 workers.¹

The Proposed Actions also would result in the displacement of approximately 50 parking spaces used by the traffic enforcement unit of the New York Police Department (NYPD). The NYPD is a government agency and, as such, the displacement of this parking use is not the subject of direct displacement analysis under CEQR, since it is expected that government agencies will continue to operate with or without the Proposed Actions.

CEQR ASSESSMENT CRITERIA

The preliminary assessment of direct business and institutional displacement examines the employment and business value characteristics of the affected businesses to determine the significance of the potential impact. According to section 321.2 of the *CEQR Technical Manual*, the following circumstances (listed in italics below) are considered to determine the potential for significant adverse impacts:

¹ The employment estimate for Shamrock Stables does not include the carriage-drivers who rent space in the stable, as their work is largely performed outside the study area and their employment is not uniquely dependent on the services provided by Shamrock Stables. The employment estimate accounts for barn hands and others who directly work for the stable.

1. If the businesses and institutions in question have a substantial economic value to the City or region and can only be relocated with great difficulty or not at all.

As set forth in the *CEQR Technical Manual*, the consideration of a business's economic value is based on its products and services; its location needs, particularly whether those needs can be satisfied at other locations; and the potential effects on business or consumers of losing the displaced business as a product or service.

While the potentially displaced businesses provide value to the City's economy, their products and services do not have a substantial economic value to the City or region as defined by CEQR. By means of providing a parking amenity to patrons of businesses in the study area, the potentially displaced parking lot indirectly supports other area businesses. However, there are 10 other off-street parking facilities located within 1/4 mile of the Project Site (nine garages and one other surface parking lot), mostly concentrated along West 42nd and West 43rd Streets between Tenth and Eleventh Avenues. Therefore, parking services would still be available to patrons of the study area in the Future with the Proposed Actions, and the loss of public parking on the Project Site would not jeopardize other study area businesses. The parking lot does not employ a substantial amount of workers, so in the scale and nature of its use, it does not define the character of the neighborhood. Finally, the parking lot is not uniquely dependent on its location in the study area for its viability; parking businesses are viable throughout the City.

The horse stable currently boards horses used for horse-drawn carriage rides in Central Park and surrounding areas. While this is a service that supports and contributes to the City's tourism economy, the services provided by the displaced horse stable does not have substantial economic value to the region or City as defined by CEQR. As detailed under the "Adverse Effects on Specific Industries" section, similar boarding services are provided by a nearby horse stable within the study area: Chateau Stables, located at 608 West 48th Street, is approximately 5,000 square feet in size, accommodating horses used for similar horse-drawn carriage rides. In addition, study area businesses and consumers would not be adversely affected by the loss of the stable's boarding services. The stable supports an economic activity (carriage rides primarily for tourists) that occurs outside the study area, and is not critical to the success of study area businesses. The "Adverse Effects on Specific Industries" assessment below describes the potential effects on the New York City horse carriage industry.

2. If a category of businesses is the subject of other regulations or publicly adopted plans to preserve, enhance, or otherwise protect it.

As discussed in Chapter 2, the Proposed Actions would be consistent with the public policies that currently govern the site and surrounding area.

3. If the business or institution defines or contributes substantially to a defining element of neighborhood character (or a substantial number of businesses or employees would be displaced that collectively define the character of the neighborhood).

The two potentially displaced businesses do not define or contribute substantially to a defining element of neighborhood character. As described in Chapter 2, the study area is largely located within the Special Clinton District (see Figure 2-2), the goals of which are to promote the residential character of the area, preserve the small-scale character of retail services, and to recognize the eastern edge of the District as an integral part of the Theater Subdistrict within the Special Midtown District and Special Clinton District. As such, some of the smaller businesses found in the eastern half of the study area (roughly east of Tenth Avenue) include small delis, bars, restaurants, pet

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services, and entertainment venues—likely catering to the local residential and visitor population. Other commercial uses include a fitness club, a few auto repair shops, and a hardware store.

