

2 SOCIOECONOMIC CONDITIONS

2.1 Introduction

As defined in the 2020 *CEQR Technical Manual (CEQR Technical Manual)*, the socioeconomic character of an area includes its population, housing, and economic activity. Socioeconomic changes are disclosed if they would affect land use patterns, low-income populations, the availability of goods and services, or economic investment in a way that changes the socioeconomic character of the area, regardless of whether the changes result in other environmental impacts under CEQR. A socioeconomic assessment considers whether a proposed project could result in significant adverse impacts on the socioeconomic character of an area due to the direct displacement of the residential population on a project site, indirect displacement of the residential population within a study area, direct displacement of existing businesses on a project site, indirect displacement of existing businesses within a study area, or adverse effects on specific industries.

The Proposed Actions would facilitate the development of up to 726 incremental dwelling units (DU) and 19,834 gross square feet (gsf) of incremental commercial space. In accordance with the city's Mandatory Inclusionary Housing (MIH) program, the Proposed Actions would result in a minimum of 20 to 30 percent of the DUs being permanently affordable in accordance with the four options of the MIH program. The Applicant is proposing MIH Options 1 and 2; Option 1 would require 25 percent of the project-generated DUs to be affordable at an average affordability level of 60 percent of the area median income (AMI), while Option 2 would require that 30 percent of the project-generated DUs be affordable at an average affordability level of 80 percent of the AMI. However, The Reasonable Worst-Case Development Scenario (RWCDs) established for the Proposed Actions assumed the Applicant would pursue MIH Option 2.

2.2 Principal Conclusions

The RWCDs established for the Proposed Actions assumed the Applicant would pursue MIH Option 2, which would require 30 percent of the project-generated DUs to be affordable (with 20 percent of the DUs available for low-income households (defined households earning 80

percent of less the AMI), and 10 percent of the DUs available for moderate-to-middle-income households (defined as householders earning more than 80 percent the AMI)). The specific amount of required affordable housing and affordability levels would be determined by MIH Options made available by City Council.

Therefore, based on the RWCDs, the Proposed Actions would introduce 456 market-rate DUs and 270 permanently affordable DUs, 179 of which would be reserved for low-income households (i.e. households earning 80 percent or less the AMI) and 91 of which would be affordable DUs reserved for moderate-to-middle-income households. On Projected Development Site 2, which is not under control of the Applicant, two existing rent stabilized (non-income restricted) DUs would be removed to allow construction of a new mixed use building containing 30 permanently affordable DUs (20 of which would be reserved for low-income households, as determined by the RWCDs). The 179 project-generated DUs that would be reserved for low-income households would provide housing for approximately 449 low-income residents, a number which represents more than a quarter (26 percent) of the Study Area's low-income population potentially vulnerable to indirect residential displacement.

The Study Area's existing rental supply is more than 70 percent protected housing. The Proposed Actions would expand the supply of protected affordable housing in an area that does not have a readily observable trend toward increasing rents. In the With-Action Condition, more than 60 percent of the Study Area's rental inventory would continue to be protected affordable rental housing. As a result, the Proposed Actions would expand and diversify the Study Area's rental housing stock. Both the project-generated affordable and market-rate DUs would likely introduce a population that has a higher average household income than existing Study Area residents. By increasing the Study Area's rental housing inventory by approximately 18 percent, the Proposed Actions may potentially lead to some demographic shifts.

According to the U.S. Census data, recent trends in the Study Area and PUMA show that the median and mean household income has not shown any statistically significant change since 2010, and median rents have shown little change as well (and likely have stagnated or decreased when accounting for inflation). There has been relatively little new housing development in the Study Area, meaning these socioeconomic trends are likely to continue.

The *CEQR Technical Manual* indicates a significant adverse socioeconomic conditions impact may occur in the area of indirect residential displacement if the detailed assessment identifies a vulnerable population potentially subject to indirect displacement that exceeds five percent of the study area's population. Per CEQR assessment methods, the detailed indirect residential displacement assessment indicates up to 12.8 percent of the Study Area's population (1,684 persons) is potentially vulnerable to indirect displacement; however, the Proposed Actions would not result in a significant adverse impact because:

- Assuming MIH Option 2 (30% of DUs must be affordable at an average affordability level of 80% AMI) is adopted, the Proposed Actions would expand the Study Area's affordable housing (including DUs for both low-income and moderate-to-middle-income households) supply by approximately 270 DUs, or nearly 10 percent of the Study Area's existing protected housing supply. Of these 270 units, 179 units would be available to low-income families (defined as households earning 80 percent AMI or less) and 91 permanently affordable units would be available to moderate-to-middle-income households (defined as households earning more than 80 percent the AMI). These 270 permanently affordable DUs would provide affordable housing for approximately 678 low-to-middle income residents. No affordable housing would be provided in the No-Action Condition.

- The 179 income-restricted, permanently affordable DUs reserved for low-income households (i.e. households earning 80 percent AMI or less), that would be generated by the Proposed Actions would house approximately 449 low-income residents, a number which represents more than 26 percent of the Study Area’s population that is potentially vulnerable to indirect residential displacement (as estimated per CEQR methodologies). This is in contrast to the No-Action Condition, which would not contain any affordable DUs, including no DUs reserved for low-income households.
- While the Proposed Actions would decrease the share of protected rental housing in the Study Area, more than 60 percent of the Study Area’s rental housing supply would continue to have some rent protection in the With-Action Condition. With more than 60 percent of the Study Area’s rental housing market comprising protected affordable DUs in the With-Action Condition, the Proposed Actions would diversify the Study Area’s rental housing supply by introducing new supply of market-rate multifamily rental housing. The large share of protected affordable housing in the Study Area would minimize the socioeconomic effects of the Proposed Actions.
- Recent trends in the Study Area and the Public Use Microdata Area (PUMA) show that the median and mean household income has not shown any statistically significant change since 2010. Median rents have shown little change as well (and likely have stagnated or decreased when accounting for inflation), and there has not been a readily observable trend toward increasing rents. Real estate professionals familiar with the St. George market indicated that there is no evidence that rent-regulated properties in the area are being turned over to higher income buyers. Further, there has been relatively little new housing supply in the Study Area, meaning it is reasonable that these socioeconomic trends are likely to continue.
- Being on a peninsula near the northeastern edge of Staten Island, the area within 0.5-miles of the Project Area (generally the Study Area) is approximately 50 percent waterbodies. The Study Area established by CEQR methodologies therefore reflects a population density and population less than other inland areas of the St. George neighborhood, and inflates the socioeconomic effects of the Proposed Actions.

