

**A. INTRODUCTION**

This chapter describes the socioeconomic changes that would result from the proposed actions (the “With Action” condition), and assesses whether such changes would result in significant adverse impacts. As described in the 2014 *City Environmental Quality Review (CEQR) Technical Manual*, the socioeconomic character of an area includes its population, housing, and economic activity. Socioeconomic changes may occur when a project directly or indirectly changes any of these elements. The objective of the CEQR analysis is to disclose whether any of these changes would result in significant adverse impacts when compared with what would happen in the future without the proposed actions (the “No Action” condition).

In accordance with *CEQR Technical Manual* guidelines, this socioeconomic assessment considers five ways that a project would alter socioeconomic conditions: (1) direct residential displacement; (2) direct business displacement; (3) indirect residential displacement; (4) indirect business displacement; and (5) adverse effects on specific industries.

**PRINCIPAL CONCLUSIONS**

The analysis finds that the proposed actions would not result in significant adverse impacts due to changes in socioeconomic conditions. The following summarizes the analysis findings for each area of socioeconomic concern.

*DIRECT RESIDENTIAL DISPLACEMENT*

A screening-level assessment finds that the proposed actions would not result in significant adverse socioeconomic impacts due to direct residential displacement. The proposed actions would not directly displace any residents from the existing Lenox Terrace buildings within the rezoning area, or from any other locations within the rezoning area.

*DIRECT BUSINESS DISPLACEMENT*

A preliminary assessment finds that the proposed actions would not result in significant adverse socioeconomic impacts due to direct business displacement. Development generated by the proposed actions would directly displace 19 businesses<sup>1</sup> employing an estimated 234 workers.<sup>2</sup>

---

<sup>1</sup> Upon completion of the proposed project, businesses and associated employees directly displaced by the proposed actions could tenant the retail space resulting from the proposed project. For the purposes of a conservative analysis, this socioeconomic assessment does not assume that existing businesses would tenant the new retail space.

<sup>2</sup> Estimate of displaced employment is based on field observations conducted by AKRF and the following industry employment density ratios commonly used in CEQR analyses (including for the East Harlem

## Lenox Terrace

---

The 19 businesses that would be directly displaced under the Reasonable Worst-Case Development Scenario (RWCDS) are located on Lenox Avenue between West 132nd and West 135th Streets, and at the southwest corner of Fifth Avenue and West 135th Street. They include 12 retail businesses, four food service businesses, a bank, a dry cleaner, and an optometrist's office. The 19 businesses do not represent a majority of study area employment for any given industry sector. While all businesses contribute to neighborhood character and provide value to the City's economy, because there are alternative, comparable sources of goods and services within reasonable walking distance, the potentially displaced businesses are not of critical value to the socioeconomic conditions of the area as defined by CEQR. Two potentially displaced businesses—an Associated Food and Fine Fare—are medium-format local grocery stores within the boundaries of the City's Food Retail Expansion to Support Health (FRESH) Program. The FRESH Program provides zoning and/or financial incentives as a way to promote the establishment and retention of neighborhood grocery stores. As local grocery stores within the boundaries of the FRESH Program, the Associated Food and Fine Fare are the subject of plans or programs to preserve, enhance, or protect them; however, neither of the stores has applied for certification as a FRESH food store and as such neither utilizes the tax or zoning benefits available to them through the FRESH Program.<sup>3</sup> Furthermore, there are numerous additional sources of healthy fresh produce and food products located within close proximity of the proposed rezoning area. In addition, the proposed actions would result in 135,500 gross square feet (gsf) of new retail space and an estimated 407 new retail workers,<sup>4</sup> which is 39,845 gsf more retail space and 251 more retail workers than the amount displaced. With the proposed actions, it is expected that comparable goods and services would be available to study area residents and a net increase in retail space and associated employment opportunities would be available for rent by potential new businesses as well as those businesses directly displaced. With respect to grocery stores, it is the applicant's desire to include one or more food stores in the proposed project's retail mix as warranted based on consumer demand and market conditions.

In addition to the businesses along Lenox Avenue and at the corner of Fifth Avenue and West 135th Street described above, there is one community facility use located on the projected future development site—the Metropolitan African Methodist Episcopal (AME) Church. While the proposed project would not directly displace this use, under the proposed actions' RWCDS it is conservatively assumed that the property owner of this parcel would redevelop the site, and the current use would be temporarily displaced until new space for the use on the site becomes available. The temporary displacement of this community facility is not considered a significant adverse impact because there are alternative sources of comparable services available within close proximity to the rezoning area, and because there are no regulations or publicly-adopted plans to preserve, enhance, or otherwise protect it.

---

Rezoning FEIS): 1 employee per 100 sf of fast food service; 1 employee per 200 sf of sit down food service; 1 employee per 333 sf of retail and other services; and 1 employee per 1,000 sf of discount retail.

<sup>3</sup> Source: NYC EDC FRESH Impact Report, 2015, page 5.

<https://www.nycedc.com/system/files/files/program/FRESH%20Impact%20Report.pdf>

<sup>4</sup> The estimate of the retail worker population resulting from the proposed actions assumes 1 employee per 333 gsf of retail space. This is an employment density ratio commonly used in CEQR analyses, including the East Harlem Rezoning FEIS. The proposed actions would also result in an estimated increase of 68 new jobs associated with the proposed residential buildings (based on a ratio of 1 employee per 25 DUs) and 15 new jobs associated with the proposed community facility space (based on a ratio of 1 employee per 333 gsf of community facility space).

*INDIRECT RESIDENTIAL DISPLACEMENT*

A preliminary assessment finds that the proposed actions would not result in significant adverse impacts due to indirect residential displacement. The concern under CEQR in regards to indirect residential displacement is whether a project would result in substantial new development that is markedly different from existing uses, development, and activities within the neighborhood that may lead to indirect residential displacement. The proposed actions would result in an estimated increment of 1,711 dwelling units (DUs) above the No Action condition and a net increase of approximately 4,004 residents.<sup>5</sup>

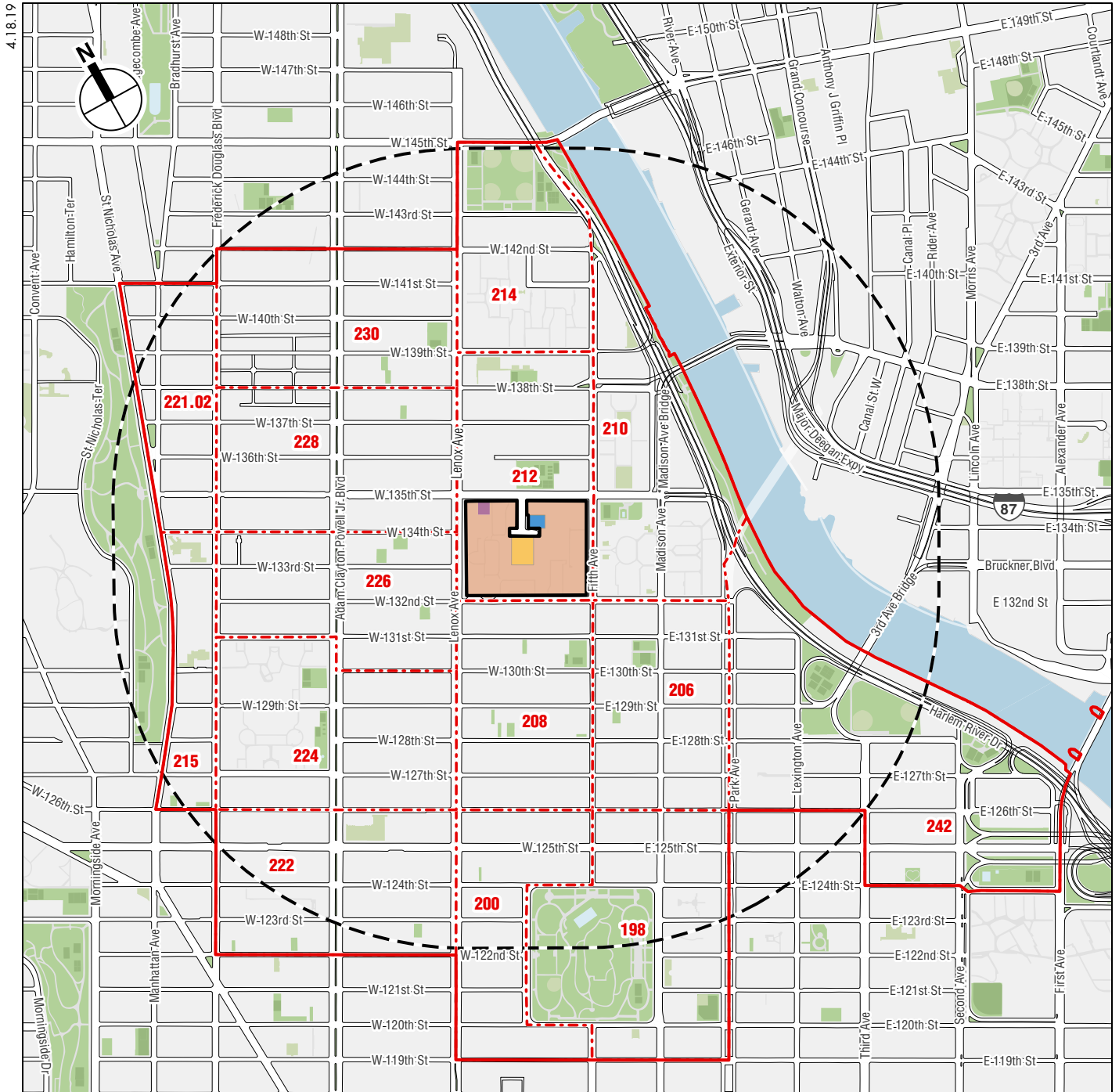
According to the *CEQR Technical Manual*, socioeconomic changes could result if a proposed project would introduce a new population with average household incomes that exceed the average incomes of the study area households. While the proposed actions could add new population with a higher average household income as compared with existing study area households, the proposed project would not directly displace existing tenants, and the proposed actions would not result in socioeconomic changes that would alter the residential market in a manner that would lead to project-generated rent pressures. There is already a readily observable trend toward higher incomes and new residential development in the study area. According to the 2012-2016 American Community Survey (ACS), average and median gross rents have been increasing in the study area since 2000. In particular, the study area gross rents increased at significantly greater rates than that of Manhattan and New York City. Based on the *CEQR Technical Manual*, if the vast majority of the study area has already experienced a readily observable trend toward increasing rents and new market rate development, further analysis is not necessary.









