Chapter 3: Socioeconomic Conditions

A. INTRODUCTION

This chapter examines the Proposed Project's effects on population and housing characteristics, economic activity, and the commercial real estate market. The analysis updates changes in background conditions since the 1992 Final Environmental Impact Statement (FEIS), and assesses whether the changed background conditions and differences in program elements between the Proposed Project and those assessed in the 1992 FEIS for Parcels L, M, and N would alter the 1992 FEIS findings with respect to socioeconomic conditions.

In accordance with the guidelines in the *City Environmental Quality Review (CEQR) Technical Manual*, this chapter evaluates five specific factors that could lead to significant adverse socioeconomic impacts in an area: (1) direct (or primary) residential displacement; (2) direct business and institutional displacement; (3) indirect (or secondary) residential displacement; (4) indirect business and institutional displacement; and (5) adverse effects on a specific industry.

The socioeconomic study area used for this analysis approximates an area within ½ mile of the Riverside Center project site, roughly bounded by West 72nd Street to the north, West 50th Street to the south, the Hudson River to the west and Central Park West/Eighth Avenue to the east (see **Figure 3-1**). Within this area, the Proposed Project would have the greatest potential to generate socioeconomic changes. Socioeconomic impacts may occur when an action directly or indirectly changes population, housing stock, or economic activities in an area. In some cases, these changes could be substantial, but not significantly adverse. In other cases, these changes may be beneficial to some groups and adverse to others. The purpose of a socioeconomic assessment is to disclose potentially adverse changes that would be created by an action and identify whether they rise to the level of significance.

The Reasonable Worst Case Development Scenario (RWCDS) for the indirect residential displacement analysis assumes a mix of uses that maximizes residential uses. Therefore, the analysis is based on RWCDS 1, which assumes 3,000 residential units, of which 360 would be affordable. The RWCDS for the indirect business displacement analysis assumes a mix of uses that maximizes retail uses. Therefore, the analysis is based on RWCDS 3a or 3b, which assume approximately 288,321 gross square feet (gsf) of retail (not including the proposed 36,701 gsf cinema) and 52,209 gsf of office (see Chapter 1, "Project Description").

Since the issuance of the DSEIS, the applicant has filed an amended application with the New York City Department of City Planning (DCP) that would extend the City's inclusionary housing program to the project site. Based on the amended application, 20 percent of the residential floor area proposed would be affordable housing. An analysis of Socioeconomic Conditions (specifically, in the area of indirect residential displacement) based on the amended application is presented in Chapter 28, "Modifications to the Proposed Project." This chapter presents an analysis that maintains the amount of affordable housing proposed and analyzed in the DSEIS (i.e., 12 percent of the total number of residential units).