2.3 Methodology

An assessment of socioeconomic conditions separates the socioeconomic conditions of area residents from those of area businesses, although a proposed project may affect them in similar ways. The *CEQR Technical Manual* defines direct displacement as “the involuntary displacement of residents or businesses from a site(s) directly affected by a proposed project.” Indirect displacement is the involuntary displacement of residents, businesses, or employees that results from a change in socioeconomic conditions in a particular study area as a result of the proposed project.

Direct Residential Displacement

The Proposed Actions would result in the direct displacement of two, two-family residences on Projected Development Site 2. Lot 73 of Projected Development Site 2 contains two rent-stabilized units that would be displaced in the With-Action Condition to allow construction of a mixed use building with some permanently affordable housing pursuant to the MIH program. Using the average rental household occupancy of 2.51 persons per household in PUMA 3903 (Staten Island Community District 1), the Proposed Actions have the potential to directly displace 10 residents. According to the *CEQR Technical Manual*, a direct residential

displacement analysis is warranted if more than 500 residents would be directly displaced. Therefore, the Proposed Actions would not result in significant adverse impacts related to direct residential displacement and further assessment is not warranted.

Indirect Residential Displacement

The objective of indirect residential displacement analysis is to determine whether the Proposed Actions may either introduce or accelerate a trend of changing socioeconomic conditions that may potentially displace a vulnerable population, most notably renters living in privately-held DUs unprotected by rent control, rent stabilization, or other government regulations. The potential for indirect displacement depends not only on the characteristics of the proposed project, but on the characteristics of a study area. These characteristics include:

- Total population by the study area, borough, and New York City. In addition, demographic data from the larger PUMA 3903, which generally reflects the community district that encompasses the study area, will also be considered.
- Housing values and rent. This chapter relies on data received from real estate brokers active in the study area, in addition to review of online market data for current and recent rental listings in the study area and environs. Real estate brokers were also asked about local activity related to conversion of rental DUs to condominium or cooperative ownership DUs.
- Estimates of the number of DUs not subject to rent control. The existing affordable housing inventory is compared to the number of existing low-income residents in the Study Area. Based on available data, this chapter estimates the number of total rental DUs and protected rental DUs in the future No-Action and With-Action conditions. Using the PUMA-wide average household size for rental households, the population of low-income households is also estimated.
- Median household income and percentage of population living below the poverty line, based on data from the U.S. Census and the U.S. Department of Housing and Urban Development (HUD).

After identifying these characteristics, the socioeconomic analysis comprises four general components:

1. Determine if the Proposed Actions would add new population with higher average incomes than existing and projected average incomes in the study area;
2. Determine if the increase in population due to the Proposed Actions is large enough, relative to the size of the population expected to live in the study area without the Proposed Actions, to affect the local residential real estate market for rental properties. If the population increase is five percent or greater, then further analysis is needed;
3. Consider whether the study area has experienced a readily observable trend toward increasing rents and the likely effect of the Proposed Actions on such trends; and
4. Determine whether the low-income renter population in the Study Area (for this analysis defined as households with incomes at 80 percent or less of the New York City area median income) exceeds the supply of protected rental DUs in the study area and, if so, quantify that population that is vulnerable to displacement due to increasing rents.

According to the *CEQR Technical Manual*, if the population that is vulnerable to displacement due to increasing rents exceeds five percent of a study area, a significant adverse impact could occur. The Proposed Actions would result in 726 incremental DUs. According to the *CEQR*

Technical Manual, projects that would result in more than 200 incremental residential DUs have the potential to result in significant adverse impacts related to indirect residential displacement. A detailed assessment of potential indirect residential displacement was warranted.

Business Displacement

The Proposed Actions would not result in either a direct or indirect displacement of existing businesses. According to the *CEQR Technical Manual*, projects resulting in an increase of more than 200,000 gsf of commercial space have the potential to result in indirect business displacements due to increased rents. The RWCDs established for this project established the Proposed Actions would facilitate an increment of 19,834 gsf of commercial space. Further assessment is not warranted.

Study Area

The study area for socioeconomic conditions reflects the scale of change anticipated to result from the Proposed Actions. The *CEQR Technical Manual* states that the study area should comprise those census tracts with 50 percent or more of their areas within 0.25 miles of the Project Area. Actions that would increase the population within a 0.25-mile study area by more than five percent compared to the No-Action Condition, a study area comprising the census tracts with 50 percent or more of their areas within 0.50 miles of the Project Area is more appropriate to assess socioeconomic conditions.

The Proposed Actions would result in 726 incremental DUs and approximately 1,859 incremental residents. These 1,859 additional residents would increase the 0.25-mile study area population by more than five percent. Pursuant to *CEQR Technical Manual* guidance, the 0.50-mile radius was used to determine the study area. The Project Area is in Census Tract 7 in the northeast corner of Staten Island, near where the Kill Van Kull meets Upper New York Harbor. The census tracts with more than 50 percent of their area within 0.50 miles of the Project Area are Staten Island 2010 Census Tracts 3, 7, 9, and 11. These tracts comprise the Study Area, as shown in Figure 2-1.

Figure 2-1: Socioeconomic Conditions Study Area



Data Sources

This socioeconomic conditions assessment draws upon data from the U.S. Census Bureau’s 2010 Census, the 2013-2017 Comprehensive Housing Affordability Strategy (CHAS) dataset published by HUD, the 2018 Staten Island Rent Stabilized Building List produced by the NYS Division of Homes and Community Renewal, and the five-year American Community Survey (ACS) data from 2006-2010 and 2014-2018. The assessment also uses data from the New York City Department of City Planning (DCP) Primary Land Use Tax Lot Output (PLUTO) and the real estate websites StreetEasy, and Zumper. Conversations were also held with Staten Island real estate professionals active in the St. George area.

Known on-going development efforts that would reasonably be completed by the 2025 analysis year (“No-Build projects”) found within the study area are included in this assessment. Data for No-Build projects were obtained from the Department of Building’s (DOB) Building on My Block application, and new building permits for No-Build projects that would be completed by 2025 were found using the DOB Building Information System (BIS).

2.4 Preliminary Indirect Residential Displacement Assessment

The goal of the indirect residential displacement assessment is to determine whether a proposed project may either introduce or accelerate a trend of changing socioeconomic conditions that could displace a vulnerable population to the extent that the socioeconomic character of the affected neighborhood would change. A preliminary assessment of a project’s potential to result in indirect residential displacement first considers the following question:

Step 1: Will the Proposed Action add a new population with higher average incomes compared to the average incomes of the existing population and any new population expected to reside in the study area?

Table 2-1 indicates the 2014-2018 ACS median household income in the Study Area, and the change since the 2006-2010 ACS. The median household income is \$46,124 in the Study Area, \$79,710 in the borough of Staten Island, and \$60,769 in New York City.