*INDIRECT BUSINESS DISPLACEMENT*

A preliminary assessment finds that the proposed actions would not result in significant adverse impacts due to indirect business displacement. The proposed actions would facilitate the introduction of new residential, commercial, and community facility uses. The rezoning area and broader socioeconomic study area have well-established residential and retail markets such that the proposed actions would not be introducing substantial new economic activities to the rezoning area, nor would it add to the concentration of a particular sector of the local economy enough to alter or accelerate an ongoing trend or to alter existing patterns. Based on the *CEQR Technical Manual*, projects resulting in less than 200,000 gsf of commercial development would typically not result in significant socioeconomic impacts. The proposed actions would not directly displace uses that provide substantial direct support for businesses in the area or that bring people into the area that form a substantial portion of the customer base for local businesses. It is also possible that some directly displaced businesses could tenant the new retail space resulting from the proposed actions, which is greater than the amount currently in the rezoning area. The proposed actions would generate new employment opportunities and create new retail opportunities to meet the needs of local workers, residents, and visitors, while the new residential population would increase consumer demand for goods and services at existing and new retail businesses.

---

<sup>5</sup> Estimate of incremental residential population resulting from the proposed actions assumes 2.34 persons per dwelling unit, which is the estimated average household size of renter-occupied units for a ½-mile study area surrounding the rezoning area (based on 2012-2016 U.S. Census American Community Survey data for Census Tracts 198, 200, 206, 208, 210, 212, 214, 215, 221.02, 222, 224, 226, 228, 230, and 242 as shown in **Figure 3-1**).



-  Rezoning Area
-  Proposed Development Site
-  Projected Future Development Site
-  Potential Development Site
-  City-Owned Site
-  Half-mile perimeter
-  Socioeconomic Study Area
-  Census Tracts

0 1,000 FEET

Socioeconomic Study Area  
Figure 3-1

*ADVERSE EFFECTS ON SPECIFIC INDUSTRIES*

A preliminary assessment finds that the proposed actions would not result in significant adverse impacts due to adverse effects on specific industries. An analysis is warranted under *CEQR Technical Manual* methodology if a substantial number of residents or workers depend on the goods or services provided by the affected businesses, or if a project would result in the loss or substantial diminishment of a particularly important product or service within the industry. The proposed actions would not significantly affect the business conditions in any industry or any category of business within or outside the study area. The proposed actions would not result in significant indirect business displacement, and therefore would not indirectly substantially reduce employment or have an impact on the economic viability in any specific industry or category of business.

**B. METHODOLOGY**

**ANALYSIS FORMAT**

The socioeconomic analysis begins with a screening-level assessment that uses RWCDs information and *CEQR Technical Manual* analysis thresholds to determine whether there is a need for a preliminary assessment. As detailed in Section C, “Screening Assessment,” the RWCDs warrants preliminary assessment of direct business displacement, indirect residential displacement, indirect business displacement, and adverse effects on specific industries.

The preliminary assessments are conducted to learn enough about the potential effects of a project to either rule out the possibility of significant adverse impacts or determine that a more detailed analysis is required to fully determine the extent of the impacts. A preliminary assessment responds to questions based on guidance from the *CEQR Technical Manual*. If the responses to questions indicate there is no potential for significant adverse impacts, further analysis is not warranted. A detailed analysis, when warranted, addresses the same issues of concern, but frames the assessment to more particularly examine the changes to socioeconomic conditions in the With Action condition as compared to the changes that would be expected in the No Action condition. With respect to the proposed actions, the preliminary assessment presented in Section D, “Preliminary Assessment,” was sufficient to conclude that the proposed actions would not result in significant adverse socioeconomic impacts.

**PROPOSED AND PROJECTED FUTURE DEVELOPMENT SITES**

The analysis of the proposed actions is based on an RWCDs that includes development within the rezoning area (Block 1730 in Manhattan) on the proposed development site and the projected future development site. The applicant plans to construct the proposed actions in two phases, with completion anticipated in 2026. Consequently, a future build year of 2026 was examined to assess the potential impacts of the proposed actions. The proposed actions would facilitate the construction of five new mixed-use buildings (the “proposed project”) on the existing Lenox Terrace property, a superblock bounded by West 132nd and 135th Streets and Lenox and Fifth Avenues in the Central Harlem neighborhood of Manhattan (Block 1730, Lots 1, 7, 9, 25, 33, 36, 40, 45, 50, 52, 64, 68, and 75) (the “proposed development site”). The rezoning area is located in Manhattan Community District (CD) 10.

The proposed development site currently contains Lenox Terrace, a superblock development comprising six 16-story (144-foot-tall) residential towers with 1,716 DUs (approximately

1,447,500 gsf); five 1-story buildings with approximately 95,655 gsf of local retail use, of which approximately 17,820 gsf is currently vacant; and approximately 457 at-grade accessory parking spaces. Approximately 80 percent of the existing DUs (1,370) are currently subject to rent stabilization.

Also within the rezoning area, but outside of the proposed development site, is the projected future development site (Block 1730, Lot 65), where the Metropolitan African Methodist Episcopal (AME) Church is located. Although this is a long-standing community facility use, for the purposes of a conservative analysis, the EIS will consider the potential for the proposed rezoning to result in redevelopment on this site and temporary displacement of this use until it is relocated into the new development. For purposes of analysis it is assumed that the proposed actions would result in 58,500 gsf of incremental residential use (69 DUs) on this projected future development site.

Accounting for both the proposed development site and the projected future development site, the proposed actions under the RWCDS would result in incremental development of 1,711 DUs, approximately 39,845 gsf of retail uses, and approximately 15,055 gsf of community facility uses.

### STUDY AREA DEFINITION

A socioeconomic study area is the area within which the proposed actions have the greatest potential to directly or indirectly affect population, housing, and economic activities. A study area typically encompasses a project site and adjacent areas within an approximately 400-foot, ¼-mile, or ½-mile radius, depending upon the project size and area characteristics. According to the *CEQR Technical Manual*, the larger ½-mile study area is appropriate for projects that would potentially increase the ¼-mile area population by more than five percent. Under the RWCDS, the proposed actions would increase the ¼-mile area population (31,206 people as of the 2012–2016 ACS) by an estimated 4,004 people<sup>6</sup> (12.8 percent), warranting a larger ½-mile study area.

Because socioeconomic analyses depend on demographic data, it is appropriate to adjust the study area boundary to conform to the census tract delineation that most closely approximates the desired radius (in this case, a ½-mile radius surrounding the boundary of the proposed development site). For this analysis, the census tracts that comprise the socioeconomic study area are shown in **Figure 3-1** and include Census Tracts 198, 200, 206, 208, 210, 212, 214, 215, 221.02, 222, 224, 226, 228, 230, and 242.

### DATA SOURCES

Information used in the analysis of indirect residential displacement—including population, housing, rents, and incomes—were gathered from the U.S. Census Bureau’s 2006-2010 and 2012–2016 ACS. The New York City Department of City Planning’s (DCP) Population FactFinder online mapping tool was utilized to determine the reliability of single-variable census data presented for the study area.<sup>7</sup> The average household size of renter-occupied units in the ½-mile

---

<sup>6</sup> Estimate of incremental residential population resulting from the proposed actions assumes 2.34 persons per dwelling unit, which is the estimated average household size of renter-occupied units for a ½-mile study area surrounding the rezoning area (based on 2012-2016 U.S. Census American Community Survey data for Census Tracts 198, 200, 206, 208, 210, 212, 214, 215, 221.02, 222, 224, 226, 228, 230, and 242 as shown in **Figure 3-1**).

<sup>7</sup> In this case, the reliability of data is based on the margin of error (MOE). MOEs describe the precision of an estimate within a 90-percent confidence interval and provide an idea of how much variability (i.e.,

study area is used to estimate the future population resulting from No Build projects in the study area. Data on the study area were compared to Manhattan (New York County) and New York City. Study area and comparative geographies' market-rate asking rents were researched using StreetEasy, an online real estate listing site. The number of DUs owned by and residents living within New York City Housing Authority (NYCHA) developments was researched using the NYCHA Development Interactive Map available online.<sup>8</sup> Residential rent trends in Harlem were researched using online real estate listing websites such as Zumper and Zillow and online real estate news websites such as the New York Times, The Real Deal, and 6sqft.

The assessments of direct business displacement, indirect business displacement, and adverse effects on specific industries consider business and employment trends in the study area. Land use data was analyzed using MapPLUTO 2018 data provided by DCP and available through the NYCityMap. Employment-related data for the study area, Manhattan, and New York City was based on the U.S. Census Bureau's Longitudinal Employer-Household Dynamics (LEHD) for 2015, compiled at the census-tract level by AKRF staff using On the Map, an online mapping application. Employment estimates for potentially displaced tenants located in the rezoning area are based on a combination of field observations performed in May 2018 and industry employment density ratios commonly used for CEQR analyses, including for the *East Harlem Rezoning FEIS*.<sup>9</sup> During the field surveys, land uses and economic activities were characterized.

### **C. SCREENING ASSESSMENT**

This screening assessment presents the *CEQR Technical Manual* threshold circumstances (in bold italics below) that will lead to socioeconomic changes warranting further analysis, and compares those thresholds to the proposed actions' RWCDs.

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

The proposed actions would not result in any direct residential displacement. The applicant's proposed actions would result in additional development to expand the Lenox Terrace mixed-use residential complex. The project would develop five new mixed-use buildings on periphery of the proposed development site, replacing existing single-story retail structures. Residents of the existing 1,716 DUs would not be displaced and the buildings would remain on the proposed development site in the future with the proposed actions. No further analysis of direct residential displacement is warranted.

***Direct business displacement: Would the project directly displace more than 100 employees, or would it displace any business that is unusually important because its products or services are***

---

sampling error) is associated with the estimate where the larger the MOE relative to the size of the estimate, the less reliable the data. The MOE is partially dependent on the sample size because larger sample sizes result in a greater amount of information that more closely approximates the population.