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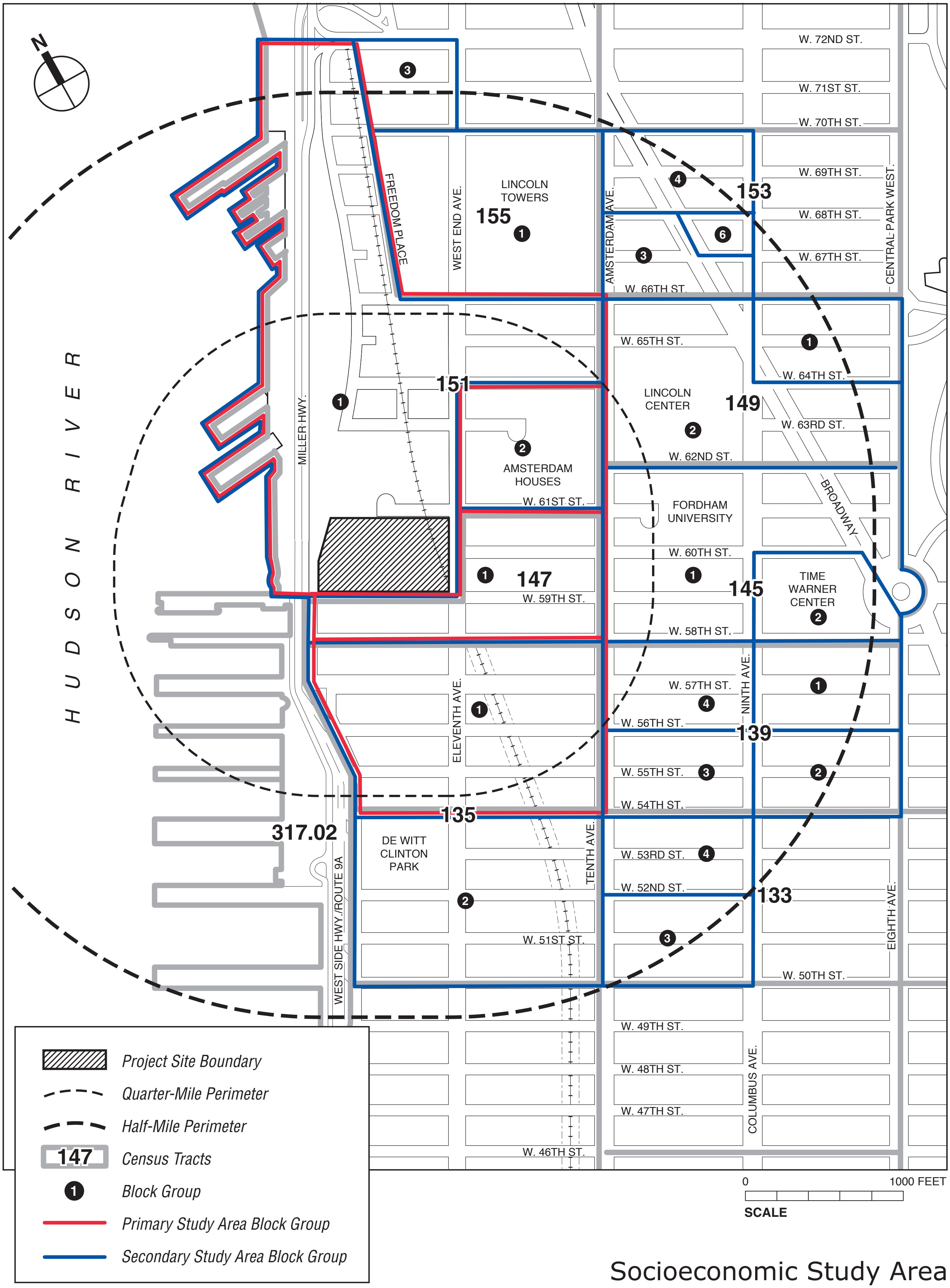

RIVERSIDE CENTER

Socioeconomic Study Area

Figure 3-1

PRINCIPAL CONCLUSIONS

The Proposed Project would not result in significant adverse impacts due to changes in socioeconomic conditions. Findings with respect to the *CEQR Technical Manual's* five areas of potential socioeconomic impact are summarized below.

DIRECT RESIDENTIAL DISPLACEMENT

The project site does not currently contain any residential uses. Therefore, the Proposed Project would not result in significant adverse impacts due to direct residential displacement.

INDIRECT RESIDENTIAL DISPLACEMENT

The Proposed Project would not result in significant adverse impacts due to indirect residential displacement. Although the Proposed Project would add a substantial population to the study areas, this population would not have different socioeconomic characteristics compared to the existing population; the study area has a very limited population who would be at risk of displacement. The Proposed Project would not directly displace uses or properties that have had a blighting effect on property values in the area; there would be no displacement of uses leading to an increase in property values and rents in the surrounding area. The Proposed Project would not directly displace enough of one or more components of the population to alter the socioeconomic composition of the study area. The Proposed Project would also not introduce a substantial amount of a more costly type of housing compared to existing housing, and it would not introduce a "critical mass" of non-residential uses such that the surrounding area becomes more attractive as a residential neighborhood. Finally, the Proposed Project would not introduce a land use that could offset positive trends in the study area, impede efforts to attract investment to the area, or create a climate for disinvestment. Therefore, the Proposed Project would not result in significant adverse impacts resulting from indirect residential displacement.