Table 2-1: Household Income Characteristics (2006-2010, 2014-2018 ACS)

Geography	Mean Household Income			Median Household Income		
	2006-2010	2014-2018	Market Directionality	2006-2010	2014-2018	Market Directionality
Study Area	\$67,255	\$64,057	N/A ³	\$47,604	\$46,124	N/A ²
Staten Island	\$99,848	\$98,841	N/A ³	\$82,284	\$79,710	N/A ²
New York City	\$89,899	\$97,648	8.6% ¹	\$58,109	\$60,769	4.6% ¹

¹ The margin of error (MoE) of the difference between the 2006-2010 income and the 2014-2018 income is less than one-third of the difference between the two values. The change is reported.

² MoE of the difference between the 2006-2010 income and the 2014-2018 income is greater than the difference between the two values; therefore, the percentage change cannot be estimated with confidence. Neither the change nor the directionality is reported.

Source: U.S. Census Bureau, 2006-2010 and 2014-2018 ACS 5-Year Estimates (NYC Planning Population FactFinder)

The change in direction in median and mean household income for both the Study Area and the borough of Staten Island between 2006-2010 and 2014-2018 cannot be estimated with confidence due to the margin of error when comparing the ACS data. Within New York City as a whole, both the mean and median household incomes increased. Additionally, the mean household income for the Study Area, Staten Island, and New York City are higher than the median household incomes, indicating that a small percentage of populations in each geography earn significantly more than the typical household. Both the mean and the median household incomes in the Study Area are smaller than the mean and median household incomes in Staten Island and New York City as a whole.

Table 2-2 shows a distribution of incomes in the Study Area, Staten Island, and New York City. Over one-third of the households in the Study Area earn less than \$25,000 annually, while another 22 percent earn \$100,000 or more annually. Compared to Staten Island and New York City, a larger portion of households in the Study Area earn less than \$25,000 annually and there is a smaller proportion of households in the higher income brackets. The relatively high proportion of lower income households in the Study Area is partly due to the presence of NYCHA housing and other publicly-assisted rental DUs.

Table 2-2: Distribution of Household Incomes (2014 – 2018)

Household Income	Study Area		Staten Island		New York City	
	Number	Percent	Number	Percent	Number	Percent
Less than \$25,000	1,895	36.8%	34,147	20.5%	772,160	24.5%
\$25,000 – \$49,999	818	15.88%	25,244	15.2%	590,856	18.7%
\$50,000 - \$74,999	739	14.35%	22,758	13.7%	462,374	14.7%
\$75,000 - \$99,999	542	10.52%	20,844	12.5%	345,558	11.0%
\$100,000 - \$149,999	558	10.83%	31,501	19.0%	440,162	14.0%
\$150,000 or more	598	11.61%	34,658	20.2%	542,993	17.2%
TOTAL	5,150	100.0%	166,100	100.0%	3,154,103	100.0%

Source: U.S. Census Bureau, 2014-2018 ACS 5-Year Estimates (NYC Planning Population FactFinder).

The data presented in Table 2-3 indicate there has not been a substantial change in the poverty level for the Study Area and New York City. The percentage of households, for whom poverty status is determined, has increased slightly in Staten Island, decreased slightly in New York City, and has experienced no statistically significant change in the Study Area.

Table 2-3: Household Income Below the Poverty Level in the Past 12 Months

Geography	2006-2010	2014-2018	Direction of Change
Study Area	28.4%	28.2%	N/A ³
Staten Island	8.1%	10.6%	Increasing ²
New York City	16.2%	15.6%	Decreasing ²

Source: U.S. Census Bureau, 2006-2010 and 2014-2018 ACS 5-Year Estimates (NYC Planning Population FactFinder).

Notes:

¹ The margin of error (MoE) of the difference between the 2006-2010 poverty level and the 2014-2018 poverty level is less than one-third of the difference between the two values. The change is reported.

² MoE of the difference between the 2006-2010 poverty level and the 2014-2018 poverty level is greater than one-third of the difference between the two values but less than the difference itself. A percentage change cannot be estimated with confidence. The directionality (increasing or decreasing) is reported.

³ MoE of the difference between the 2006-2010 poverty level and the 2014-2018 poverty level is greater than the difference between the two values. A change in direction or percentage change cannot be estimated with confidence. Neither the change nor the directionality is reported.

In the No-Action Condition, Site B (Lots 82 and 92) of Projected Development Site 1 would be developed with 167 rental DUs, resulting in a net population increase of 419 persons in the Project Area in the No-Action Condition. The four existing DUs (10 residents) on Projected Development Site 2 would remain. Assuming these would house 2.51 residents per DU - the average household size of renter-occupied DUs in PUMA - there would be 419 additional residents in the Project Area in the No-Action Condition.

The Proposed Actions would facilitate new development with permanently affordable housing pursuant to the MIH program. Regardless of the MIH option selected, at least 20 percent of the 897 With-Action DUs, or 179 DUs, would be permanently affordable. Based on the RWCDs established for the Proposed Actions, an additional 91 DUs would be affordable DUs available to moderate-to-middle-income households (i.e. households with incomes above 80 percent AMI), and 627 DUs would be market rate DUs. Table 2-4 provides information on 2020 New York City AMI for determining affordable housing income eligibility by household size.

Table 2-4: 2020 New York City Area Median Income (AMI)

Family Size	30% AMI	40% AMI	50% AMI	60% AMI	80% AMI	100% AMI	130% AMI
1	\$23,880	\$31,840	\$39,800	\$47,760	\$63,680	\$79,600	\$103,480
2	\$27,300	\$36,400	\$45,500	\$54,600	\$72,800	\$91,000	\$118,300
3	\$30,720	\$40,960	\$51,200	\$61,440	\$81,920	\$102,400	\$133,120
4	\$34,110	\$45,480	\$56,850	\$68,220	\$90,960	\$113,700	\$147,810

Source: NYC Department of Housing Preservation and Development (<https://www1.nyc.gov/site/hpd/renters/area-median-income.page>, accessed February 2021).

All 167 No-Action DUs that would be developed on Projected Development Site 1 would be market rate rental housing. Because the Proposed Actions would establish the Project Area as an MIH area, the With-Action Condition would facilitate affordable housing at the development sites. Compared to the No-Action, the With-Action Condition (as established by the RWCDs) would result in up to 726 incremental DUs, of which 270 would be permanently affordable. Of these 270 permanently affordable DUs, 179 would be targeted towards low-income households.

Based on the affordability levels in Table 2-4, the average household income anticipated for the new residential population that would qualify for affordable housing under the With-Action Condition is approximately \$72,800 for a household of two, which is higher than both the median household income (\$46,124) and mean household income (\$64,057) for the Study Area. Table 2-5 summarizes the median asking rents for studios, one-bedroom and two-bedroom apartments in the Study Area in the ten months preceding March 2020. No listings were found for 3- or 4-bedroom DUs. The median asking rents range from approximately \$1,998 per month for a studio to approximately \$2,275 per month for a two-bedroom DU.