<sup>8</sup> <http://nycha.maps.arcgis.com/apps/webappviewer/index.html?id=41c6ff5e73ec459092e982060b7cf1a1>

<sup>9</sup> Employment density ratios used to estimate potentially displaced employment were as follows: 1 employee per 100 sf of fast food restaurant space; 1 employee per 200 sf of other restaurant space; 1 employee per 250 sf of grocery store space; 1 employee per 333 sf of other retail and community facility space; and 1 employee per 1,000 sf of discount retail.

***uniquely dependent on its location, are subject of policies or plans aimed at its preservation, or that serves a population uniquely dependent on its services in its present location?***

By 2026, the proposed project would directly displace an estimated 19 businesses located on the proposed development site.<sup>10</sup> In aggregate, the 19 businesses employ an estimated 234 workers. The 19 businesses include 12 Retail Trade sector businesses, four Accommodation and Food Service sector business, and one business in each of the following industries: Other Service (except Public Administration) sector; Health Care and Social Assistance sector; and Finance and Insurance sector. The number of potentially displaced employees exceeds the 100-employee threshold and, as such, further analysis of direct business displacement is warranted and is included in Section D, “Preliminary Assessment.”

***Indirect residential and business displacement due to increased rents: Would the project result in substantial new development that is markedly different from existing uses, development, and activities within the neighborhood? Residential development of 200 units or less or commercial development of 200,000 square feet or less would typically not result in significant socioeconomic impacts.***

The proposed actions would result in the incremental development of 1,711 DUs, well over the 200-unit threshold warranting assessment of potential indirect displacement. Both indirect residential and business displacement analyses are included in Section D, “Preliminary Assessment.”

***Indirect business displacement due to market saturation: Would the project add to, or create, a retail concentration that may draw a substantial amount of sales from existing businesses within the study area to the extent that certain categories of business close and vacancies in the area increase, thus resulting in a potential for disinvestment on local retail streets? Projects resulting in less than 200,000 square feet of retail on a single development site would not typically result in socioeconomic impacts.***

Based on *CEQR Technical Manual* guidelines, an assessment of potential business displacement due to retail market saturation (i.e., competition) is not warranted. The proposed actions would introduce an increment of 39,845 gs of retail uses, which is well below the *CEQR Technical Manual* 200,000-sf threshold for assessment.

The proposed actions are not expected to add to, or create, a retail concentration that may draw a substantial amount of sales from existing businesses within the study area to the extent that certain categories of business close and vacancies in the area increase. Therefore, the proposed actions would not have the potential to result in disinvestment on local retail streets due to retail market saturation and associated competitive effects.

***Adverse impacts on specific industries: Is the project expected to affect conditions within a specific industry? An analysis is warranted if a substantial number of residents or workers depend on the goods or services provided by the affected businesses or if it would result in the***

---

<sup>10</sup> Upon completion of the proposed project, businesses and associated employees directly displaced by the proposed actions could tenant the retail space resulting from the proposed project. For the purposes of a conservative analysis, this socioeconomic assessment does not assume that existing businesses would tenant the new retail space.



***loss or substantial diminishment of a particularly important product or service within the industry.***

As noted in the responses to screening questions above, the proposed actions would result in direct and indirect business displacement. Section D, “Preliminary Assessment,” addresses whether the proposed actions would significantly affect business conditions in any industry or category of business within or outside the study area, or whether they would substantially reduce employment or impair viability in a specific industry or category of business.

Based on the above screening assessment, the proposed actions warrant further assessment of direct business displacement, indirect residential displacement, indirect business displacement due to increased rents, and adverse effects on specific industries.

## **D. PRELIMINARY ASSESSMENT**

### **DIRECT BUSINESS DISPLACEMENT**

The *CEQR Technical Manual* defines direct business displacement as the involuntary displacement of businesses from the site of, or a site directly affected by a project. The *CEQR Technical Manual* specifies consideration of the following in determining the potential for significant adverse impacts: (1) whether the businesses to be displaced provide products or services essential to the local economy that would no longer be available to local residents or businesses; and (2) whether adopted public plans call for preservation of such businesses in the area.

As detailed below, the proposed project would directly displace 19 businesses and an estimated 234 jobs associated with those businesses.<sup>11</sup> As such, a preliminary assessment of direct business displacement was conducted. The analysis begins with a description of overall business activities within the study area. It then describes the businesses and employment that would be directly displaced by the proposed project, and examines the employment and business value characteristics of the businesses in order to determine the potential for significant adverse impacts.

### ***PROFILE OF PRIVATE EMPLOYMENT IN THE SOCIOECONOMIC STUDY AREA***

As of 2015 there were a total of 12,945 private-sector employees within the socioeconomic study area (see **Table 3-1**). The largest industry of private-sector employment was the Health Care and Social Assistance sector, which represented 34.5 percent of all private jobs within the study area. Examples of private employers in the Health Care and Social Assistance sector include the largest hospital in Central Harlem, Harlem Hospital Center, a 272-bed public teaching hospital affiliated with Columbia University and part of the New York City Health and Hospitals Corporation located on the north side of 135th Street immediately north of the rezoning area. Other health care facilities include Family Health Center of Harlem located on Madison Avenue and 119th Street; Ecumenical Community Development Organization (ECDO) Head Start and Early Childhood Development Daycare Center on 144th Street; New York State Adult Career and Continuing Education Services District Office, Harlem Satellite office on 126th Street; Iris House A Center

---

<sup>11</sup> Upon completion of the proposed project, businesses and associated employees directly displaced by the proposed actions could tenant the retail space resulting from the proposed project. For the purposes of a conservative analysis, this socioeconomic assessment does not assume that existing businesses would tenant the new retail space.

for Women; Center for Urban Community Services; and The Salvation Army Corps Community Center. The study area has a high concentration of Health Care and Social Assistance sector employees in comparison to Manhattan (10.0 percent) and New York City (18.2 percent).

**Table 3-1  
2015 Private Employment in Socioeconomic Study Area,  
Manhattan, and New York City**

	Socioeconomic Study Area <sup>1</sup>		Manhattan <sup>2</sup>		New York City <sup>2</sup>	
	Employees	%	Employees	%	Employees	%
Agriculture, Forestry, Fishing and Hunting	0	0.0	130	0.0	305	0.0
Mining, Quarrying, and Oil and Gas Extraction	0	0.0	24	0.0	60	0.0
Utilities	0	0.0	6,321	0.3	17,127	0.5
Construction	183	1.4	34,924	1.7	132,661	3.6
Manufacturing	39	0.3	25,505	1.2	76,789	2.1
Wholesale Trade	29	0.2	83,285	4.1	148,013	4.0
Retail Trade	1,745	13.5	160,444	7.8	348,605	9.5
Transportation and Warehousing	6	0.0	15,208	0.7	116,008	3.2
Information	47	0.4	171,053	8.3	204,194	5.6
Finance and Insurance	331	2.6	251,775	12.3	334,468	9.1
Real Estate, Rental & Leasing	483	3.7	80,562	3.9	126,914	3.5
Professional, Scientific, & Tech. Services	305	2.4	326,495	15.9	400,431	10.9
Management of Companies and Enterprises	203	1.6	59,790	2.9	72,039	2.0
Administrative & Support & Waste Management & Remediation	188	1.5	137,908	6.7	228,129	6.2
Educational Services	1,847	14.3	114,670	5.6	194,493	5.3
Health Care & Social Assistance	4,462	34.5	205,445	10.0	667,920	18.2
Arts, Entertainment, and Recreation	666	5.1	65,859	3.2	85,189	2.3
Accommodation & Food Services	1,289	10.0	215,954	10.5	338,200	9.2
Other Services (except Public Administration)	1,122	8.2	97,405	4.7	168,866	4.6
<b>Total</b>	<b>12,805</b>	<b>100</b>	<b>2,052,757</b>	<b>100</b>	<b>3,660,411</b>	<b>100</b>

**Notes:**  
<sup>1</sup> Private employee counts for the socioeconomic study area are based on an aggregate of values from LEHD 2015 for the following 2010 Census Tracts: 198, 200, 206, 208, 210, 212, 214, 215, 221.02, 222, 224, 226, 228, 230, and 234. Employment data may be over-counting in some industries such as Transportation and Warehousing; Construction; and Health Care and Social Assistance due to the nature of the industry, which may consist of employees working across a large area and conducting labor in a number of locations.  
<sup>2</sup> The number of the private sector employees in Manhattan and New York City are equal to the average number of employees in 2015. Totals may not add due to rounding.  
**Sources:** NYSDOL 2015 data was provided at the census tract-level for the socioeconomic study area by On the Map (September 2018).

## Lenox Terrace

---

The second-, third-, and fourth-most prevalent industries in terms of private employment are the Educational Services, Retail Trade, and Accommodation and Food Services sectors, respectively. There are an estimated 1,847 Educational Services Sector jobs (14.3 percent of all private employment); 1,745 Retail Trade sector jobs (13.5 percent); and 1,289 Accommodation and Food Services sector jobs (10.0 percent). Schools within a reasonable walking distance from the rezoning area include the Fellowship of Learning School, Global Community Charter School, Thurgood Marshall Academy, St. Aloysius School, Promise Academy Charter School, Harlem Renaissance High School, Harlem Children’s Zone, and Success Academy Charter School. There is also a large concentration of retailers, restaurants, and bars along both sides Lenox Avenue, north and south of the rezoning area. The Educational Services sector and Retail Trade sector both represent a greater portion of total private employment in the study area than they do in Manhattan or New York City, and the Accommodation and Food Services Sector represents only a slightly smaller portion of total private employment in the study area than it does in Manhattan, and a greater portion than in New York City. In Manhattan, the Educational Services, Retail Trade, and Accommodation and Food Services sectors represent 5.6 percent, 7.8 percent, and 10.5 percent of private employment, respectively. In New York City, the Educational Services, Retail Trade, and Accommodation and Food Services sectors represent 5.3 percent, 9.5 percent, and 9.2 percent of private employment, respectively.