DIRECT BUSINESS DISPLACEMENT

Overall, the Proposed Project could result in the direct displacement of one business—the Central Parking lot. However, the displacement of this business would not result in significant adverse socioeconomic impacts. The potentially displaced business is not of substantial economic value to the city or region; nor is it the subject of regulations or publicly adopted plans to preserve, enhance, or otherwise protect them; and it does not substantially contribute to a defining element of the neighborhood character. Therefore, the Proposed Project would not result in significant adverse impacts resulting from direct business displacement.

INDIRECT BUSINESS DISPLACEMENT

The Proposed Project would not result in significant adverse impacts due to indirect business and institutional displacement. There is an existing trend in the study area toward the development of a mix of residential, retail, cultural, and utility uses, as evidenced by the several projects that are expected to be completed by 2018. The Proposed Project is not expected to alter or accelerate these trends. Nor would the Proposed Project offset positive trends in the study area, impede efforts to attract investment, or create a climate for disinvestment. To the contrary, the Proposed Project would introduce new populations and generate new employment opportunities, create affordable housing units and enhance public open space in order to meet the growing demands of the neighborhood.

ADVERSE EFFECTS ON SPECIFIC INDUSTRIES

The Proposed Project would not result in significant adverse impacts on a specific industry in the study areas, the region, or within the broader New York City economy. The two businesses that would be displaced from the project site and their 15 employees account for only a small fraction of the total employment in the study area. Furthermore, while the Proposed Project is not expected to cause indirect displacement, any indirect displacement that may occur would not be concentrated in a particular industry.

B. SUMMARY OF 1992 FEIS FINDINGS

At the time of the 1992 FEIS, the methodology for a socioeconomic conditions analysis differed from that in the 2001 *CEQR Technical Manual*[1] and, therefore, the 1992 FEIS was not organized according to the five areas of socioeconomic concern described above. However, the 1992 FEIS did address a variety of economic and demographic concerns similar to those examined under the current methodology, including: potential effects on the nearby industrial district; the effect of the project's residents and retail uses on the viability of the retail base near the project site; effects of business displacement on the project site; and the potential for the Riverside South project to stimulate market activity that could indirectly lead to the displacement of nearby residents.

The study areas for these areas of concern included: an industrial study area stretching from Amsterdam/Tenth Avenue to Twelfth Avenue between West 54th and West 61st Streets; a retail study area bounded by 72nd Street on the north, 57th Street on the south, and Amsterdam Avenue/Tenth Avenue on the east; and a displacement study area that was modified to conform to Census tract boundaries and extended for approximately a ½ mile to 78th Street on the north, Central Park West and Eighth Avenue on the east, 50th Street on the south, and Riverside Drive and Twelfth Avenue on the west.

Overall, the 1992 FEIS found that the redevelopment of the Riverside South project site would not result in any significant adverse impacts on these areas of economic and demographic concern:

- **Business Displacement:** The 1992 FEIS found that the redevelopment of the Riverside South project site would result in the displacement of four active commercial uses employing an estimated 16 workers.
- **Potential for Indirect (Secondary) Residential Displacement:** The 1992 FEIS determined that the proposed redevelopment of the Riverside South project site would not introduce a substantial new population with different socioeconomic characteristics compared to the size and character of the existing population in the study area. The residents of the market-rate units were expected to be consistent with the area's existing character and the demographic

[1] In May 2010, shortly prior to the completion of the Draft SEIS, a substantive update to the 2001 *CEQR Technical Manual* was released. Prior to the public hearing for the Proposed Project, a Technical Memorandum was prepared (and published on DCP's website in September 2010) that considered whether one or more analyses contained in the Draft SEIS should be revised in the Final SEIS in light of the updated guidance set forth in the 2010 *CEQR Technical Manual.* The evaluation of the Proposed Project under the 2010 *CEQR Technical Manual* focused on technical areas where changes in methodology would have the potential to affect the analyses and/or conclusions of the Draft SEIS for the Proposed Project. With respect to Socioeconomic Conditions, the 2010 *CEQR Technical Manual* updates would not materially change the analyses or conclusions presented in the Draft SEIS.

trends shaping the area. The affordable units would broaden the tenant base and would make the project population more reflective of the overall tenant mix of the Upper West Side.