Table 2-5: 2019 Median Asking Monthly Rents in the Study Area

	Studio	1-Bedroom	2-Bedroom	3-Bedroom	4-Bedroom
Median	\$1,998	\$1,800	\$2,275	N/A	N/A

Source: Zumper Research (<http://zumper.com>) accessed September 2020).

Based on the assumption that households would spend approximately 30 percent of income on housing, households would need to annually earn approximately \$80,400 to afford a market rate studio, \$72,000 to afford a one-bedroom DU, or \$91,200 to afford a two-bedroom DU. Table 2-6 shows the expected market rate household income by unit type based on the assumption that new residents would spend up to 30 percent of their income spent on housing costs.

Table 2-6: Household Income by Unit Type

Unit Type	Monthly Rent ¹	Monthly Income	Annual Income ²
Studio	\$1,998	\$6,700	\$80,400
One-Bedroom	\$1,800	\$6,000	\$72,000
Two-Bedroom	\$2,275	\$7,600	\$91,200

Source: Zumper Research (<http://zumper.com>), accessed March 2020), used for rental research.

Notes:

¹ Represents the median market-rent based on May 2019 – March 2020 market listings

² Household incomes were imputed using HUD 30 percent guideline and rounded to nearest \$100.

The number of project-generated permanently affordable DUs that would be available at each level of affordability has not yet been determined, and would be subject to the MIH Options made available. To provide a conservative assessment, it is assumed households in permanently affordable DUs would be earning 80 percent of AMI (\$76,880 for a family of

Table 2-9: 2025 No-Action Planned Developments in Study Area

No-Action Development	Rental DUs	Condominium DUs	Residential Population¹
Project Area			
No-Action – Projected Development Site 1	167	0	419
Study Area			
Active Permits as of 12/31/19 ²	215	0	
<i>Projected Occupied Units³</i>	<i>189</i>	<i>0</i>	<i>473</i>
38 Bay Street ⁴		49	147
Study Area Total	189	49	620
Grand Total (Project Area + Study Area)	356	49	1,039

¹ Assumes 2.51 residents per rental DU, the average Community District rental-occupied household size.

² NYC Department of Buildings

³ Assumes vacancy rate of 12.3%

⁴ Assumed condominium development. The owner-occupied household size of the PUMA is 2.99.

Source: LANGAN Engineering Research, Casandra Properties

In the No-Action Condition, 167 DUs would be developed on Projected Development Site 1 by 2025. Including the 4 DUs that would remain on Projected Development Site 2 in the No-Action Condition (two of which are rent stabilized units), the Study Area’s No-Action 2025 residential population would be 14,172. This was determined by adding the projected population from the No-Action developments outlined in Table 2-10.

Table 2-10: 2025 No-Action and With-Action Populations

Geography	2020	2025 No-Action	2025 With-Action	% Change Over No-Action
Project Area	10	429	2,251	
Study Area	13,123	13,743	13,743	
Total	13,133	14,172	15,994	12.9

Source: U.S. Census Bureau, 2014-2018 5-Year Estimates. No-Build population based on Table 1 in Appendix C-3, “No-Build Developments.”

The With-Action Condition would result in 726 incremental DUs and 1,822 incremental residents over the No-Action Condition. Accordingly, the Study Area population in the With-Action Condition would be 15,994 persons, a 12.9 percent increase over the No-Action Condition. Based on guidance in the *CEQR Technical Manual*, if the population increase is greater than 10 percent in the Study Area or identified subareas then a detailed assessment is warranted.

2.5 Detailed Indirect Residential Displacement Assessment

Existing Conditions

Rental Inventory – Existing Conditions and Trends

The Study Area has 3,740 rental DUs¹, approximately three quarters of which have protected, rent-regulated status². Real estate professionals familiar with the St. George market indicated that there is no evidence that rent-regulated properties in the area are being turned over to higher income buyers. While a large portion of the protected DUs in the Study Area are rent

¹ 2014 – 2018 ACS, see Table 2-13

² See Table 2-15

stabilized and not subject to income restrictions, this is not atypical for many neighborhoods in New York City.

The market-rate rental inventory in the Study Area is relatively limited, with very few properties currently being developed, and therefore the sample size for calculating median rents is small. A local rental and sales real estate broker from Cassandra Properties notes that rents in St. George have been generally steady, in the mid-\$20s to low-\$30s per square foot. At these rents, an 750-sf one-bedroom would rent for approximately \$1,560 - \$2,000 per month while a 1,150-sf two-bedroom would rent for approximately \$2,400 - \$3,160 per month. One of St. George’s most high-end rental buildings, The View at 224 Richmond Terrace, rents at approximately \$34 per sf, or \$2,195 for an average sized 775-sf one-bedroom apartment.³

Urby is one of the most significant new multifamily rental developments on the North Shore of Staten Island, though it is in Stapleton, approximately 0.7 miles beyond the southern edge of the Study Area. Urby, which opened in 2016, has been described as a “market maker” property for the North Shore of Staten Island as it is the only rental property in the area that has achieved rents in the \$50 per sf range. In the project’s early stages, Urby’s owners were seeking rents in the high \$50s and low \$60s per sf, though a real estate broker has stated that these rents were too ambitious and absorption was low. Prior to market changes brought about by COVID-19, rents were \$45 - \$50 per sf and the development’s 530 DUs were 98 percent occupied. Apartments at Urby are relatively small, however, with a 2-bedroom measuring only 716 square feet, and renting for \$45 per sf, or \$2,658 monthly.⁴

Using data from StreetEasy, median asking rents between 2015 and 2019 in the Study Area have fluctuated in the St. George neighborhood, which encompasses the Study Area. Table 2-11 shows the median asking rents in St. George.

Table 2-11: Median Asking Rents in the Study Area

	2015	2016	2017	2018	2019
St. George	\$2,000	\$2,300	\$2,300	\$1,900	\$2,000

Source: StreetEasy (<http://streeteasy.com>, accessed September 2019).

Within the 2015 to 2019 time frame, the median asking rents in the Study Area have been stable with no readily observable trend towards increasing rents (and have decreased when accounting for inflation).

The median asking rent increased from 2015 to 2017, decreased from 2017 to 2018, and increased in 2019. The 2019 median asking rent was equal to the 2015 asking rent (nominal, not adjusted for inflation). In the St. George neighborhood, specifically, the median asking rents increased in 2016 and 2017 relative to 2015, before declining in 2018. Compared to 2018, the 2019 median asking rent has increased in the St. George neighborhood. Data from Zumper Research indicates that median asking rents remained close to \$2,000 in the first quarter of 2020, though the data sample is small.