The western half of the ¼-mile study area (roughly west of Tenth Avenue) is largely commercial and industrial in nature, spotted by several large scale residential structures. The Project Site itself is located within part of a larger M1-5 manufacturing district. In general, businesses found in this half of the study area consist of commercial, parking and utility uses. As such, the potential displacement of the parking lot located on the Project Site would not in and of itself constitute an adverse effect on the overall neighborhood character. The estimated 10 employees account for an estimated 0.1 percent of study area employment (see **Table 3-1**).

Table 3-1
Study Area Businesses and Employees, 2008 Estimate

Type of Business by NAICS Category	Businesses		Employees	
	Number	Percent	Number	Percent
Agriculture, Forestry, Fishing and Hunting	0	0.0	0	0.0
Mining	0	0.0	0	0.0
Utilities	2	0.1	2	0.0
Construction	88	4.6	616	3.5
Manufacturing	43	2.3	537	3.1
Wholesale Trade	39	2.1	284	1.6
Retail Trade	214	11.3	2,120	12.0
Transportation and Warehousing	143	7.5	302	1.7
Information	119	6.3	563	3.2
Finance and Insurance	38	2.0	1,289	7.3
Real Estate and Rental and Leasing	97	5.1	524	3.0
Professional, Scientific, and Technical Services	143	7.5	4,065	23.1
Management of Companies and Enterprises	1	0.1	200	1.1
Administrative and Support and Waste Management and Remediation Services	122	6.4	434	2.5
Educational Services	37	1.9	393	2.2
Health Care and Social Assistance	60	3.2	436	2.5
Arts, Entertainment, and Recreation	87	4.6	709	4.0
Accommodation and Food Services	249	13.1	2,781	15.8
Other Services (except Public Administration)	196	10.3	1,974	11.2
Public Administration	11	0.6	0	0.0
Unclassified Establishments	213	11.2	371	2.1
Total	1,902	100.0	17,600	100.0
Sources: ESRI Business Analyst, Inc. 2008.				

While the horse stable contributes to the feel of the study area, it does not define the overall neighborhood character. The estimated 10 jobs associated with the stable account for 0.1 percent of the total study area employment (see **Table 3-1**). In addition, the horse stable does not support the economic viability of other businesses located in the area, and therefore the displacement of this business would not result in the displacement of other area businesses which in turn could alter the character of the neighborhood.

CONCLUSION

This assessment finds that the Proposed Actions would not result in significant adverse impacts due to direct business and institutional displacement. No further analysis of this issue is necessary.

INDIRECT RESIDENTIAL DISPLACEMENT

The analysis of indirect residential displacement considers whether the Proposed Actions would increase property values and subsequently rents in the study area, making it difficult for some existing residents to afford their homes. The preliminary assessment is based on the screening criteria

outlined in Section 322.1 of the *CEQR Technical Manual*, which describe circumstances that can generate potentially significant impacts. This section first presents a demographic profile of the study area, and is followed by responses to the CEQR assessment criteria, which are numbered in italics.

DEMOGRAPHIC PROFILE OF THE PROJECT STUDY AREA

As shown in **Table 3-2**, the study area contained approximately 20,363 residents in 2000—an increase of 7.6 percent since 1990. This growth in population over the decade was higher than the overall growth in Manhattan (3.3 percent), but slightly lower than the overall growth for New York City (9.4 percent) over the same period. There were a total of 12,414 housing units in the study area as of 2000 (see **Table 3-3**). According to more recent RPAD data, there were approximately 16,502 residential units as of December 2007, indicating there has been an overall increase in the total number of residents between 2000 and 2007.

Table 3-2
Population and Income Characteristics
Study Area, Manhattan and New York City

	Total Population					Median Household Income ^{2&3}			Poverty Status		
	1990	2000	2007 Estimate ¹	% Change 1990-2000	% Change 2001-2007	1989	1999	% Change	1990	2000	% Change
Study Area	18,918	20,363	NA	7.6	NA	\$46,002	\$58,136	26.4	19.2	16.0	-16.7
Manhattan	1,487,536	1,537,195	1,620,867	3.3	5.4	\$57,746	\$62,112	7.6	20.5	20.0	-2.4
New York City	7,322,564	8,008,278	8,274,527	9.4	3.3	\$53,380	\$50,573	-5.3	19.3	21.2	9.8

Notes: ¹2007 New York County and New York City population estimates are from the U.S. Census Bureau's "Table 1: Annual Estimates of the Population for Counties of New York: (April 1, 2000 to July 1, 2007);" Census 2007 population estimates are not available because the Census 2007 population estimates are not available at the census tract level. ²Median household income for the study area was estimated based on a weighted average of median household incomes for the Census tracts in the study area. ³ All dollars presented in constant 2008 dollars using the US Department of Labor's 2008 Consumer Price Index for the "New York-Northern New Jersey-Long Island area."