The 1992 FEIS also found that displacement pressures were a phenomenon in the study area for the entire post-war period and that the Riverside South redevelopment would not be a catalyst triggering displacement pressures on a vulnerable population, nor would it create a new development trend in the study area. The 1992 FEIS acknowledged that the Riverside South redevelopment would contribute to, and likely increase, displacement pressures near the project site. However, the 1992 FEIS concluded that these displacement pressures would not rise to the level of significance because displacement pressures would exist independent of the project. In addition, the 1992 FEIS found that the inclusion of affordable housing would offer a measure of relief to the population that may have experienced increased displacement pressures as a result of the project.

The methodology used for the analysis of indirect residential displacement in the 1992 FEIS is similar to the current *CEQR Technical Manual* methodology.

- **Potential Effects on Industrial Uses:** The 1992 FEIS found that the Riverside South redevelopment would not have a substantial effect on most of the industrial base nearby at that time. The industrial study area was relatively isolated from the development pressures emanating from Midtown Manhattan and Lincoln Square, and it had a mix of low-density M zones that would serve as a deterrent to widespread change in use. The 1992 FEIS acknowledged that the project would affect the viability of the manufacturing and commercial uses between West 58th and West 61st Streets east of West End Avenue by supporting market pressures for residential and other support uses, but these pressures would exist in the future independent of the Riverside South project. The proposed studio complex on Parcel N was expected to reinforce the already strong presence of television/video/film production facilities in the industrial study area by adding jobs and providing increased opportunities for the many ancillary businesses in the study area, such as lighting, scenic design, and equipment rental firms.
- **Potential Effects on the Retail Base:** The 1992 FEIS concluded that the Riverside South retail development would not require the capture of substantial dollars from off-site residents and existing retailers and that the day-to-day retail needs of project residents would be met on site without adding demand to already heavily used off-site retail stores. Upon redevelopment of the project site, the new residents and workers were expected to generate sufficient retail demand to support the retail space provided by the Riverside South project.

C. METHODOLOGY

CEQR OVERVIEW

Under CEQR, the socioeconomic character of an area is defined by its population, housing, and economic activities. The assessment of socioeconomic conditions usually distinguishes between the socioeconomic conditions of an area’s residents and businesses. However, projects may affect either or both of these segments in the same ways: they may directly displace businesses, institutional uses, or residents, or they may alter one or more of the underlying forces that shape socioeconomic conditions in an area and thus may cause indirect displacement of businesses or residents.

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

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

Even where projects do not directly or indirectly displace businesses, they may affect the operation of a major industry or commercial operation in the city. In these cases, CEQR review may assess the economic impacts of the action on the industry in question.

DETERMINING WHETHER A SOCIOECONOMIC ASSESSMENT IS APPROPRIATE

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

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

displacement. These actions can include those that would raise or lower property values in the surrounding area.

5. The action may adversely affect economic conditions in a specific industry.

If a project would exceed any of these initial thresholds, an assessment of socioeconomic conditions is generally appropriate. The geographic area and socioeconomic conditions to be assessed and the methods and level of detail by which they are studied depend on the nature of the proposed project.

With the Proposed Project, only one of the five circumstances listed above can be ruled out without a preliminary assessment—the project site does not contain any residential uses and consequently an assessment of direct residential displacement is not warranted. Therefore, this chapter addresses the remaining four areas of concern for CEQR.

ANALYSIS FRAMEWORK

The socioeconomic analysis in this SEIS updates the 1992 FEIS analysis to evaluate the development program now considered for Parcels L, M, and N, and addresses whether the differences presented by the proposed development program would result in different findings with respect to socioeconomic impacts. Similarly, the SEIS analysis also considers whether changes in existing economic conditions since the 1992 FEIS analysis, or new future development planned in the study area, would alter the 1992 FEIS findings with respect to impacts.