### *PROFILE OF DIRECTLY DISPLACED BUSINESSES*

New York City’s commercial streets are dynamic, with businesses regularly opening and closing in response to changes in the economy, local demographics, and consumer trends. Therefore, within the period extending up through 2026, it is possible that a number of the potentially displaced businesses identified below would close or relocate for reasons independent of the proposed actions. As shown in **Table 3-2**, under the RWCDs an estimated 234 employees in 19 private businesses would be directly displaced by the proposed project. There is one tenant space that is occupied by the applicant and used as the leasing center for the existing Lenox Terrace residential development. As defined by the *CEQR Technical Manual*, direct displacement is the involuntary displacement of a business from a site directly affected by a project. The Lenox Terrace Leasing Office (Block 1730, Lot 68) is applicant-owned. The applicant is voluntarily redeveloping their property in the future with the proposed actions, and therefore the leasing office is not considered a directly displaced business as defined by CEQR. The directly displaced businesses, located on Lenox Avenue between West 132nd Street and West 135th Street and on the southwest corner of Fifth Avenue and West 135th Street, span a range of industry sectors. The industry sector with the largest number of displaced employees and businesses is Retail Trade, with an estimated 156 employees working at 12 businesses. The displaced Retail Trade sector businesses under the RWCDs are: Associated Food, Derra’s 99-Cent Store, Lenox Fish, Reliance Pharmacy, Harlem Sneaker Train, Paragon Department Store, 6-Star Candy and Cell Phones, Winsome Deli, Fine Fare, Lenox Terrace Drugs, Golden Deli Grocery, and Goodwill. Of the 12 Retail Trade sector stores, 10 would be directly displaced by 2023 and are located on Lenox Avenue, between West 132nd Street and West 135th Street, as well as on the southwest corner of Fifth Avenue and West 135th Street. The remaining two sector businesses, located on West 135th Street between Fifth and Lenox Avenues, would be displaced by 2026.

**Table 3-2**

**Private Businesses and Employees Directly Displaced by the Proposed Project**

NAICS	Businesses	Percent of Displaced Businesses	Employees <sup>1</sup>	Percent of Displaced Employment
Retail	12	63.2	156	66.7
Accommodation and Food Service	4	21.1	62	26.5
Finance and Insurance	1	5.3	6	2.7
Other Services (except Public Administration)	1	5.3	5	2.0
Health Care and Social Assistance	1	5.3	5	2.1
<b>Total</b>	<b>19</b>	<b>100.0</b>	<b>234</b>	<b>100.0</b>

**Notes:**  
<sup>1</sup> Estimates of potentially displaced employment are based on field visits conducted by AKRF and the following industry employment density ratios commonly used for CEQR analyses (including for the East Harlem Rezoning FEIS): 1 employee per 100 sf of fast food service; 1 employee per 200 sf of sit down food service; 1 employee per 333 sf of retail and other services; and 1 employee per 1,000 sf of discount retail.  
**Source:** AKRF, Inc.

Under the RWCDs, the proposed project would also directly displace four Accommodation and Food Services sector businesses employing an estimated 62 workers. The four businesses include: McDonald's, China Wok Restaurant, Golden Crust, and Manna's Soul Food. All four of the Accommodation and Food Services sector firms are located on Lenox Avenue between 132nd and West 135th Streets and would be directly displaced by 2023.

The Harlem Vision Center, a Health Care and Social Assistance sector business, would be displaced by 2023 and is located on Lenox Avenue between West 132nd and West 135th Streets. The Finance and Insurance sector business, a Chase Manhattan bank located at the southwest corner of West 135th Street and Fifth Avenue, would be directly displaced by 2023. The Other Services (except Public Administration) sector business, Express Dry Cleaners, would be displaced by 2023 and is located on Lenox Avenue between West 132nd and West 135th Streets.

In addition, there is one community facility use located on the projected future development site: the Metropolitan African Methodist Episcopal (AME) Church; this site is shown in Figure 1-1. By the 2026 analysis year, under the RWCDs it is conservatively assumed that the proposed actions could temporarily displace this community facility use and associated employees. In the future With Action condition, it is assumed that the existing community facility use could be relocated onto a new development on the projected future development site.

#### *CEQR PRELIMINARY ASSESSMENT CRITERIA*

According to the *CEQR Technical Manual*, the following threshold indicators (in bold italics) are considered to determine the potential for significant adverse impacts due to direct business displacement.

***1. Would the businesses to be displaced provide products or services essential to the local economy that would no longer be available in their "trade areas" to local residents or businesses due to the difficulty of either relocating the businesses or establishing new, comparable businesses?***

## Lenox Terrace

---

### *Retail Trade*

Under the RWCDS, 12 Retail Sector businesses employing an estimated 156 employees would be directly displaced. Ten of these businesses (seven located on Lenox Avenue and one at the southwest corner of Fifth Avenue and West 135th Street)—Associated Food, Derra’s 99-Cent Store, Lenox Fish, Reliance Pharmacy, Harlem Sneaker Train, Paragon Department Store, 6-Star Candy and Cell Phones, Chase Manhattan, Golden Deli Corp, and Goodwill—employ an estimated 98 workers and would be directly displaced in the first phase of development. The two remaining businesses located on West 135th Street between Lenox Avenue and Fifth Avenue—Fine Fare and Lenox Terrace Drugs—employ an estimated 59 workers and would be directly displaced in the second phase of development.

While the retail stores provide goods and services to local residents, there are alternative and comparable businesses within the study area:

- *Grocery stores:* Alternative grocery stores within the study area include two Key Food Supermarkets, one five blocks north on West 140th Street and Lenox Avenue and one at West 140th Street and Frederick Douglass Boulevard; a Foodtown at West 132nd Street on Frederick Douglass Boulevard; and a Pioneer two blocks south of the proposed rezoning area on Lenox Avenue between West 129th Street and West 130th Street. Further north of the proposed rezoning area but still within a ½-mile radius is an Associated Fresh Market on Lenox Avenue at West 142nd Street. There is also a large-format Super Foodtown just outside the study area at West 144th Street and Frederick Douglass Boulevard. The Super Foodtown, the Pioneer, and the Associated Fresh Market are all larger than the displaced grocery stores (at approximately 40,000 sf, 15,000 sf, and 12,000 sf, respectively, as compared with the potentially displaced Associated Food at approximately 9,000 sf, and the Fine Fare at 11,000 sf). There are also over 10 deli and convenience grocery stores within a ½-mile of the project site including NM Grocery, Pablo Grocery, and 2252 5 Avenue Grocery. Thus, there is adequate capacity of existing food stores in the area to support both the population served by the potentially displaced supermarkets as well as the project-generated population. Furthermore, as warranted based on consumer demand and market conditions, it is the applicant’s desire to include one or more food stores in the proposed project’s retail mix, as warranted based on consumer demand and market conditions.
- *Pharmacies:* Due in part to the rezoning area’s proximity to Harlem Hospital, there are a number of alternative pharmacies located within close proximity to the rezoning area including Life Pharmacy, First Health Specialty Pharmacy, Inc., Lenox Drug Corp, all of which are within one block of the rezoning area.
- *Clothing and accessories:* Within close proximity to the rezoning area are clothing retailers such as Vintage Treasure Thrift Shop and Harlem Boutique. Although slightly further away than the other alternative sources of goods, there are many retail stores selling shoes and clothing at a variety of price points within the study area, including most notably along 125th Street approximately seven blocks south of the project site. Comparable clothing stores on 125th Street include Marshalls, Burlington Coat Factory, British Walker’s, Paradise Shoes, Inc., and T.J. Maxx. Small-format retailers including Empire Sports Wear, Executive Fashions Gallery, Nicole Boutique, Lady Love, and Paradise Shoes. Large-format retail businesses concentrated around the intersection of Lenox Avenue and 125th Street.

The proposed actions would result in an increase in the total amount of retail space available in the rezoning area, which could be tenanted by the directly displaced businesses or by new businesses that provide similar goods and services to those displaced by the proposed actions,

including food stores. Within the broader study area, there are an estimated 1,708 Retail Trade sector employees. The potentially displaced businesses represent 9.1 percent of Retail Trade employment in the study area. The net increase in retail with the proposed actions would result in a net increase in retail sector employment.

*Accommodation and Food Services*

There are four potentially displaced Accommodation and Food Services sector businesses employing an estimated 62 workers. All four of these businesses, located on Lenox Avenue and at the southwest corner of Fifth Avenue and West 135th Street—McDonald's, China Wok restaurant, Golden Crust, and Manna's Soul Food—employ an estimated 62 workers and would be directly displaced in the first phase of development.

There are alternative sources of similar products available within the trade area. There is a McDonald's located on Adam Clayton Powell Jr. Boulevard and West 139th Street, a Checkers, Burger King, McDonald's, Pizza Hut, and Taco Bell, to name a few, located on 125th Street. King Garden, two Great Wall Kitchen locations, 88, and Ocean, all Chinese-American food restaurants, are within three blocks of the rezoning area. There are three Manna's locations within the study area, one on Frederick Douglass Boulevard and two on 125th Street. Finally, there are 15 delis located within the study area, north of 125th Street. In addition, the proposed actions would result in an increase in the total amount of retail space available in the rezoning area, which could be tenanted by the directly displaced businesses or by new businesses that provide similar goods and services to those displaced by the proposed actions.

Within the broader study area, there are an estimated 1,289 Accommodation and Food Services sector employees. The potentially displaced businesses represent 4.8 percent of sector employment in the study area. The proposed actions would result in a net increase of commercial space and it is anticipated that a portion of the commercial space will be occupied by to-go and sit-down restaurants.

*Finance and Insurance*

There is one potentially displaced bank (Chase Manhattan bank) employing an estimated six workers. The bank is located on the proposed development site at the southwest corner of Fifth Avenue and West 135th Street and would be directly displaced in the first phase of development. While the existing sector business provides an important service to residents of the study area, there are alternative sources of comparable services available within the study area. North of the proposed development site is a Municipal Credit Union, Union Congregational Federal Credit Union, Citibank, and Bank of America. South of the proposed development site is a Chase Bank, M&T Bank, Capital One Bank, Citibank, two TD Bank locations, and two Bank of America locations.

Within the broader study area, there are an estimated 331 Finance and Insurance sector employees. The potentially displaced businesses represent 1.8 percent of sector employment in the study area.

*Other Services (except Public Administration)*

There is one potentially displaced Other Services (except Public Administration) sector business—Express Dry Cleaning—that employs an estimated five workers. The Express Dry Cleaning is located on the proposed development site and would be directly displaced in the first phase of development. There are more than five alternative sources of dry cleaning services available within the study area. Alternative dry cleaners within six blocks of the proposed

## Lenox Terrace

---

development site include Grace Cleaners, Exclusive French Dry Cleaner, Hi Family Dry Cleaning, New Riverbend Cleaners, DryClean NYC, Jim's Dry Cleaning, and three Miss Bubble Laundromat locations.