Sources: U.S. Census Bureau, 1990 and 2000 Census, Summary File 1, Summary File 3; New York City Department of Finance; RPAD; 2008, AKRF; Inc.

Table 3-3
Housing Unit Characteristics
Study Area, Manhattan and New York City

	Total Housing Units					2000 Vacancy Rate		2000 Tenure, All Occupied Units	
	1990	2000	2007 Estimate ¹	% Change 1990-2000	% Change 2001-2007	% Occupied	% Vacant	% Owner Occupied	% Renter Occupied
Study Area	12,424	12,414	NA	-0.1	NA ¹	93.2	6.8	9.8	90.2
Manhattan	785,127	798,144	844,343	1.7	5.8	92.5	7.5	20.1	79.9
New York City	2,992,169	3,200,912	3,325,824	7.0	3.9	94.4	5.6	30.2	69.8

Notes: ¹2007 New York County and New York City population estimates are from the U.S. Census Bureau's "Table 1: Annual Estimates of Housing Units for Counties of New York (April 1, 2000 to July 1, 2007);" Updates to the total number of housing units are not available on a census tract level, and therefore are not presented for the study area.

Sources: U.S. Department of Commerce, Bureau of the Census, 1990 and 2000 Census, and Annual Estimates of Housing Units for Counties in New York; Summary File 1; New York City Department of Finance; RPAD, 2008; AKRF, Inc..

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The 1999 median household income within the study area was an estimated \$58,136 (in 2008 dollars); lower than the median household income for Manhattan (\$62,112), though slightly higher than New York City as a whole (\$50,573; see **Table 3-2**). There was a 26.4 percent increase in median household income within the study area between 1989 and 1999, in contrast to the single-digit percentage increase for Manhattan (7.6 percent). In 2000, approximately 16.0 percent of residents in the study area were living below the poverty level, compared with 20.0 percent in Manhattan, and 21.2 percent in New York City as a whole. Between 1990 and 2000, the number of study area residents living in poverty decreased by 16.7 percent.

HOUSING PROFILE

As shown in **Table 3-3**, changes in the study area's housing stock between 1990 and 2000 resulted in a net decrease of 10 units (a 0.1 percent decline), while Manhattan and the City increased its housing stock by 1.7 and 7.0 percent, respectively. Since 2000, the total number of housing units in the study area has increased. RPAD data indicated there were over 16,000 housing units in the study area in 2007, which is notably higher than the total number estimated by the Census in 2000 (12,414 units). Several major residential projects have been constructed in the study area since 2000, including River Place I and The New Gotham—containing a combined total of 1,296 units—located to the southwest of the Project Site. A total of 33 units were built at 530 West 47th Street, located just north of the Project Site.

The study area contains a mixture of both high and low-rise residential structures, primarily concentrated within the eastern half of the study area, mainly east of Tenth Avenue. Within this portion most of the older residential buildings are three- to four-story walkups, while newly constructed residential buildings, particularly those built after 2000, stand between 6 and 59 stories in height. Overall, newly constructed larger buildings can be typically found along Tenth and Eleventh Avenues, and along West 42nd Street. Between Tenth and Eleventh Avenues are large contiguous residential and commercial lots, interrupted by some industrial uses. The western half of the study area (generally west of Tenth Avenue) is largely zoned for manufacturing uses; however, it is permeated by mostly large newly constructed residential complexes. For example, there is a housing complex containing over 900 units at 640 West 42nd Street (River Place I), with residential construction also occurring to the east of this site (located in a C6-4 zone).

The percentage of vacant units in the study area was 6.8 percent in 2000—slightly lower than the borough (7.5 percent) and slightly higher than the City's overall rate (5.6 percent). A total of 90.2 percent of units were renter-occupied in 2000, which was significantly higher than the rates of both Manhattan and New York City as a whole.