Residential rental inventories in both neighborhoods were lower in 2019 than 2018, and continued to be lower in the first quarter of 2020 based on online listings. A short-term trend is observable from 2018 toward increasing rents and new market rate development such as Lighthouse Point. Other targeted infill developments in the Study Area - such as 38 Bay Street and the No-Action development that would occur on Projected Development Site 1 absent the Proposed Actions - could be expected to continue this trend of increasing average asking rents by the 2025 analysis year.

³ Conversation with Casandra Properties in March 2020 and information available at www.apartments.com for The View

⁴ Conversation with Casandra Properties in March 2020 and *Staten Island Live*, March 9, 2020, *Urby Developer: It Took Longer to Become Economically Stable*

Due to the relatively low inventories of available rental properties in the Study Area, property newly completed development, such as Urby, Lighthouse Point, or The View, can have a disproportionate and somewhat incongruous impact on median asking rents, such as was seen in 2016 and 2017. As of January 2020, StreetEasy only listed 7 rental properties available in the Study Area, compared to 35 in January 2019. Thus, the relatively small upticks in asking rents between 2016 and 2017 can be viewed as an aberration, and not as an indication of a trend toward increasing rents in the Study Area. Overall, the asking rents over the last five years have remained stagnant (and decreased when accounting for inflation).

Rental Inventory as a Proportion of Total Local Housing Supply

Table 2-12 summarizes rental housing as a proportion of total occupied DUs for the Study Area and the borough of Staten Island as a whole. According to housing and population data from the 2014 - 2018 ACS, there were 1,410 renter-occupied DUs in the Study Area. Renter-occupied DUs accounted for 72.6 percent of DUs in the Study Area, compared to 30.3 percent of DUs for Staten Island as a whole. Using the PUMA’s average rental household size of 2.51, an estimated 9,387 residents occupied rental DUs in the Study Area in 2018.

Table 2-12: Renter-Occupied DUs in Study Area, 2014-2018

	Study Area Census Tract				Study Area	Staten Island
	3	7	9	11		
Total DUs	1,006	2,297	680	1,167	5,150	166,152
Owner-Occupied DUs	302	364	276	468	1,410	115,839
Renter-Occupied DUs	704	1,933	404	699	3,740	50,313
Renter-Occupied DUs as a % of Total DUs					72.6%	30.3%
Average Household Size (Rental DUs)*					2.51	2.44
Estimated # of Residents Living in Renter-Occupied DUs					9,387	122,764

Source: U.S. Census Bureau, 2006-2010 and 2014-2018 ACS 5-Year Estimates (NYC Planning Population FactFinder)
 *Average Household Size (Rental DUs) of PUMA 3903 (Staten Island Community District 1)

Table 2-13 breaks down the Study Area’s renter-occupied housing by census tract, which varies considerably between individual census tracts in the Study Area. Census Tract 7, which is where the Project Area is located, contains over half of the renter-occupied DUs in the Study Area. This is likely because Census Tract 7 contains multiple large multifamily rental properties, including Castleton Park and Seaview Estates. This tract also contains the NYCHA Richmond Terrace public housing development. In comparison, Census Tract 9, which contains only 11 percent of the Study Area’s rental DUs, is characterized mostly by detached owner-occupied one- and two-family housing, with its rental inventory concentrated in two apartment buildings on Daniel Low Terrace and the Richmond Gardens HUD-subsidized housing development.

Table 2-13: Proportion of Renter-Occupied DUs in the Study Area, 2018

Census Tract	Renter-Occupied DUs	Proportion of Total Renter-Occupied DUs (%)
3	704	18.8
7	1,933	51.7
9	404	10.8
11	699	18.7
Total	3,740	100.0

Source: U.S. Census Bureau, 2006-2010 and 2014-2018 ACS 5-Year Estimates (NYC Planning Population FactFinder)

Estimate of Unregulated Housing and Low-Income Renters

According to the *CEQR Technical Manual*, the detailed assessment of indirect residential displacement is used to identify those populations that may be vulnerable to displacement resulting from the Proposed Action. Specifically, a detailed analysis is required to identify low-income tenants who live in unprotected, private rental housing and who could not afford expected increases in rent due to the Proposed Action. The following analyses provide data on the supply of regulated and unregulated rental housing within the Study Area, and estimate the proportion of Study Area residents who are vulnerable to indirect displacement.

CEQR requires that protected and unprotected DUs be identified in the Study Area. A variety of city, state, and federal programs that regulate rising rents and provide rental support to low-income families are available to residents within the Study Area. In particular, the following programs are active in the Study Area: Rent Stabilization; NYCHA Public Housing; Mitchell-Lama Housing; Project-Based Section 8, and Section 202/811, which provides affordable housing for the elderly and people with disabilities.

According to the New York City Rent Guidelines Board, rent stabilized apartments are generally in rental buildings with six or more DUs that were built before January 1, 1974. Rent stabilized buildings in the Study Area were identified using the most recent Staten Island Rent Stabilized Building List (2018) published by the NYS Division of Homes and Community Renewal. Other data was drawn from the New York City Housing Authority and the NYU Furman Center's Subsidized Housing Information Project (SHIP).

Table 2-14 and Table 2-15 provide an inventory and summary of the estimated number of rent regulated DUs in the Study Area. These figures exclude residents of the Study Area who may be eligible for and use Section 8 vouchers to subsidize their rents. When taken into account, these Section 8 vouchers and new affordable DUs would increase the supply of rent-regulated DUs; therefore, excluding these DUs is conservative to assess impacts on vulnerable low-income renters.

Table 2-14: Summary of DUs in Rent-Regulated Buildings in Study Area

Protected Units by Type	DUs
Rent Stabilized	1,527
NYCHA Public Housing	502
Mitchell-Lama	454
HUD Subsidized Housing	172
Total Protected Units	2,655