The Proposed Project would allow for redevelopment of Parcels L, M, and N under a different program than was considered in the 1992 FEIS. The principal differences between the Proposed Project for Parcels L, M, and N and the development for this site as analyzed in the 1992 FEIS are as follows: the 1992 FEIS program did not include any school, hotel, or auto service uses; and the Proposed Project does not include any office or studio uses. In addition, the amount of residential and retail space to be developed on the site would increase considerably. **Table 3-1** provides a breakdown of the differences between the two programs.

Although the proposed building program described above (and summarized in **Table 3-1**) reflects what is currently contemplated by the project sponsor, it is possible that the building programs could change as the site is developed over time. As discussed in Chapter 1, “Project Description,” the proposed zoning approvals would specify a range of floor areas by land use for the Proposed Project, which could result in different potential building program development scenarios. Within this chapter, the analysis of indirect residential displacement is based on a RWCDS that would include up to 3,000 residential units on the project site, of which 360 would be affordable. The assessment of indirect residential displacement considers the RWCDS with 3,000 units because it would result in potential impacts greater than those that would be caused by the proposed program currently contemplated by the project sponsor (as shown in **Table 3-1**) and is therefore a more conservative analysis. Likewise, the analysis of indirect business displacement is based on a RWCDS that would include up to 288,321 gsf of retail (not including the proposed 36,701 gsf cinema). This RWCDS would result in potential indirect business displacement impacts greater than those that would be caused by the proposed program, and is therefore a more conservative analysis.

Table 3-1
Comparison of 1992 FEIS Program with Proposed Program for Parcels L, M, and N

	1992 FEIS Program (gsf)	Proposed Program (gsf)	Increment (gsf)
Professional Office	20,370	—	-20,370
General Purpose Office	330,000	104,432	-225,568
Residential	598,290	2,471,590	1,873,300
Units	577	2,500	1,923
Retail**	82,065	103,467	21,402
Cinema***	37,000	36,701	-299
Seats	1,800	252	-1,548
Studio	1,962,554	—	-1,962,554
School	—	151,598	151,598
Hotel*	—	249,240	249,240
Rooms	—	250	250
Auto Service	—	181,677	181,677
Parking Spaces	743 spaces	1,800 spaces	1,057 spaces
Total gsf (not including loading, mechanical, ramps, etc.)	**3,030,279**	**3,298,705**	**268,426**

Notes:
* The two alternate scenarios being considered for Building 5 would permit either: (1) replacing all 448,225 gsf of the residential component of the building with hotel use; or (2) replacing all 249,240 gsf of hotel use with residential use.
** Second-floor retail uses proposed for some or all of the buildings could instead be used for office uses.
***The cinema use has been separated from the retail use in this table for comparison purposes only. The total retail development for the Proposed Program, which includes the cinema use, would be 140,168 gsf.

In terms of analytical approach, this chapter follows the preliminary and detailed assessment methodologies established in the *CEQR Technical Manual*. In conformance with *CEQR Technical Manual* guidelines, the analyses of the four areas of socioeconomic concern relevant to the Proposed Project begin with a preliminary assessment. The purpose of the preliminary assessment is to learn enough about the effects of the Proposed Project to either rule out the possibility of significant adverse impacts or to determine that more detailed analysis will be required to resolve that question. A detailed assessment examines in more depth each area of concern that is not screened out by the preliminary assessment.