The total number of households and housing value characteristics within the study area also increased between 1990 and 2000 (see **Table 3-4**). The study area grew by almost 1,000 households between 1990 and 2000, an increase of 8.6 percent. By comparison, the number of total households in Manhattan and New York City increased by only 3.1 percent and 7.2 percent, respectively. The study area's household growth is particularly noteworthy given there was virtually no change in the total number of housing units within the study area between 1990 and 2000.

Table 3-4

Households and Housing Value Characteristics
Study Area, Manhattan and New York City

	Total Households			Median Contract Rent ¹			Median Housing Value ^{1&3}	
	1990	2000	% Change	1990	2000	% Change	1990	2000 ²
Study Area	10,652	11,572	8.6	\$893	\$1,145	28.2	NA	\$351,586
Manhattan	716,422	738,644	3.1	\$856	\$977	14.2	NA	\$476,899
New York City	2,819,401	3,021,588	7.2	\$802	\$853	6.4	NA	\$292,135
Notes: ¹ Median values presented for the study area are based on weighted averages for the Census Tracts in the study area. ² 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." ³ All dollars presented in constant 2008 dollars using the US Department of Labor's 2008 Consumer Price Index for the "New York-Northern New Jersey-Long Island area." Sources: 1990 and 2000 U.S. Census, Summary File 1 and Summary File 3.								

Between 1990 and 2000, the median contract rent in the study area increased by 28.2 percent, a notably higher rate of increase as compared with the median contract rents in Manhattan and New York City, which increased by 14.2 percent and 6.4 percent, respectively. By 2000, the study area's median contract rent (\$1,145 per month) was considerably higher than Manhattan (\$977) and New York City as a whole (\$853). In terms of owner-occupied units, the median housing value in 2000 was lower than the Borough, yet higher than the City overall.

According to the Census, in 2000 the study area's median contract rent was \$1,145 per month. 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 therefore do not reflect market trends experienced by many residents in the study area.¹ Real estate listings from December 2008 showed substantially higher market-rate rents for the area. By the close of the third quarter 2008, average monthly rents in Midtown West—fully incorporating the study area—ranged from \$2,031 for a studio apartment, to \$5,039 for a three bedroom apartment—higher than the 2000 median contract rent.² A listing of available apartments at The Victory, located near the southwest corner of West 42nd Street and 10th Avenue, advertised a one bedroom apartment for \$2,890 per month, and a two bedroom for \$4,990 per month.³ Similarly, the median sales price of homes sold within ZIP Code 10036 was \$833,500 (end of third quarter 2008), also substantially higher than the reported median housing value in 2000.⁴

¹ According to the 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. 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.

² Midtown West is bordered by 59th Street to the north, Fifth Avenue to the east, 30th Street to the south and the Hudson River to the west. Source: CitiHabitats "Black and White Report," www.citihabitats.com. Accessed November 24, 2008

³ The Victory leasing website: www.TheVictory.com, accessed November 25, 2008.

⁴ ZIP Code 10036 is bordered by 48th Street to the north, 5th Avenue to the east, 41st Street to the south, and the Hudson River to the west. Source: Trulia Real Estate, www.trulia.com. Accessed November 24, 2008

CEQR SCREENING CRITERIA

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

As stated in the *CEQR Technical Manual*, if a proposed project would increase the population in the study area by less than 5 percent, it would not be large enough to significantly affect socioeconomic trends. As shown above, the study area had an estimated population of 20,363 in 2000 and contained approximately 12,414 housing units. The Proposed Actions would add approximately 1,350 units of housing to the study area, which would accommodate an estimated 2,606 residents (conservatively assuming full occupancy). The new population would represent a 12.8 percent increase over the year 2000 study area population.