Within the broader study area, there are an estimated 1,122 Other Services (except Public Administration) sector employees. The potentially displaced businesses represent 0.4 percent of sector employment in the study area.

### *Health Care and Social Assistance*

There is one potentially displaced Health Care and Social Assistance sector business—Harlem Vision Center—that employs an estimated five workers. The vision center is located on the proposed development site and would be directly displaced in the first phase of development. While optometry and eye care are important services, there is an alternative source of this service one block north of the proposed development site located within the Harlem Hospital Center, Eyes & Optics NY, which has more than twice as many optometrists on staff as the Harlem Vision Center. In addition, there is an optometrist on-staff at the Cohen's Fashion Optical location on 125th Street, south of the proposed development site.

Within the broader study area, there are an estimated 4,462 Health Care and Social Assistance sector employees. The potentially displaced businesses 0.1 percent of sector employment in the study area.

### *Community Facility Uses*

As discussed above, one community facility use located on the projected future development site on West 135th Street between Fifth and Lenox Avenues—the Metropolitan AME Church—is conservatively assumed to be temporarily displaced by the proposed actions until new space developed on the projected future development site is ready to be tenanted. However, even if the Metropolitan AME Church did not tenant new space within the rezoning area, its displacement would not constitute a significant adverse environmental impact as defined under CEQR since its products and services are not unique to the study area and alternative sources of similar products and services are available within close proximity. Alternative centers for worship within the study area and in close proximity to the Metropolitan AME Church include: Bethel African Methodist Episcopal Church, St. John African Methodist Episcopal Church, Mother African Methodist Episcopal Church Zion Church, and St. James and St. Philip African Methodist Episcopal Church, to name a few.

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

As discussed above, the proposed project would potentially displace 19 business, a majority of which are Retail Trade sector businesses (approximately 63 percent of potentially directly displaced businesses) and Accommodation and Food Services sector businesses (approximately 27 percent of potentially displaced businesses). Two potentially-displaced businesses—the Associated Food and Fine Fare grocery stores in the Retail Trade sector—are medium-format local grocery stores within the boundaries of the City's Food Retail Expansion to Support Health (FRESH) Program. The FRESH Program provides zoning and/or financial incentives as a way to promote the establishment and retention of neighborhood grocery stores. Through the FRESH Program, zoning and discretionary tax incentives are available in the study area and greater Harlem. As local grocery stores within the boundaries of the FRESH Program, the Associated Food and Fine Fare are the subject of plans or programs to preserve, enhance, or protect them, but

neither of these supermarkets utilize the tax or zoning benefits available to them through the FRESH Program.<sup>12</sup>

Based on the above analysis, according to *CEQR Technical Manual* impact thresholds, the proposed actions would not result in significant adverse impacts due to direct business displacement. The businesses directly displaced by the proposed project do not provide products or services essential to the local economy that would no longer be available in the study area. Further, while the Associated Food and Fine Fare grocery stores located within the rezoning area—which are subject to plans to preserve, enhance, or otherwise protect them—would be directly displaced by the proposed action, neither of the stores has applied for certification as a FRESH food store, and furthermore there are additional sources of healthy fresh produce and food products are located within close proximity of the rezoning area. These include: Alzyadi Deli Corp located on Adam Clayton Powell Jr. Boulevard and West 129th Street; S&L Deli Grocery on Adam Clayton Powell Boulevard and West 133rd Street; and Big J Grocery and Deli, located on Madison Avenue and East 131st Street. All three of which are identified as “Healthy Bodegas” under the New York City Department of Health and Mental Hygiene.

### **INDIRECT RESIDENTIAL DISPLACEMENT**

As described in the *CEQR Technical Manual*, indirect residential displacement usually results from substantial new development that is markedly different from existing uses and activity in an area, which will lead to increased property values in the area. Increased property values can lead to increased rents, which can make it difficult for some existing residents to remain in their homes. The assessment follows the *CEQR Technical Manual*'s three-step preliminary assessment criteria (in bold italics).

***Step 1. Determine if the proposed actions would add new population with higher average incomes compared to the average incomes of the existing populations and any new population expected to reside in the study area without the projects.***

### **EXISTING CONDITIONS AND TRENDS**

According to 2012-2016 ACS data, the average annual household income of residents living in the socioeconomic study area was an estimated \$63,101, which is an increase as compared to 2006-2010 when the average household income was an estimated \$57,324 (see **Table 3-3**).<sup>13</sup> The existing average annual household income of study area residents is lower than 80 percent of the area median income (AMI).<sup>14</sup> In comparison, according to the 2012-2016 ACS the average annual household income of residents living Manhattan was \$138,748 and \$88,437 for residents living in New York City during the same time period. The average annual household income in Manhattan grew by 2.8 percent since 2010 and the average annual household income in New York City grew by 3.1 percent during the same time period.

---

<sup>12</sup> Source: NYC EDC FRESH Impact Report, 2015, page 5.

<https://www.nycedc.com/system/files/files/program/FRESH%20Impact%20Report.pdf>

<sup>13</sup> Based on the MOE for the average household income of the study area according to the 2012-2016 ACS (an MOE of \$1,607), the average household income could range from \$61,494 to \$64,708.

<sup>14</sup> In the New York City region, 80 percent of the AMI for a two-person family is \$66,800. The AMI for a two-person family is used because the average household size for the census tract in which the project is located is 1.72 persons. Source: <http://www1.nyc.gov/site/hpd/renters/what-is-affordable-housing.page>



The significantly lower average annual household income within the study area is, in part, due to the relatively large population of households living within NYCHA developments as compared to Manhattan and New York City as a whole. Examples of nearby NYCHA developments include: the Lincoln Houses directly adjacent to the east of the rezoning area with 1,286 DUs and 3,032 residents; The Saint Nicholas houses, to the west of the rezoning area, with 1,526 DUs and 3,529 residents; and a cluster of NYCHA developments (Drew-Hamilton Houses, Samuel Houses and Public School 139 conversion) to the north with an aggregate of approximately 2,039 DUs with an aggregate of at least 4,509 residents.<sup>15</sup>

**Table 3-3**  
**Average Annual Household Income (2006-2010, 2012-2016 ACS)<sup>1,2</sup>**

	Total Households (2012-2016)	2006-2010	2012-2016	Percent Change
<b>Socioeconomic Study Area</b>	29,628	\$57,324	\$63,101	↑ Increased
<b>Manhattan</b>	753,385	\$135,027	\$138,748	2.8
<b>New York City</b>	3,128,246	\$85,779	\$88,437	3.1

**Notes:**  
<sup>1</sup> All dollar figures have been adjusted to 2016 dollars based on the U.S. Department of Labor, Consumer Price Index, 2016.  
<sup>2</sup> The statistical reliability of the data included in this table has been vetted using DCP's NYC Population FactFinder and by following guidance provided by DCP. For the study area, only the directionality of change over time was statistically reliable. For Manhattan and New York City, the rate of change and the directionality of change were statistically reliable and therefore reported.

**Sources:** 2006-2010 ACS and 2010-2012 ACS, as reported in DCP's NYC Population FactFinder: <https://popfactfinder.planning.nyc.gov/profile/9704/demographic?mode=change&reliability=true>

Consistent with the comparatively lower average annual household income, as shown in **Table 3-4**, approximately 69 percent of the study area population has an annual household income that is less than \$50,000. In comparison, approximately 37 percent of Manhattan households and approximately 46 percent of New York City households have an annual household income that is less than \$50,000. On the higher end of the income spectrum, approximately 19 percent of study area households have an annual household income greater than \$100,000. In comparison, approximately 40 percent of Manhattan households and approximately 30 percent of New York City households have an annual household income that is greater than \$100,000.

**Table 3-4**  
**Distribution of Household Incomes (2012–2016 ACS)**

	Total Households	Households Earning Less than \$25,000		Households Earning \$25,000 to \$49,999		Households Earning \$50,000 to \$99,999		Households Earning \$100,000 to \$199,999		Households Earning \$200,000 or more	
		Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Study Area</b>	29,628	11,027	37.2	9,434	31.8	7,265	24.5	4,184	14.1	1,369	4.6
<b>Manhattan</b>	753,385	170,286	22.6	109,979	14.6	167,742	22.3	163,101	21.6	142,277	18.9
<b>New York City</b>	3,128,246	822,877	26.3	620,856	19.8	822,378	26.3	601,540	19.2	260,595	8.3

**Source:** U.S. Census Bureau 2012–2016 ACS. Accessed through Social Explorer in September 2018.

<sup>15</sup> <http://nycha.maps.arcgis.com/apps/webappviewer/index.html?id=41c6ff5e73ec459092e982060b7cf1a1>

In terms of median household income, similar to the average household income data, study area households have a lower median household income compared to Manhattan and New York City (see **Table 3-5**). As of the 2012-2016 ACS, the median household income for study area households was an estimated \$40,267,<sup>16</sup> as compared to \$75,513 for Manhattan households and \$55,191 for all New York City households. As of 2006-2010 ACS, the median household income for the study area was an estimated \$35,932. The change in median household income between the 2006-2010 and 2012-2016 ACS cannot be reported with statistical confidence. Between the 2006-2010 and 2012-2016 ACS, the median household income in Manhattan increased by 5.5 percent, while the median household income in New York City fell slightly (by 0.3 percent) during this same time period.

**Table 3-5**  
**Median Household Income (2006-2010, 2012-2016 ACS)**<sup>1,2</sup>

	2006-2010	2012-2016	Percent Change
<b>Socioeconomic Study Area</b>	\$35,932	\$40,267	NA
<b>Manhattan</b>	\$71,545	\$75,513	5.5
<b>New York City</b>	\$55,373	\$55,191	-0.3

**Notes:**  
<sup>1</sup> All dollar figures have been adjusted to 2016 dollars based on the U.S. Department of Labor, Consumer Price Index, 2016.  
<sup>2</sup> The statistical reliability of the data included in this table has been vetted using DCP's NYC Population FactFinder and by following guidance provided by DCP. For the study area, the directionality of change and percent change over time were not statically reliable and therefore are not reported. For Manhattan and New York City, the rate of change and the directionality of change were statistically reliable and therefore reported.  
**Sources:** 2006-2010 ACS and 2010-2012 ACS, as reported in DCP's NYC Population FactFinder: <https://popfactfinder.planning.nyc.gov/profile/9704/demographic?mode=change&reliability=true>

In terms of existing residential rents and trends, residential rents have increased in the study area since 2010 (see **Table 3-6**). According to 2012-2016 ACS, the median gross rent in the study area was an estimated \$993 per month.<sup>17</sup> The comparative geographies of Manhattan and New York City also experienced rent increases over the same period of time (by approximately 16 percent in Manhattan and 10 percent in New York City), but had higher absolute rents.