Table 2-15: Inventory of Rent Regulated Housing in the Study Area

Tract	Address	Program	DUs	
3	1 to 3 Slosson Terr	Rent Stabilization Program	13	
	5 to 7 Slosson Terr	Rent Stabilization Program	8	
	13 to 15 Slosson Terr	Rent Stabilization Program	8	
	17 to 19 Slosson Terr	Rent Stabilization Program	8	
	33 Central Ave	Rent Stabilization Program	55	
	100 Stuyvesant Pl	Rent Stabilization Program	114	
	115 Stuyvesant Pl	Rent Stabilization Program	107	
	50 Wall St	Rent Stabilization Program	8	
	273 St. Marks Pl	Rent Stabilization Program	25	
	285 St. Marks Pl	Rent Stabilization Program	91	
	62 Wall St	Rent Stabilization Program	7	
	299 St. Marks Pl	Rent Stabilization Program	70	
	54 Wall St	Rent Stabilization Program	9	
	85 Montgomery Ave	Rent Stabilization Program	5	
7	198 Richmond Terr (Projected Development Site 2)	Rent Stabilization Program	2	
	250-252 Richmond Terr	Rent Stabilization Program	12	
	388 Richmond Terr	Rent Stabilization Program	122	
	65 Westervelt Ave	Rent Stabilization Program	6	
	141 St Marks Pl	Rent Stabilization Program	42	
	167 Carroll Pl	Rent Stabilization Program	14	
	2 to 4 Nicholas St	Rent Stabilization Program	8	
	224 Richmond Terr	Rent Stabilization Program	40	
	60 Hamilton Ave	Rent Stabilization Program	109	
	201-203, 217-219 Hamilton Ave (80-82, 90-92 St. Marks)	Rent Stabilization Program	316	
	456 Richmond Terr (Richmond Terr, partially)	NYCHA	328	
	185 St. Marks Place (Castleton Park Apts)	Mitchell-Lama	454	
	163 Jersey St (Richmond Terr, partially)	NYCHA	174	
9	216 Jersey St (Richmond Gardens)	HUD Subsidized Housing	20	
	225 Jersey St (Richmond Gardens)	HUD Subsidized Housing	31	
	247 Jersey St (Richmond Gardens)	HUD Subsidized Housing	31	
	256/280/316 Jersey St (Richmond Gardens)	HUD Subsidized Housing	28	
	283 Jersey St (Richmond Gardens)	HUD Subsidized Housing	16	
	319 Jersey St (Richmond Gardens)	HUD Subsidized Housing	16	
	336 Jersey St (Richmond Gardens)	HUD Subsidized Housing	14	
	353 Jersey St (Richmond Gardens)	HUD Subsidized Housing	16	
	30 Daniel Low Terr	Rent Stabilization Program	103	
	101 Daniel Low Terr (100 Belmont Pl)	Rent Stabilization Program	100	
	319 to 325 Westervelt Ave	Rent Stabilization Program	18	
	11	150 Hendricks Ave	Rent Stabilization Program	11
		25 Sherman Ave	Rent Stabilization Program	25
157 Daniel Low Terr		Rent Stabilization Program	38	
32 Monroe Ave		Rent Stabilization Program	6	
36 Monroe Ave		Rent Stabilization Program	4	
30 Montgomery Ave		Rent Stabilization Program	11	
97-99 Victory Blvd		Rent Stabilization Program	4	
363 Westervelt Ave		Rent Stabilization Program	8	
Total Protected DU			2,655	

Source: NYS HCR Staten Island Rent Stabilized Building List (2018), NYCHA, the NYU Furman Center’s Subsidized Housing Information Project (SHIP), and Bay Street Corridor Rezoning and Related Actions FEIS (2019).

As Table 2-14 and Table 2-15 show, there are an estimated 2,655 DUs in buildings with rent-regulated apartments in the Study Area. With the exception of the NYCHA Richmond Terrace property and the HUD Richmond Gardens, buildings with rent-regulated housing are not concentrated in one geographic location in the Study Area and are generally dispersed throughout the Study Area. There are several large multifamily apartment buildings such as the Harborview at 388 Richmond Terrace and Seaview Estates on Hamilton Avenue that contain concentrations of protected rental DUs.

According to the *CEQR Technical Manual*, the detailed assessment of indirect residential displacement should identify the number and location of unprotected renter DUs in the Study Area, and ultimately identify the population at risk of indirect displacement due to the proposed actions. The number of low-income rental households in the Study Area was obtained from the 2013-2017 CHAS dataset, which identifies the number of low-income households by 2010 census tract in the Study Area. The CHAS dataset shows the extent of housing problems and needs, specifically for low-income households. CHAS data is based on custom tabulations of ACS data that is sent to HUD each year, and is used by HUD when distributing grant funds, or by local governments deciding how to spend HUD funds. Table 2-16 provides the number of low-income households in the Study Area.

Table 2-16: Low-Income Households in the Study Area

Study Area	Total Renter Households	Households by AMI Range			Low-Income Households
		Below 30%	30% - 50%	50% - 80%	
Total	3,790	1,525	505	655	2,685

Source: 2013 – 2017 CHAS dataset

There are an estimated 2,685 low-income households in the Study Area. With an average renter household size of 2.51 in the PUMA, the estimated low-income population in the Study Area is 6,739 persons.

Table 2-17 provides a breakdown of the Study Area’s protected rental DUs by type. After subtracting the protected rental DUs from the Study Area’s total renter-occupied DUs in the Study Area, an estimated 970 market-rate (unprotected) rental DUs remain.

Table 2-17: Protected and Unprotected Rental DUs in the Study Area, 2014 – 2018

Protected Units by Type	DUs
Rent Stabilized (No Income Requirements)	1,527
NYCHA Public Housing	502
Mitchell-Lama	454
HUD Subsidized Housing	172
Total Protected DUs	2,655
Total Protected DUs with Income Requirements	1,128
Total Protected DUs without Income Requirements	1,527
Total Renter-Occupied DUs	3,740
Total Unprotected Rental DUs	1,085
Total Rental DUs Unprotected or without Income Requirements	2,612
Unprotected Rental DUs as % of Total Rental DUs	29.0
Unprotected/No Income Requirement Rental DUs as % of Total Rental DUs	69.8

Source: Table C-10 and U.S. Census Bureau ACS 2014 – 2018 Five-Year Estimate

As Table 2-17 shows, these 1,085 unprotected DUs represent 29 percent of renter-occupied DUs in the Study Area. To estimate the number of persons potentially vulnerable to indirect displacement, all income-restricted DUs were assumed to be occupied with low-income families. The remaining low-income population was proportionally assigned between the market rate housing and the supply of protected DUs without income requirements. The low-income population in market-rate housing is assumed to be potentially vulnerable to indirect displacement. Table 2-18 estimates the low-income population living in unprotected rental housing DUs in the Study Area.

Table 2-18: Estimate of Low-Income Population Living in Unprotected Rental Housing DUs in the Study Area

Row	Study Area Components	Value	Notes
1	Low-Income Renter Households	2,685	2013-2017 CHAS, see Table 2-16.
2	Income-Restricted Rental DUs in Study Area	1,128	see Table 2-17
4	Remaining Low-Income Households Not Living in Income-Restricted Protected Rental Housing	1,557	Subtract Row 2 from Row 1.
5	Low-Income Renter Households as a Percentage of Total Renter Households Not Living in Income-Restricted Protected Rental Housing	58%	<p>3,790 renter households in Study Area (per the 2013-2017 CHAS). 1,128 renter households living in income-restricted regulated housing (see Row 2).</p> <p>$3,790 - 1,128 = 2,662$ renter households not living in income-restricted regulated housing.</p> <p>1,557 low-income households not living in income-restricted regulated housing (Row 4).</p> <p>1,557 divided by 2,662 equals 58 percent.</p>
6	Low-Income Renter Households Vulnerable to Potential Displacement	671	<p>Assuming that low-income households make up 58% of the renter households that do not live in rent-regulated housing that is income-restricted, it is assumed that, proportionately, 58% of the rent-regulated but non-income restricted rental housing DUs (1,527 rent-stabilized DUs noted in Table 2-17) will be occupied by low-income renter households ($1,527 \times 0.58 = 886$ low-income renter households in stabilized housing).</p> <p>Out of 2,685 low income renter households in Study Area (Row 1), 1,128 are living in rent regulated and income restricted housing (see Row 2) and an additional 886 low income households are living in rent stabilized housing that is not income restricted. $1,128 + 886 = 2,014$ low income renter households living in regulated housing.</p> <p>Low-income renter households minus the households in regulated housing yields the low-income renter households not living in regulated housing. $2,685 - 2,014 = 671$</p>
7	Low-Income Population Living in Unprotected Rental DUs	1,684	Row 6 x 2.51 residents per household.