While the study area's residential population has grown since 2000, and will continue to grow by 2013 in the Future without the Proposed Actions, the project-generated population would still represent a substantial new population within the study area. However, the population would not have different socioeconomic characteristics compared with the existing population, and would not substantially alter the demographics of the study area's population. In 1999, the study area's weighted median household income was \$58,136 (in 2008 dollars). As described above and shown in Table 3-2, between 1989 and 1999 there was a 26.4 percent increase in median household income within the study area, in contrast to the single-digit percentage increase for Manhattan (7.6 percent). Since 2000, a number of new luxury apartments and condominiums have been constructed. As a result, the study area has since attracted a residential population with a relatively higher median household income. Because approximately half of the units of the Proposed Actions would be affordable to low- and middle-income households (between 600 and 700 units), and the other half would be market-rate (between 650 and 750 units), the Proposed Actions' population would reflect the range of incomes currently within the study area.

2. Would the proposed project directly displace uses or properties that have had a "blighting" effect on property values in the area?

The current Project Site does not have a "blighting" effect on residential property values in the surrounding area. Indicators that a property has had a "blighting" effect on property values in an area may include: limited development around a property, high vacancy rates in the study area, or stagnant or decreasing housing values and contract rents in the study area. From 1990 to 2000, the median monthly contract rent increased by 28.2 percent, from \$893 to \$1,145 (see Table 3-4). In addition, the 2000 median housing value in the study area was over 20 percent higher than the City as a whole, and the study area's vacancy rate of 6.8 percent was slightly lower than the overall rate of Manhattan. The relatively high median housing value, median contract rent and low vacancy rate all illustrate the desirability of the study area as a residential neighborhood, and indicate that the area is not suffering from blight.

While it has been cited that the horse stable's noxious smells and overall unsanitary conditions have posed health problems to the adjacent elementary school, recent efforts have been made to alleviate these effects.¹ Residential uses directly across from the Project Site are occupied and physically well-maintained, and do not show signs of blight. And as cited in Chapter 2, a total of

¹ Community Board 4 Website: <http://www.manhattancb4.org/>. Accessed December 28th, 2008

3,380 residential units are scheduled to be developed in the study area by 2013, indicating the broader area is not suffering from blight.

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

The Proposed Actions would not directly displace any residential units. Therefore, the Proposed Actions would not directly displace any population to alter the socioeconomic composition of the study area.

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

As shown in Table 3-4, the study area has experienced substantial increases in residential rents. In 2000 the median contract rent in the study area was \$1,145, a 28.2 percent increase since 1990, which was a notably higher rate of increase as compared with the median contract rents in Manhattan and New York City as a whole (14.2 percent and 6.4 percent increases, respectively). As discussed above, since 2000 rents in the study area have increased, with average rental rates as of third quarter 2008 ranging from \$2,031 for a studio to \$5,039 for a three bedroom apartment.

Housing values in the study area have also increased between 2000 and 2008. As shown in Table 3-4, the 2008 median sales price of homes sold within the zip code that includes the study area (10036) was \$833,500, which was more than double the median housing value for the study area in 2000 (\$351,586).

The Proposed Actions would not 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 project is implemented. As described in Chapter 1, "Project Description," the Proposed Actions would introduce up to 1,350 residential units, of which between 650 (48.2 percent) and 750 (55.6 percent) would be market-rate units, and between 600 (44.4 percent) and 700 (51.9 percent) would be affordable to low- to middle-income households. The Proposed Actions' 650 to 750 market-rate units would be similar in price to existing and planned market-rate residential projects in the study area. The 600 to 700 affordable units would be a less costly type of housing compared to most existing and planned housing in the study area. Of the up to 700 affordable units, up to 268 would be low-income units, made available only to renters whose incomes do not exceed 50 percent of the Area Median Income (AMI)¹, adjusted for family size. Up to approximately 216 units would be affordable to moderate-income residents (earning less than 135 percent of AMI), and up to approximately 216 units would be made affordable to middle-income residents (earning less than 165 percent of AMI). While approximately half of the residential units that would be added by the Proposed Actions would be affordable to low- to middle-income households, approximately half of the residential units would be market rate. As discussed above, the market rate units would be similar in price to existing and planned market rate residential units in the study area. Therefore, the Proposed Actions would not introduce a substantial amount of a more costly type of housing compared to existing and planned housing in the study area.

¹ U.S. Department of Housing and Urban Development (HUD) currently calculates the Area Median Income for the New York City metropolitan area as \$70,900 for a family of four.