**Table 3-6**  
**Median Gross Rent (2006-2010, 2012-2016 ACS)**<sup>1,2</sup>

	2006-2010	2012-2016	Percent Change
<b>Socioeconomic Study Area</b>	\$828	\$993	↑ Increased
<b>Manhattan</b>	\$1,359	\$1,575	15.9
<b>New York City</b>	\$1,179	\$1,294	9.8

**Notes:**  
<sup>1</sup> All dollar figures have been adjusted to 2016 dollars based on the U.S. Department of Labor, Consumer Price Index, 2016.  
<sup>2</sup> The statistical reliability of the data included in this table has been vetted using DCP's NYC Population FactFinder and by following guidance provided by DCP. For the study area, only the directionality of change over time was statistically reliable. For Manhattan and New York City, the rate of change and the directionality of change were statistically reliable and therefore reported.  
**Sources:** 2006-2010 ACS and 2010-2012 ACS, as reported in DCP's NYC Population FactFinder: <https://popfactfinder.planning.nyc.gov/profile/9704/housing?mode=change&reliability=true>

<sup>16</sup> Based on the MOE for the median household income of the study area according to the 2012-2016 ACS, (an MOE of \$3,796), the median household income could range from \$36,471 to \$44,063.

<sup>17</sup> Based on the MOE for the median gross rent of the study area according to the 2012-2016 ACS, (an MOE of \$44), the median gross rent could range from \$949 to \$1,037.

**Lenox Terrace**

U.S. Census and ACS data do not provide specific rent information according to regulation status or unit size, but instead paint a general picture about the rate at which housing costs are changing in a neighborhood. Market comparables are therefore used (below) to provide a fuller understanding of where the market is today. **Table 3-7** summarizes online listings for apartments for the study area. The median rents presented in the table were calculated based on market-rate rental units, and in general are up to three to four times higher than the data presented by the 2000 Census and the 2012–2016 ACS.

**Table 3-7**  
**Median Asking Rents in the Study Area**

	<b>Studio</b>	<b>1BR</b>	<b>2BR</b>	<b>3BR or More</b>
Socioeconomic Study Area	\$1,725	\$2,125	\$2,737	\$3,300
<b>Notes:</b> Median monthly asking rents are based on real estate listings of 177 DUs located within the socioeconomic study area. Of the 187 DUs, 26 are studios, 62 are one-bedrooms, 66 are two-bedrooms, and 23 are three bedrooms.				
<b>Source:</b> StreetEasy ( <a href="http://streeteasy.com">http://streeteasy.com</a> ) accessed in September 2018.				

The U.S. Department of Housing and Urban Development (HUD) defines families who pay more than 30 percent of their income for housing as rent-burdened. **Table 3-8** estimates the annual incomes of households living within market rate units based on median asking rents and the assumption that residents pay 30 percent of their income on housing. While a majority of renters in New York City are rent-burdened,<sup>18</sup> the estimates show that most market rate units require incomes that are at or above 2018 AMI levels.

**Table 3-8**  
**Imputed Household Income by DU Type/Median Rental Rates**

	<b>Monthly Rent<sup>1</sup></b>	<b>Estimated Monthly Income (Market-Rate Renters)</b>	<b>Estimated Yearly Income<sup>2</sup> (Market-Rate Renters)</b>
Studio	\$1,725	\$5,750	\$69,000
1-bedroom	\$2,125	\$7,083	\$85,000
2-bedroom	\$2,737	\$9,123	\$109,480
3-bedroom	\$3,300	\$11,000	\$132,000
<b>Notes:</b>			
<sup>1</sup> Represents the median monthly market-rate rent based on September 2018 market listings.			
<sup>2</sup> Household incomes were imputed using the HUD 30 percent guideline described above and rounded to the nearest thousand dollars.			
<b>Source:</b> StreetEasy ( <a href="http://streeteasy.com">http://streeteasy.com</a> ) accessed September 2018.			

*NO ACTION CONDITION*

In the No Action condition, it is assumed that the existing vacant storefronts in the proposed development site would be re-tenanted. No new construction is anticipated on the proposed development site or projected future development sites, and the existing conditions and trends in

<sup>18</sup> Based on findings of the 2014 *New York City Housing and Vacancy Survey* conducted by the New York City Department of Housing Preservation and Development (HPD), an estimated 56 percent of New York City renters pay more than one-third of their income on rent and utilities, and about 30 percent of renter households in the City are “severely rent-burdened,” paying 50 percent or more of their household income for rent.

the study area would remain the same. As identified in **Tables 3-3 and 3-5**, there is an existing trend of increasing average and median household incomes in the study area. There is a concurrent existing trend of increasing average and median gross rents. Given the trend toward increased household incomes and increased rents, maintenance of the mixed-income demographic as it currently exists in the study area would depend in large part on the introduction and preservation of affordable housing.

*WITH ACTION CONDITION*

The proposed actions would result in an MIH-designated area. Under MIH, when new housing capacity is approved through land use actions, the New York City Planning Commission (CPC) and the New York City Council can choose to impose either one or both of these two basic options:

- MIH Option 1: 25 percent of the total residential floor area would be set aside for households making an average of 60 percent of AMI, with 10 percent set aside for households making an average of 40 percent of the AMI; or
- MIH Option 2: 30 percent of the total residential floor area would be set aside for households making an average of 80 percent of the AMI.

The CPC and the City Council could also add one or both of two other affordability options:

- MIH Option 3: 20 percent of the residential floor area would be set aside for households making an average of 40 percent of AMI, with subsidies allowed only where they are necessary to support more affordable housing; and
- MIH Option 4: 30 percent of the total residential floor area would be set aside for households making an average of 115 percent of AMI, with 5 percent of that number set aside for households at 70 percent of AMI and another 5 percent of that number set aside for households at 90 percent of AMI. None of the affordable DUs can go to households with incomes above 135 percent of AMI, and no direct subsidies can be used for these affordable DUs.

The overall average income of households who are expected to reside in the DUs generated by the proposed actions cannot be estimated at this time, because the amount of affordable DUs produced and resulting range of affordability presented would ultimately depend on the extent to which each MIH Option is utilized. Additionally, the levels of affordability are based on percentages of the HUD-defined AMI for the region; the 2018 income limits by family size for the New York City region are presented in **Table 3-9**, while **Table 3-10** shows the monthly rents by unit size for each. These levels will change over time, but their future levels cannot conclusively be established at this time.

**Table 3-9  
2018 New York City Area Median Income (AMI)**

Family Size	30% of AMI	40% of AMI	50% of AMI	60% of AMI	80% of AMI	100% of AMI	130% of AMI
1	\$21,930	\$29,240	\$36,550	\$43,860	\$58,480	\$73,100	\$95,030
2	\$25,050	\$33,400	\$41,750	\$50,100	\$66,800	\$83,500	\$100,200
3	\$28,170	\$37,560	\$46,950	\$56,340	\$75,120	\$93,900	\$112,680
4	\$31,290	\$41,720	\$52,150	\$62,580	\$83,440	\$104,300	\$125,160

**Source:**  
U.S. Department of Housing and Urban Development (HUD) and New York City Housing Development Corporation (HDC)

**Table 3-10**  
**2018 New York City Affordable Monthly Rents by Rental Tier**

Unit Size	30% of AMI	40% of AMI	50% of AMI	60% of AMI	80% of AMI	100% of AMI	130% of AMI
Studio	\$367	\$524	\$680	\$837	\$1,197	\$1,510	\$1,979
1-Bedroom	\$471	\$667	\$863	\$1,058	\$1,509	\$1,900	\$2,487
2-Bedroom	\$575	\$810	\$1,045	\$1,280	\$1,820	\$2,289	\$2,993
3-Bedroom	\$658	\$929	\$1,200	\$1,472	\$2,096	\$2,638	\$3,452

**Notes:**  
Assumes tenant pays electricity, no electric stove. Rents are approximate and have been calculated at 30% of annual gross income of the target AMI. For low-income bands, rents are based on 30 percent of 27 percent, 37 percent, 47 percent, and 57 percent of AMI. All rents are subject to program requirements.

**Source:**  
U.S. Department of Housing and Urban Development (HUD) and New York City Housing Development Corporation (HDC)

While it is expected that the population moving into new affordable housing would generally have income characteristics comparable to existing residents in the study area, the number of affordable DUs and corresponding AMI bands for residential development resulting from the proposed actions have not yet been determined. Irrespective of the levels of affordability that would occur as a result of MIH, the proposed actions would result in mostly market-rate housing development, and given existing trends toward higher rents and incomes, are expected to command higher rents and have the potential to bring in a higher income population.

Per *CEQR Technical Manual* guidance, if the expected average incomes of the new population would exceed the average incomes of the study area population, Step 2 of the preliminary assessment should be conducted. Accordingly, Step 2 is warranted and is provided below.

***Step 2. Determine if the project’s increase in population is large enough relative to the size of the population expected to reside in the study area without the project to affect real estate market conditions in the study area.***

According to the ACS data, in 2012-2016 the study area had a population of 71,715. This represents an increase from the population in 2006-2010, which was 62,974 (see **Table 3-11**). In comparison, over the same time period the population of Manhattan increased by 3.3 percent and the population of New York City increased by 4.7 percent.

**Table 3-11**  
**Study Area Population Estimates and Projections<sup>1</sup>**

	2006–2010 ACS	2012–2016 ACS	Percent Change 2006-2010 to 2012–2016	2026 Population Projections in the Future without the Proposed Actions <sup>2</sup>
<b>Study Area</b>	62,974	71,715	↑ Increased	77,719
<b>Manhattan</b>	1,583,345	1,634,989	3.3	N/A
<b>New York City</b>	8,078,471	8,461,961	4.7	N/A

**Note:**  
<sup>1</sup> The statistical reliability of the data included in this table has been vetted using DCP’s NYC Population FactFinder and by following guidance provided by DCP. For the study area, only the directionality of change over time was statistically reliable. For Manhattan and New York City, the rate of change and the directionality of change were statistically reliable and therefore reported.  
<sup>2</sup> Year 2026 population projection based on no build projects and the average household size for ½-mile socioeconomic study area of 2.34 persons per DU.