STUDY AREA DEFINITION

A study area is the area considered to be most likely to be affected by a proposed project. This analysis includes two study areas: the primary study area (i.e., the area within approximately ¼ mile of the Proposed Project site), where the Proposed Project's influence would be greatest, and the secondary study area (i.e., the area within approximately ½ mile area of the Proposed Project site). Because demographic and housing data used in this chapter are gathered at the Census block group level, these study areas were adjusted to coincide with Census block group boundaries. Block groups that straddle the study area boundaries were included or excluded depending on what proportion of the block group fell within the study area (i.e., block groups with more than 50 percent of their area within a study area were included). The following Census block groups were included in the primary study area: Census Tract 151—Block Groups 1 and 2; Census Tract 147—Block Group 1; and Census Tract 135—Block Group 1. The secondary study area includes the Census block groups in the primary study area as well as

Census Tract 133—Block Groups 3 and 4; Census Tract 135—Block Group 2; Census Tract 139—Block Groups 1, 2, 3, and 4; Census Tract 145—Block Groups 1 and 2; Census Tract 149—Block Groups 1 and 2; Census Tract 153—Block Groups 3, 4, and 6; Census Tract 155—Block Group 1; and Census Tract 159—Block Group 3. **Figure 3-1** shows the Census block groups that are included in each of the study areas.

DATA SOURCES

INDIRECT RESIDENTIAL DISPLACEMENT

The indirect residential displacement analysis is based primarily on data from the 1990 and 2000 U.S. Census. These data have been grouped for the socioeconomic study area by the following Census characteristics:

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

Because the Census is performed every decade, this analysis also examines development patterns since 2000 to illustrate ongoing trends in the study areas. Specifically, the number of new housing units constructed within the study areas between 2000 and 2008 was obtained from New York City Department of Finance Real Property Assessment Data (RPAD). Therefore, while the Census data serves as a foundation for the baseline conditions, more up-to-date information from RPAD is used to provide an update of conditions within the study area.

Because the Census data on median contract rent and home values is also from 2000, the data has also been supplemented, where appropriate, with information on current listings from local real estate agents to provide a more accurate picture of current market rate rents in the study area. Information was gathered from *Citi Habitats*, Miller Samuel Real Estate Appraisers and Consultants, Prudential Douglas Elliman, the Corcoran Group, and other real estate agency web sites.

BUSINESS AND INSTITUTIONAL DISPLACEMENT

The assessments of direct and indirect business and institutional displacement begin with an analysis of employment trends in the study areas and Manhattan as a whole. Employment trends are characterized using Reverse Journey-to-Work data from the 2000 Census.[1] Employment data were gathered for each Census block group in the primary study area and secondary study area. The Reverse Journey-to-Work employment data identifies the industry sectors that characterize the study area.

Employment data for the existing businesses on the project site was estimated using information on comparable businesses of the same size and type of operations. The employment data were supplemented by field investigations conducted in June 2008. However, the jobs identified on the project site in this chapter might not be located on the site at the time the Proposed Project is

[1] Reverse Journey-to-Work data tabulates and reports the characteristics of workers by the location of their workplace.

under way. The analysis represents a “snapshot in time” that describes the existing socioeconomic conditions in the vicinity of the primary study area.

ADVERSE EFFECTS ON SPECIFIC INDUSTRIES

The analysis of adverse effects on specific industries is based on the same data used in the assessments of business and institutional displacement.

D. PRELIMINARY ASSESSMENT

Under CEQR guidelines, the first step in a socioeconomic impact analysis is a preliminary assessment. The goal of a preliminary assessment is to learn enough about the effects of a proposed project to either rule out the possibility of a significant adverse impact, or to establish that a more detailed analysis will be required to determine whether the proposed project could lead to significant adverse impacts.

For all four issue areas—indirect residential displacement, direct business and institutional displacement, indirect business and institutional displacement, and adverse effects on specific industries—the preliminary assessment rules out the possibility that the Proposed Project would have a significant adverse socioeconomic impact as defined in the *CEQR Technical Manual*. Therefore, no detailed analysis is warranted.

INDIRECT RESIDENTIAL DISPLACEMENT

In most cases, indirect residential displacement is caused by increased property values generated by a project, which then results in higher rents in an area, making it difficult for some existing residents to continue to afford their homes. Based on *CEQR Technical Manual* guidelines, the preliminary assessment of indirect residential displacement begins with a demographic profile of the study areas and then evaluates the screening criteria (numbered in italics under “CEQR Assessment Criteria,” below) to determine whether the Proposed Project could result in significant adverse impacts within the primary or secondary study areas. In summary, this preliminary assessment has ruled out the possibility of significant adverse impacts. Therefore, a detailed analysis of indirect residential displacement is not warranted.