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

The Proposed Actions would introduce new neighborhood retail to the Project Site, which would help to satisfy the consumer demand of the area’s residential and worker populations. However, the total amount of retail that would be introduced by the Proposed Actions would not constitute a critical mass such that the area would become more attractive as a residential neighborhood. Based on 2007 RPAD data, the study area contained approximately 13.3 million square feet of commercial space, of which 1.3 million was retail space. In addition, approximately 50,450 square feet of retail is due to be completed by 2013. Thus, the 17,500 square feet of retail introduced by the project would not in and of itself represent a new land use or amenity in the study area, and would not make the surrounding neighborhood substantially more attractive as a neighborhood complex. Additionally, the approximately 97,850 square feet for a school would serve to expand the current size of the existing school.

6. *Would the proposed project introduce a land use that could have a similar indirect effect 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 area, impede efforts to attract investment to the area, or create a climate for disinvestment?*

The Proposed Actions would not impose any type of change that would diminish investment in the study area. To the contrary, it would allow and encourage more opportunities for investment in the study area by generating new employment opportunities, creating new housing, and expanding upon retail and community facility space in order to meet the growing demands of the neighborhood.

CONCLUSION

Based on the assessment presented above, the Proposed Actions would not have significant adverse impact as a result of indirect residential displacement, and no further analysis of this issue is required.

INDIRECT BUSINESS AND INSTITUTIONAL DISPLACEMENT

The analysis of indirect business displacement considers whether the Proposed Actions would increase property values and subsequently rents in the study area, making it difficult for existing businesses to remain in the area. The preliminary assessment is based on the screening criteria outlined in Section 322.2 of the *CEQR Technical Manual*, which describe circumstances that can generate potentially significant impacts.

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

The Proposed Actions would introduce a combination of residential, neighborhood retail, and community facility uses, none of which would be new economic activities in the study area. The study area has a well-established residential market, with planned construction of over 3,000 dwelling units by 2013.

The neighborhood retail uses that would be introduced by the Proposed Actions also would not be considered new economic activities in the study area. As shown in Table 3-1, there are an estimated 214 retail establishments in the study area, accounting for 11.3 percent of all

businesses, second only to the accommodation and food services sector (249 study area establishments or 13.1 percent of all businesses).

The Proposed Actions includes the conversion of the existing P.S. 51 school to residential use, preceded by the construction of a newer, expanded version of this facility on the site. As such, its construction would be considered an expansion of an existing activity, rather than the introduction of a new economic activity, and would not alter existing economic patterns.

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

There is already a well-established trend toward residential and commercial development in the study area such that the Proposed Actions would not alter or accelerate trends to change existing economic patterns.

The Proposed Actions would introduce 1,350 residential units to the study area by 2013. Since 2000, there have been approximately 2,703 units built in the study area, and there are plans for an additional 3,380 units by 2013 in the Future without the Proposed Actions. The overall study area trend toward residential development, and the economic activities associated with residential demand, will occur irrespective of the Proposed Actions.

The 17,500 square feet of neighborhood retail to be introduced would not alter or accelerate an ongoing trend to alter existing economic patterns. The study area already contains a variety of neighborhood retail in the form of restaurants, bars, delis, and other businesses offering neighborhood services. Therefore, the introduction of this new retail would not alter existing trends; rather it would serve to accommodate the existing and new residential population that would be introduced to the study area.

The expansion of community facility space and the addition of 204 parking spaces would not alter existing trends. These uses—a school facility and accessory parking—are already present in the study area. In addition, the new uses included in the Proposed Actions would also help meet the growing residential demand in the Future with the Proposed Actions.

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

The Proposed Actions would not displace properties or uses that have a “blighting” effect on commercial property values. Recent residential and commercial construction activity in the study area indicate that the site has not had a blighting influence or hampered new investment in the surrounding area. An example of such new development includes 464 West 44th Street—a 58-unit residential development located directly across the street from the Proposed Project site. Field surveys of the exteriors of properties in the study area indicate that buildings are in good physical condition; the site contains active uses and has not imposed adverse effects on the surrounding area.