**Sources:** U.S. Census Bureau 2000, 2012–2016 ACS accessed through Social Explorer (May 2018).

As detailed in Chapter 2, “Land Use, Zoning, and Public Policy,” multiple development projects are expected in the future without the proposed actions. Based on information about these planned projects, absent the proposed actions, 2,566 DUs are projected to be built within the study area by the 2026 build year. Assuming an average household size of 2.34 persons per DU and 100 percent occupancy rates, these planned development projects would add an estimated 6,004 people to the study area. **Table 3-12** presents the total projections in the future without the proposed actions by adding the population from the No Build projects to the 2012-2016 population estimates.

Under the proposed actions and associated RWCDs, by 2026 there would be a total of 1,711 incremental DUs on the proposed development site. These 1,711 DUs represent the net increase in DUs resulting from the proposed actions. With an average household size of 2.34 persons per DU, the added population would be approximately 4,004 people. **Table 3-12** shows the new population relative to the population in the future without the proposed actions.

**Table 3-12**  
**Projected Incremental Population by 2026 under RWCDs**

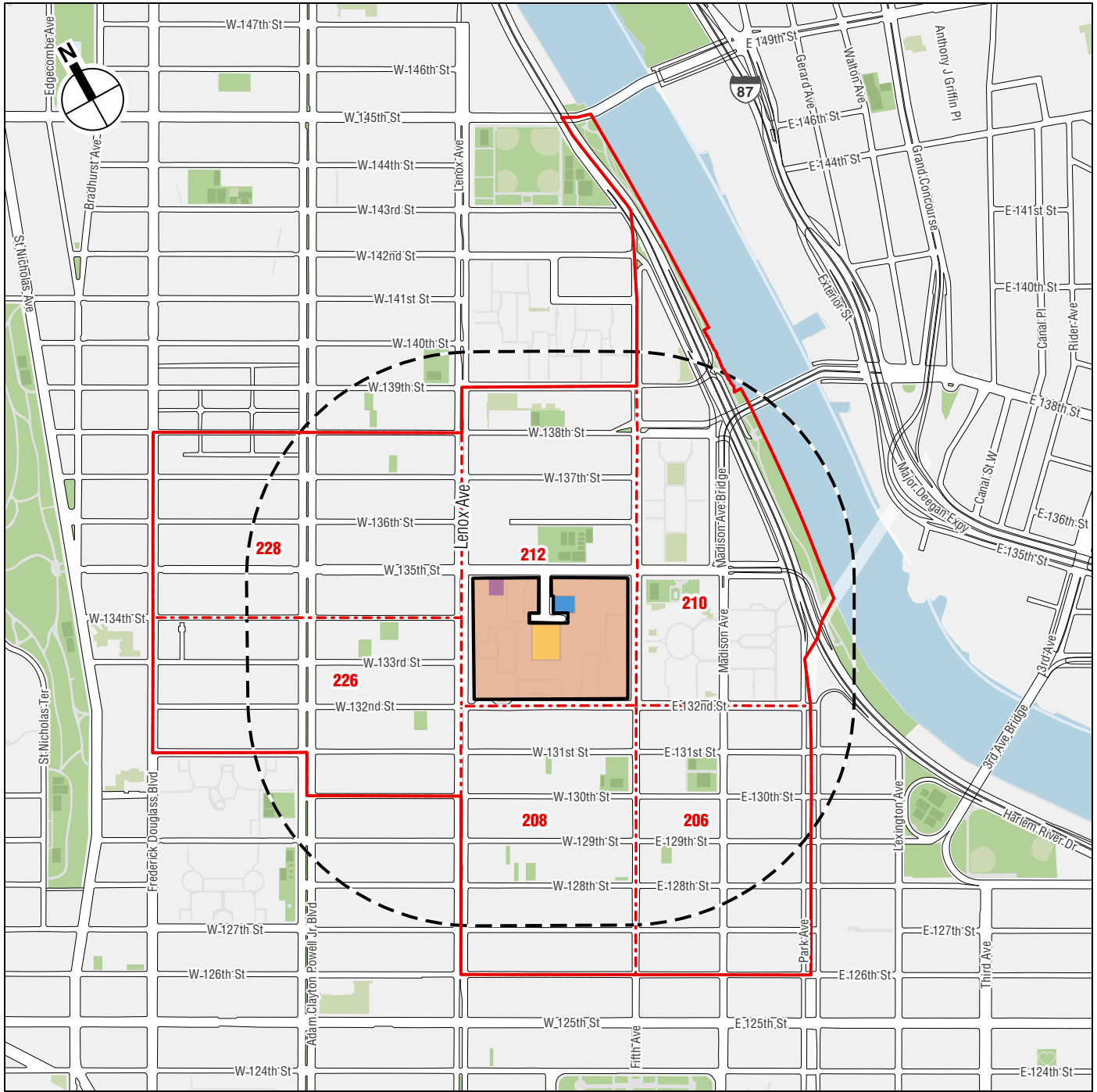
	2026 Population Projections in the Future without the Proposed Actions <sup>1</sup>	Number of Incremental DUs	Projected Population Increase from With Action Dwelling Units	Percent Change from 2026 Future without the Proposed Actions Condition
<b>Study Area</b>	77,719	1,711	4,004	5.2
<b>Note:</b>				
<sup>1</sup> Year 2026 population projection based on no build projects and an average household size of 2.34 persons per DU.				
<b>Source:</b> AKRF, Inc.				









According to *CEQR Technical Manual* analysis thresholds, if the population increase is greater than 5.0 percent in a study area or identified subareas, the incremental population may be large enough to affect real estate market conditions, and Step 3 of the preliminary assessment is warranted. By adding a 4,004-person increment to the study area, the proposed actions would increase the population by approximately 5.2 percent. The incremental population resulting from the proposed actions (4,004 persons) represents more than 5 percent of the ½-mile study area (5.2 percent) and, therefore, Step 3 was conducted.

***Step 3. Consider whether the study area has already experienced a readily observable trend toward increasing rents and the likely effect of the action on such trends within a half mile study area.***

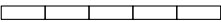
The ½-mile socioeconomic study area has experienced a readily observable trend toward increasing rental housing prices. As shown in **Table 3-6**, median gross rent has increased in the study area since 2010. According to data on the current average asking rents for unregulated housing in the study area (presented in **Table 3-7**), market-rate DUs are currently unaffordable to existing households earning the study area’s average household income of \$63,101.

For the purposes of the Step 3 analysis, a more immediate “¼ mile study area” also was considered. The ¼-mile study area, as shown in **Figure 3-2**, includes Census Tracts 206, 208, 210, 212, 226, and 228. As shown in **Table 3-13**, the ¼-mile study area’s median gross rent also has increased since 2010.



-  Rezoning Area
-  Proposed Development Site
-  Projected Future Development Site
-  Potential Development Site
-  City-Owned Site
-  Quarter-mile perimeter
-  Quarter-mile Study Area
-  Census Tracts

0 1,000 FEET



**Table 3-13**

**Median Gross Rent, ¼ Mile Study Area (2006-2010, 2012–2016 ACS) <sup>1,2</sup>**

	2006-2010	2012-2016	Percent Change
<b>Socioeconomic Study Area</b>	\$865	\$1,067	↑ Increased
<b>Manhattan</b>	\$1,359	\$1,575	15.9
<b>New York City</b>	\$1,179	\$1,294	9.8

**Notes:**

<sup>1</sup> All dollar figures have been adjusted to 2016 dollars based on the U.S. Department of Labor, Consumer Price Index, 2016.

<sup>2</sup> The statistical reliability of the data included in this table has been vetted using DCP’s NYC Population FactFinder and by following guidance provided by DCP. For the study area, only the directionality of change over time was statistically reliable. For Manhattan and New York City, the rate of change and the directionality of change were statistically reliable and therefore reported.

**Sources:** 2006-2010 ACS and 2010-2012 ACS, as reported in DCP’s NYC Population FactFinder: <https://popfactfinder.planning.nyc.gov/profile/10038/housing?mode=change>

According to data on the current average asking rents for unregulated housing in the ¼-mile study area (shown in **Table 3-14** and **Table 3-15**), such DUs are currently unaffordable to existing households earning this study area’s average household income of \$63,856.

**Table 3-14**

**Median Asking Rents in the ¼ Mile Study Area**

	Studio	1BR	2BR	3BR
<b>Socioeconomic Study Area</b>	\$1,710	\$2,150	\$2,499	\$3,080

**Notes:** Median monthly asking rents are based on real estate listings of 97 DUs located within the study area. Of the 97 DUs, 13 are studios, 39 are one-bedrooms, 27 are two-bedrooms, and 18 are three bedrooms or more.

**Source:** StreetEasy (<http://streeteasy.com>) accessed in September 2018.

**Table 3-15**

**Imputed Household Income by DU Type/Median Rental Rates  
for ¼ Mile Study Area**

	Monthly Rent <sup>1</sup>	Estimated Monthly Income (Market-Rate Renters)	Estimated Yearly Income (Market-Rate Renters)
Studio	\$1,710	\$5,847	\$70,000
1-bedroom	\$2,150	\$7,038	\$84,000
2-bedroom	\$2,499	\$8,935	\$107,000
3-bedroom	\$3,080	\$11,734	\$141,000

**Notes:**

<sup>1</sup> Represents the median monthly market-rate rent based on September 2018 market listings.

<sup>2</sup> Household incomes were imputed using the HUD 30 percent guideline described above and rounded to the nearest thousand dollars.