Source: CHAS 2013 – 2017

The CEQR methodologies and the most current CHAS data indicate that there are approximately 1,684 low-income residents in the Study Area are living in unprotected rental housing, and therefore subject to potential indirect residential displacement. This represents approximately 12.8 percent of the Study Area’s population, as summarized in Table 2-19.

Table 2-19: Estimate of Low-Income Population Subject to Potential Indirect Displacement in the Study Area

Section	Row	Component	Study Area	Notes
Low-Income Population in Renter-Occupied Housing	1	Study Area Population in Renter-Occupied DUs	9,513	2013 – 2017 CHAS Data and 2014 -2018 ACS estimate of renter household size (2.51) per PUMA 3903 Staten Island
	2	Low-Income Renter Households	2,685	2013 - 2017 CHAS (see Table 2-16)
	3	Estimated Low-Income Renters in Study Area	6,739	Row 2 x 2.51 residents per DU
Population Potentially Subject to Indirect Residential Displacement	4	Low-Income Population Not Living in Income-Restricted Protected Housing	3,908	1,557 (see Table 2-18) x 2.51
	5	% of Low-Income Renter Households Not Living in Income-Restricted Protected Housing	58%	See Table 2-18
	6	Low-Income Renters Living in Non-Income Restricted Protected Housing	2,224	886 (see Table 2-18) x 2.51
	7	Low-Income Population Living in Unprotected Renter-Occupied DUs in Study Area	1,684	Row 4 minus Row 6
Percentage of Study Area Population Potentially Vulnerable to Indirect Residential Displacement	8	Estimated Study Area Population	13,133	See Table 2-7
	9	Low-Income Population Living in Unprotected Rental Housing	1,684	See Row 7
	10	Proportion of Total Population who are Low-Income Renters Living in Unprotected Rental DUs	12.8 ¹	Row 9 / Row 8

Populations Source: U.S. Census Bureau ACS 2014 – 2018 Five-Year Estimates and Public Use Microdata Sample

¹ Estimate per CEQR methodologies.

No-Action Condition

To understand the effects of the Proposed Actions, the *CEQR Technical Manual* requires an analysis of the No-Action Condition. In the No-Action Condition, Projected Development Site 1 would be developed with 167 new DUs, leading to an increase of 419 residents in the Project Area. The four DUs (10 residents) on Projected Development Site 2, including two rent stabilized (not income restricted) DUs on Lot 73, would remain as existing conditions.

Residential Projects in the Development Pipeline and Projected Population Increase

Within the Study Area, the No-Build projects include Lighthouse Point and 38 Bay Street; these two developments would generate an additional 164 DUs and an increase of 412 new residents. Further detail regarding these new planned developments is outlined in Table 2-20.

Table 2-20: Projects Under Construction or in Pre-Development in the Study Area (as of March 2020)

Project	Location	Description
Lighthouse Point	At northern end of Bay Street between St. George Ferry Terminal & Tompkinsville SIR Station	Mixed-use new construction and rehabilitation: 115 rental DUs, 20% affordable (23 DU); 175 hotel rooms, 113,800 SF commercial; 246 workers; 270 residents. Project under construction but currently halted as general contractor (GC) has gone bankrupt, though developer says new GC being secured and construction expected to resume.
38 Bay Street	West side of Bay Street, just south of Hyatt Street and across from Lighthouse Point	New construction; eight floors of residential with ground floor retail; 49 DUs to be condominiums (estimated 147 residents).

Sources: Bay Street Corridor Rezoning and Related Actions FEIS, Independent Research, Conversation with Cassandra Properties March 2020.

In total, the No-Action and No-Build projects would lead to net increase of 356 occupied rental DUs (167 additional DUs on Site B + 189 No-Action occupied rental DUs in the Study Area, see Table 2-9) and 894 new renters in the Study Area. Out of a total of 4,146 rental DUs that would

exist in the Study Area in the No-Action Condition, 2,678 DUs (2,655 existing + 23 affordable DUs at Lighthouse Point), or 64.6 percent of the Study Area’s rental housing stock, would be protected.

As noted above, local real estate professionals have indicated that there are very few rental properties in the development pipeline in the St. George market. While the past decade has seen new condominium product come online, most notably the Accolade and Bay Street Landing, these developments have not been joined by significant new multifamily rental developments. The most prominent market-rate rental apartment development in St. George, The View, has 40 DUs and was constructed in 2005.

Future Investments in Affordable Housing

A portion of the No-Build developments in the Study Area provide affordable housing in the No-Action Condition. The Lighthouse Point development will make 20 percent of the planned 115 DUs affordable (23 DUs). Assuming 2.51 residents per DU, this would represent affordable DUs for a population of 58 additional residents in rent-protected DUs.

Despite the lack of new rental options in St. George, the Study Area’s existing rental housing stock and, most notably, its protected rental housing stock, has been preserved. One of the largest affordable multifamily rental properties in the Study Area, the 454-unit Castleton Park development adjacent to the Project Area, has been a long-term participant in New York State’s Mitchell-Lama affordable housing program. The development’s Mitchell-Lama status was set to expire in 2017 under the original mortgage agreement. In 2015, Castleton Park was purchased by Stellar Management in partnership with CAMBA Housing Ventures, a community-based social service organization. The new owners pledged to keep all 454 DUs as affordable in addition to undertaking \$30 million in improvements to the property financed through New York City Housing Development Corporation tax-exempt bonds.

With-Action Condition

Development to be Facilitated by the Proposed Actions

The Proposed Actions would modify the zoning in the Project Area to facilitate the development of mixed-use multifamily rental projects with ground floor retail. The Project Area is in one of the most transit-accessible areas of Staten Island and will provide new housing, including affordable options with housing set aside for low-income households. New development would have building amenities required by the quality housing program.