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

In general, parking facilities such as the potentially displaced public parking lot provide support to nearby businesses by offering parking amenities. The displacement of the public lot on the Project Site would not result in an overall shortage of parking amenities in the study area, and therefore would not diminish the existing parking lot user base. In addition, the Project Site and

more generally the study area are well-served by public transit; many neighborhood retail and service establishments in the study area attract customers using public transit, relying to a much lesser extent on parking facilities to accommodate their patrons.

The horse stable provides boarding for horses for recreational horse-drawn carriage rides that tend to originate outside the study area (e.g., Columbus Circle and Central Park). As such, the stable does not directly support businesses in the study area. The carriage rides draw upon a clientele that is largely based in and around Central Park, or in areas more heavily frequented by tourists, outside of the study area.

Any potential loss of consumer visits due to the loss of public parking or stable uses on the Project Site would not affect the viability of area businesses. In fact, the Proposed Project—through its addition of an estimated 2,606 residents—would benefit many study area businesses by expanding upon their existing customer base.

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

The Proposed Actions would directly displace an estimated total of 20 workers from the Project Site. The 20 workers associated with the public parking facility and the horse stable do not comprise a large portion the study area customer base; there are an estimated 17,600 workers in the study area. The Proposed Actions would increase the residential population by an estimated 2,606 residents. This added population would substantially contribute to the customer base of many existing businesses in the study area. In addition, the Proposed Actions' added retail uses and community facility space would serve to attract more visitors and employees to the study area.

6. *Would the proposed project introduce a land use that could have a similar indirect effect, through the lowering of property values if it is 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 Proposed Actions would facilitate the development of affordable and market-rate housing, retail uses, and relocation and expansion of the P.S. 51 public school. The Proposed Actions would complement the ongoing residential redevelopment of Manhattan's west side and enliven an underutilized site with much needed affordable housing, neighborhood retail space, and a new expanded elementary school. It would be consistent with the City's public policy of providing increased market and affordable housing to meet the needs of its population. Therefore, the Proposed Actions would not lower property values, offset positive trends or impede efforts to attract investment to the area, or create a climate for disinvestment.

CONCLUSION

Based on the assessment presented above, the Proposed Actions would not result in significant adverse impacts as a result of indirect business or institutional displacement, and no further analysis of this issue is required.

ADVERSE EFFECTS ON SPECIFIC INDUSTRIES

According to the *CEQR Technical Manual*, a significant adverse impact may occur if a project 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.

The Proposed Actions would result in the displacement of a parking facility and a horse stable that boards horses used for carriage rides in and around Central Park. The displacement of the parking use would not significantly affect the parking industry or any other industries that rely on parking services because there are numerous parking facilities within the study area, Borough, and City. The parking industry and industries that rely on parking would therefore remain viable in the Future with the Proposed Actions.

The services provided by Shamrock Stables—boarding horses for the horse-drawn carriage industry—are not as abundant as parking services. The displacement of Shamrock Stables could, therefore, affect the overall ability of the horse-drawn carriage industry to operate at its current capacity. Therefore, the following section provides background on the horse-drawn carriage industry and addresses the CEQR questions to determine whether displacement of the Shamrock Stables would result in significant adverse impacts to the horse-drawn carriage industry or to the broader New York City tourism industry.

BACKGROUND ON NEW YORK CITY'S HORSE-DRAWN CARRIAGE RIDE INDUSTRY

In New York City, the horse-drawn carriage business dates back to the 1880s. Carriages operate year-round, with November and December being the busiest times, and February-May being the slowest periods. Generally, horse-drawn carriages can be found along Central Park South, between Fifth and Sixth Avenues and are used for rides around Central Park. A standard carriage ride through Central Park is about one mile and lasts 15 to 30 minutes, with views of the Carousel, Woolman Skating Rink, the Pond, and the Zoo. There are companies that offer lengthier rides by reservation. Carriage rides cater primarily to tourists, but are also used for weddings and other special occasions.

There are currently 220 Licensed Carriage Horses, 293 Certified Drivers, and 68 Licensed Carriages in New York City. There are 5 barns that house horse carriages, all located on the West Side of Manhattan, between 37th and 52nd Streets (see **Figure 3-2**). The capacity at each barn varies, with each boarding an average of approximately 40 horses.¹

STABLE OPERATIONS

Generally, the stables that board horses used for carriage rides have tenants (Certified Drivers), who rent out space for their horses. Each carriage operator has approximately two horses that are in New York City at any given time. The horses are rotated out in three to four month increments to farms in Pennsylvania. Although the busiest times of the year are around Christmas, the number of horses in each of the stables remains relatively constant year-round.