**Source:** StreetEasy (<http://streeteasy.com>) accessed September 2018.

Though rent trend information is not available for the specific ½-mile or ¼-mile study areas, broader trends can be identified for Harlem. Beyond gross rent data from the U.S. Census and current 2018 rental prices, online real estate databases indicate that increasing rents are not a new trend in Harlem. Between 2013 and 2014, rents for studios in Harlem, which includes Central Harlem and East Harlem, grew by as much as 21.7 percent, rents for a one-bedroom apartment grew by as much as 14.0 percent, and rents for a two-bedroom apartment grew by as much as 9.1



percent according to MNS' 2016 rental report.<sup>19</sup> Median rent listings data for Central Harlem from Zillow shows that the trend of increasing rents goes as far back as 2012. In 2012, rentals in Central Harlem listed on Zillow ranged from a low of \$1,700 per month to a high of \$1,900 per month. In comparison, for the first quarter of 2018, the median rental listing in Central Harlem was \$2,200 per month.<sup>20</sup> In addition, a large number of recent developments have been condominiums (for example, the Rennie at 2341 Seventh Avenue, and The Apex at 2300 Frederick Douglass Boulevard), which could likely contribute to the trend of increasing rents in the study area, since they have a higher barrier to entry than rentals that do not require large initial investments (such as the rental units proposed at Lenox Terrace).

### CONCLUSION

While Step 1 of the preliminary assessment would not rule out the possibility that the proposed actions could result in new populations with higher average incomes than the existing and future study area population, and Step 2 of the analysis determined that the project's increase in population would be large enough to affect real estate market conditions in the study area, Step 3 found that the study area has already experienced a readily observable trend toward increasing housing prices. Therefore, based on *CEQR Technical Manual* guidelines, the proposed actions would not result in significant adverse impacts due to indirect residential displacement, and no further analysis is warranted.

### INDIRECT BUSINESS DISPLACEMENT

Similar to the analysis of indirect residential displacement, the preliminary assessment of indirect business displacement focuses on whether the proposed actions would increase property values and rents within the study area, making it difficult for some categories of businesses to remain in the area. The preliminary analysis follows the methodology of the *CEQR Technical Manual* in analyzing the criteria in bold italics below.

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

The proposed actions would facilitate the introduction of new residential and commercial uses. With the proposed actions, the residential uses would include a combination of market-rate and affordable units, and the commercial uses would include ground-floor retail. As discussed and shown in **Tables 3-1 and 3-16**, the proposed development site and the broader socioeconomic study area have well-established residential and retail markets such that the proposed actions would not be introducing new economic activities to the potential development site or to the study area.

---

<sup>19</sup> <https://www.6sqft.com/rents-in-harlem-up-with-new-listings-brooklyn-still-expensive-as-ever/>

<sup>20</sup> <https://www.zillow.com/harlem-new-york-ny/home-values/>

**Table 3-16**  
**Existing Land Uses and Incremental Land Uses in the With Action Condition<sup>1</sup>**

Use	Existing Amount in Rezoning Area	Existing Amount In Socioeconomic Study Area	Incremental Amount Introduced in the With Action Condition
Residential	1,599,183 gsf (1,716 DU)	30,115,261 gsf 35,048 (DU)	1,488,758 gsf (1,711 DU)
Commercial (Retail)	91,597 gsf	2,059,870 gsf	39,845 gsf

**Source:** DCP, MapPLUTO v18.1, Accessed September 2018.

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

*RESIDENTIAL*

In the With Action condition, the proposed actions would add to the concentration of residential uses on the proposed development site and in the study area, but not enough to alter or accelerate an ongoing trend or existing pattern. The study area has a large concentration of residential land uses (over 50,000 DUs, see **Table 3-16**), particularly north and east of the proposed development site at the Savoy Park apartment complex and Riverton Square apartment complex, respectively. The Savoy Park complex is made up of 1,790 rent-stabilized DUs and the Riverton Square complex is made up of 1,229 DUs, of which 975 are rent-stabilized. Beyond large apartment complexes, of which there are many more besides Savoy Park and Riverton Square, the primary land uses of the study area consist of four- to six-story apartment complexes. Recent residential developments in the area have been both fully market-rate buildings as well as buildings with a mix of market-rate and affordable DUs. Examples of recent residential developments in the study area (beyond the condominiums noted in the indirect residential displacement discussion) include 308 West 133rd Street (Built 2018, 46 market-rate DUs), 70 West 139th Street (Redeveloped in 2017, 64 DUs of which 42 DUs are affordable), 51 East 131st Street (Built 2017, 12 market-rate DUs), and 69 East 125th Street (Built 2017, 75 DUs of which 15 DUs are affordable). In the No Action condition, there would be a total of 2,566 DUs constructed in the study area by 2026.

As evidenced by the No Action condition and recent residential developments within the study area, there is an existing trend towards mixed-income residential developments. Since the proposed actions would include at least 342 affordable DUs (20 percent of the total units introduced by the proposed actions onto the proposed development site), it would serve to maintain a diverse demographic within the study area. As such, the proposed actions would be in line with existing patterns of residential development and would not add to the concentration enough to alter or accelerate an ongoing trend or existing pattern.

*COMMERCIAL (RETAIL)*

Commercial uses resulting from the proposed actions include an increment of approximately 40,000 sf of ground-floor retail. Harlem is in the midst of a retail transformation from small-format retailers to large-format stores. The increment of approximately 40,000 sf of ground-floor retail resulting from the proposed actions would not be enough to alter or accelerate an ongoing trend or existing pattern. As noted in **Table 3-16**, there is approximately 3.5 million sf of retail currently within the study area. In the No Action condition, there would be over 120,000 sf of retail space developed in the study area, indicating that there is currently a trend of development of retail space in the study area. Examples of recent large-format retail development include a 200,000 sf building

built in 2017 at 100 West 125th Street. Retailers located at 100 West 125th Street include Whole Foods, Victoria's Secret, American Eagle, Burlington Coat Factory, TD Bank, Olive Garden, and Raymour and Flanigan. Bed Bath & Beyond, T.J. Maxx, and New York & Company also opened in 2017 at 5-15 West 125th Street. Existing small-format retailers in the study area include Empire Sports Wear, Vintage Treasure Thrift Shop, Executive Fashions Gallery, Nicole Boutique, Lady Love, and Paradise Shoes. The approximately 40,000 sf of ground-floor retail resulting from the proposed actions would not be of a size or type that would be expected to alter or accelerate the ongoing trend of increased retail development within the study area, but would be in-line with existing trends. Further, it is possible that the directly displaced businesses would tenant the project-generated commercial space available within the rezoning area.

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

The proposed actions would not directly displace uses that offer critical support services to local businesses, or that draw a substantial customer base to the study area. As discussed in the direct business displacement discussion above, the proposed project would directly displace 19 businesses and an estimated 234 jobs associated with those businesses. The 19 businesses that would be directly displaced under the RWCDs are located on the proposed development site and include 12 Retail Trade sector businesses, four Accommodation and Food Service sector businesses, and one business in each of the following sectors: Finance and Insurance, Other Services (except public administration), and Health Care and Social Assistance. The potentially displaced businesses are each less than 10,000 sf in size, with the exception of the Fine Fare food market (11,000 sf) and Goodwill (19,600 sf, of which 9,800 sf is used basement office space), and do not draw large volumes of customers to their location relative to the overall consumer draw within the study area. Rather, the retail cluster located approximately seven blocks south of the proposed development site at the intersection of 125th street and Lenox Avenue is more likely to draw people to the area that form a customer base for local businesses. In addition, the retail cluster at 125th Street, which is within the study area, includes a number of alternative sources of goods and services to those that would be directly displaced by the proposed project. The 125th Street retail cluster includes chain stores such as Marshalls, Burlington Coat Factory, American Eagle Outfitters, Whole Foods Market, Staples, CVS, and H&M, as well as small-format retailers including Empire Sports Wear, Executive Fashions Gallery, Nicole Boutique, Lady Love, and Paradise Shoes. Restaurants at the 125th Street intersection with Lenox Ave includes Olive Garden, Red Rooster, Dunkin' Donuts, Burger King, Harlem Shake, and Jimbo's Hamburger Palace, and Financial Institutions in the same area include TD Bank, M&T Bank, Santander Bank, and Chase Bank. Businesses or establishments within the study area that rely upon the directly displaced businesses would have alternative sources of goods and services within close proximity.

***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 actions would not directly or indirectly displace residents, workers, or visitors who form a substantial portion of the customer base of existing businesses in the study area. In the With Action condition, any potential loss of existing residential customers would be minimal and would be more than offset by the introduction of a new residential population (an estimated 4,004 residents). Similarly, the proposed actions would increase the number of daytime workers and visitors relative to the existing uses on the proposed development site. The influx of residents and employees to the proposed development site as a result of the proposed actions and to the study area as a result of planned projects in the surrounding area would add to the customer base of

existing study area businesses and increase demand for retail and services generally, both for new and existing businesses.

*CONCLUSION*

Based on the above consideration of CEQR criteria, this preliminary assessment finds that the proposed actions would not add a new economic activity or add to a concentration of a particular sector of the local economy enough to significantly alter or accelerate existing economic patterns. The proposed actions would not directly or indirectly displace uses that provide critical support to businesses in the study area, or that bring people into the area that form a substantial portion of the customer base for local businesses. As such, the proposed actions would not result in significant adverse socioeconomic impacts due to indirect business displacement, and no further assessment is warranted.

**ADVERSE EFFECTS ON SPECIFIC INDUSTRIES**

According to the *CEQR Technical Manual*, a significant adverse impact may occur if a project would quantifiably 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* is new regulations that prohibit or restrict the use of certain processes that are critical to certain industries.

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

The proposed actions would not significantly affect the business conditions in any industry or category of business within or outside the study area. As described in the direct business displacement preliminary assessment, by 2026 the proposed project would directly displace 19 businesses employing an estimate 234 workers including 12 Retail Trade sector businesses, four Accommodation and Food Service sector businesses, and one business in each of the following sectors: Finance and Insurance, Other Services (except public administration), and Health Care and Social Assistance.

These businesses would not represent a critical mass of businesses within any City industry, category of business, or category of employment. Although these businesses are valuable individually and collectively to the City's economy, the goods and services offered by potentially displaced uses can be found elsewhere within the socioeconomic study area, within a broader trade area, and within the City as a whole. Furthermore, the products and services offered by potentially displaced businesses are not essential to the viability of other businesses within or outside the study area. Therefore, the proposed actions would not adversely affect business conditions in any specific industry within or outside the study area.

***2. Would the proposed actions indirectly substantially reduce employment or have an impact on the economic viability in the industry or category of business?***

As described in the indirect business displacement analysis, the proposed actions would not result in significant indirect business displacement. Therefore, the proposed actions would not indirectly substantially reduce employment or have an impact on the economic viability in any specific industry or category of business.

Based on this preliminary assessment, the proposed actions would not result in significant adverse impacts due to adverse effects on specific industries. \*