The Proposed Actions would facilitate the development of 726 incremental DUs to a neighborhood that has seen minimal production of new rental housing supply in the past decade. Assuming MIH option 2 is made available, approximately 30 percent of the With-Action rental DUs, or 270 DUs, will be permanently affordable DUs.⁵ The Proposed Actions would remove two rent stabilized DUs on Projected Development Site 2. The 270 permanently affordable DUs that would be developed in the With-Action Condition would increase the protected rental DU stock in the Study Area by nearly 10 percent (and 13 percent of the current protected rental DUs in the Study Area when DU in NYCHA and HUD properties are excluded). The 270 affordable DUs would accommodate approximately 678 residents in new permanent income-restricted DUs. Of the 270 permanently affordable project-generated DUs,

⁵ The City of New York’s MIH program provides four options that require between 20 and 30 percent of housing be permanently affordable, depending on the affordability levels. The RWCDs for this project established 30 percent of the housing would be permanently affordable, with 20 percent of the units available for low-income households (households earning 80 percent the AMI or less). As described in the Project Description, the Applicant intends to develop fewer units than analyzed in the RWCDs, however, a minimum of 20 to 30 percent of the project-generated housing will be required to be permanently affordable.

an estimated 179 DUs would be reserved for low-income households (defined as households earning 80 percent or less the AMI), and would provide housing for approximately 449 low-income residents. This number represents more than a quarter (26 percent) of the Study Area's low-income population potentially vulnerable to indirect residential displacement.

To estimate the average household income of residents introduced by the Proposed Actions, it is necessary to estimate the incomes of future residents in both the market rate and affordable DUs. For market rate DUs, an estimate is made based on research into current asking rents in the Study Area, as was outlined in Table 2-5 and the imputed household incomes outlined in Table 2-6. Assuming that residents would spend up to 30 percent of their income on housing costs, it can be estimated that residents of the market-rate DUs would have a household income of between \$72,000 and \$91,200 annually. For residents of the affordable DUs, it can be assumed that they would have a household income of up to 80 percent of AMI for the PUMA's average household size of three. As outlined in Table 2-4, it can be determined that these households would earn no more than \$81,920 annually for a family of three.

With-Action Rental Market Conditions

A detailed assessment of indirect residential displacement is used to identify those populations that may be vulnerable to displacement as the introduction or acceleration of a trend that places upward pressure on rents, making it difficult for residents living in poverty or with low incomes to remain in the Study Area.

In the With-Action Condition, there would be an increment of 726 rental DUs and 1,822 incremental residents over the No-Action Condition. With 270 project-generated permanently affordable DUs, the Study Area would have 3,061 rental DUs with some form of rent protection (2,770 existing + 23 No-Action affordable DUs at Lighthouse Point + 270 project-generated permanently affordable DUs – 2 rent stabilized (not income restricted) DUs to be removed from Projected Development Site 2). With 4,872 renter-occupied DUs in the Study Area (3,790 existing rental DUs + 356 additional No-Action renter-occupied DUs + 726 incremental rental DUs), 63 percent of the rental housing stock would be protected in the With-Action Condition.

The Study Area has seen stable median rents for much of the past decade, with only a small incongruous increase in 2015 – 2016, followed by a decrease to pre-2015 median rents. The Study Area also saw an increase in the rent-to-income burden on rental households. U.S. Census data shows that the median household income in the Study Area decreased from \$47,604 during the 2006-2010 period to \$46,124 in the 2014-2018 period in nominal numbers (not adjusted for inflation), though, as noted in Table 2-1, the margin of error is greater than the difference between the 2006-2010 income and the 2014-2018 income, so a percentage change or change in direction cannot be estimated with confidence. Assuming households spend 30 percent of their gross income on housing costs, an annual household income of \$72,000 would be needed to afford the median rent on a 1-bedroom DU in the Study Area as identified by Zumper Research as of September 2020.

The RWCDs established that the Proposed Actions would facilitate new housing supply in the Study Area by 726 DUs over the No-Action Condition, and would result in approximately 1,822 incremental residents. Unlike the No-Action Condition, a minimum of 30 percent (under the MIH Option 2 being pursued by the Applicant), or approximately 270 DUs, would permanently affordable, income-restricted DUs, of which 179 would be reserved for low-income households. The 179 DU reserved for low-income households (households earning 80 percent or less of the AMI) would house approximately 449 low-income residents.

The *CEQR Technical Manual* indicates a significant adverse socioeconomic conditions impact may occur in the area of indirect residential displacement if the detailed assessment identifies a vulnerable population potentially subject to indirect displacement that exceeds five percent of the study area’s population. Per CEQR assessment methods, the detailed indirect residential displacement assessment indicates up to 12.8 percent of the Study Area’s population is potentially vulnerable to indirect displacement (1,684 people); however, the Proposed Actions would not result in a significant adverse impact because:

- The Proposed Actions would generate approximately 179 income-restricted DUs reserved for low-income households (defined as households earning 80 percent of the AMI or less). These project-generated affordable DUs for low-income households would house approximately 449 low-income residents, a number which represents more than 26 percent of the Study Area’s population potentially vulnerable to indirect residential displacement (as calculated per CEQR methodologies). In contrast, the No-Action Condition would not contain any new affordable housing DUs, including no DUs available to low-income households.
- The Proposed Actions would expand the Study Area’s permanently rent-protected housing supply (across a variety of affordability levels) by approximately 270 DUs, which is more than 10 percent of the Study Area’s existing protected housing supply. These 270 permanently affordable DUs would provide permanent rent-protected housing for approximately 678 residents. In contrast, the No-Action Condition would not contain any new affordable DUs (either for low-income households or moderate-to-middle-income households).
- While the Proposed Actions would decrease the share of protected rental housing in the Study Area, more than 60 percent of the Study Area’s rental housing supply would continue to be protected in the With-Action Condition. With more than 60 percent of the rental housing market remaining protected DUs in the With-Action Condition, the Proposed Actions would diversify the Study Area’s rental housing market. The large share of protected affordable housing in the Study Area would minimize the socioeconomic effects of the Proposed Actions.
- Recent trends in the Study Area and PUMA show that the median and mean household income has not shown any statistically significant change since 2010. Median rents have shown little change as well (and likely have stagnated or decreased when accounting for inflation), and there has not been a readily observable trend toward increasing rents. Real estate professionals familiar with the St. George market indicated that there is no evidence that rent-regulated properties in the area are being turned over to higher income buyers. Further, there has been relatively small increase in housing supply in the Study Area, meaning it is reasonable that these socioeconomic trends are likely to continue.
- Being on a peninsula near the northeastern edge of Staten Island, the area within 0.5-miles of the Project Area is approximately 50 percent waterbodies. The Study Area established by CEQR methodologies therefore reflects a population density and population less than other inland areas of the St. George neighborhood, and inflates the socioeconomic effects of the Proposed Actions.