STABLE CAPACITY IN NEW YORK CITY

There are five stables on the West Side of Manhattan that board horses used for carriage rides. On average, the stables house 40 horses each. While there are 220 licensed carriage horses in New York City, not all of them need to be in New York City at once, as they are rotated out of

¹ Information from <http://www.horseandcarriageny.com>



- Project Site**
- A** Shamrock Stables
 - B** Byrne Stables
 - C** Westside Livery
 - D** Chateau Farms
 - E** Clinton Park Stables

0 400 1000 FEET
SCALE

Location of Horse Stables
Figure 3-2

the City to farms in Pennsylvania. Assuming that each licensed operator has two horses in the City at any given time, there would be a need for an estimated 136 horse stalls.

There has been the loss and threat of displacement of horse stables in the past, and given the strong mixed-use development trends on the West Side of Manhattan, it is a trend that is expected to continue irrespective of the Proposed Action. The Claremont Riding Academy, which was located on the Upper West Side, closed in 2007, and the horses were relocated to farms and equestrian programs outside of the City.¹ In 2000, a stable at West 52nd Street that housed carriage horses was sold in foreclosure. The closing of this stable, coupled with the threat of the loss of Shamrock Stables in 2001 resulted in carriage drivers pooling together to purchase a property and convert it into stables for horses. The new stable, known as Clinton Park Stables, had the capacity to absorb all 60 horses from these two stables.² There is still capacity for additional horses at Clinton Park Stables, as Shamrock Stables was not displaced in 2001.

CEQR ASSESSMENT CRITERIA

The following preliminary analysis is based on screening criteria presented in Section 323 of the *CEQR Technical Manual*.

1. Would the Proposed Actions significantly affect business conditions in any industry of any category of business within or outside the study area?

The Proposed Actions would not significantly affect business conditions in any industry of any category of business within or outside the study area. The displacement of the parking facility would not significantly affect business conditions within the parking industry, nor would it adversely affect any industries or categories of business that rely on the parking facility as an amenity for consumers or visitors. There are numerous parking facilities within the study area, Borough, and City, such that the parking industry would remain viable in the Future with the Proposed Actions.

The horse stable comprises a portion of the “All Other Amusement and Recreation” industry, specifically, the “Riding Stable” industry. There are other horse stables in the study area, Borough, and City, such that the displacement of the Shamrock Stables from the Project Site would not significantly affect businesses conditions. There is currently additional capacity at existing stables to take in displaced tenants. While there is the possibility that some tenants would not be able to find available stable space, and therefore, could no longer operate, this would represent a small amount of the overall licenses and would not jeopardize the overall viability of the horse-drawn carriage industry.

2. Would the Proposed Actions indirectly substantially reduce employment or impair the economic viability in the industry or category of businesses?

The potential direct displacement of the horse stable would not have a substantial effect on the overall horse-drawn carriage industry. Businesses within this more specific “Riding Stable” category are limited within the study area and within the Borough, limiting the horse drivers’ options to board their horses during off hours. As such, the Proposed Actions could decrease the industry’s capacity to serve its consumer base, which largely comprises tourists. However, the

¹ The Claremont Riding Academy offered lessons and horse rides through Central Park; they did not board carriage horses.

² “A New Place to Sleep (Standing Up), New York Times, August 19, 2003

potential displacement of the Shamrock Stables would not result in a reduction in the overall stable capacity in the City that would jeopardize the viability of the horse-drawn carriage industry. There are other stables that accommodate horses—leased by licensed drivers—that would continue to provide this service in the Future With the Proposed Actions. In addition, the broader New York City tourism industry would not be impaired due to the potential displacement of the stable, and the carriage ride industry’s value to the New York City tourist economy would not be materially affected.

CONCLUSION

The Proposed Actions would not result in significant adverse impacts on a specific industry within or outside the study area. No further analysis is required. *