DEMOGRAPHIC PROFILE

This section describes the population, housing, and income characteristics of the study areas, presents trend data since 1989, and compares study area characteristics with Manhattan and New York City as a whole.

Population Characteristics

As shown in **Table 3-2**, all areas (the primary and secondary study areas, Manhattan, and New York City) experienced a growth in residential population between 1990 and 2000. The primary study area gained 3,805 residents, a 51 percent increase. This percent increase was the highest of all of the areas listed below. Much of the growth was due to the completion of the first buildings on the Riverside South project site in the late 1990s and the development of the West End Towers complex and 101 West End Avenue (see Chapter 2, “Land Use, Zoning, and Public Policy”). During this period, the population of the secondary study area increased by 13 percent,

Table 3-2
1990 and 2000 Population Characteristics

Area	Total Population		Absolute Change (1990 to 2000)	Percent Change (1990 to 2000)	Average Household Size[1]	
	1990	2000			1990	2000
Primary Study Area	7,423	11,228	3,805	51%	2.31	1.97
Secondary Study Area	43,883	49,754	5,871	13%	1.63	1.63
Manhattan	1,487,536	1,537,195	49,659	3%	1.99	2.00
New York City	7,322,564	8,008,278	685,714	9%	2.54	2.59

Notes: The secondary study area includes the primary study and represents the study area total.
[1] The average household size presented for both study areas represents a weighted average of the average household size of all Census tracts.
Sources: U.S. Department of Commerce, Bureau of the Census, 1990 and 2000, Summary File 1.

from 43,883 residents to 49,754 residents. Both the primary and secondary study areas grew at faster rates than Manhattan and New York City as a whole. And during the same period, Manhattan's population increased by 3 percent and New York City's population increased by 9 percent

Average household size changed little from 1990 to 2000 in the secondary study area, Manhattan, and New York City. In contrast, the primary study area's average household size decreased dramatically, from an average of 2.31 persons per household to 1.97 persons per household. This decrease reflects the trend toward smaller household sizes in the predominantly market-rate developments constructed in the primary study area during the 1990s.

Since 2000, it is likely that the population of the primary and secondary study areas has continued to increase, as demonstrated by the volume of residential construction occurring within the study areas since the 2000 Census. **Table 3-8** below details the number of housing units constructed within the study areas from 1990 to 2000 and 2001 to 2008.

As compared with New York City and Manhattan as a whole, the population of the primary and secondary study area consisted of a higher portion of working age people (ages 18 to 60) in 2000 (see **Table 3-3**). From 1990 to 2000, the proportion of the working age population increased in both the primary and secondary study areas, and remained steady in both Manhattan and New York City. The proportion of children (ages 0 to 17) decreased from 1990 to 2000 in the primary study area, and the proportion of the elderly (age 60 and over) decreased in both the primary and secondary study area. In contrast, the proportion of both of these populations remained stable in both Manhattan and New York City.

Table 3-3
Age Distribution as Percent of Total Population, 1990 and 2000

Area	1990 (Percent of Total Population)								2000 (Percent of Total Population)							
	0-17	18-24	25-29	30-34	35-39	40-49	50-59	60+	0-17	18-24	25-29	30-34	35-39	40-49	50-59	60+
Primary Study Area	21	12	9	8	6	13	11	20	16	16	14	13	8	11	9	13
Secondary Study Area	10	8	12	12	10	16	11	23	10	9	13	14	10	14	12	19
Manhattan	17	10	11	11	9	15	10	18	17	10	11	11	9	15	12	16
New York City	23	11	10	9	8	13	9	17	24	10	8	9	8	14	11	16

Notes: The secondary study area includes the primary study and represents the study area total.
Sources: U.S. Department of Commerce, Bureau of the Census, 1990 and 2000 Census, Summary File 1.

Income Characteristics

As shown in **Table 3-4**, median household income (in constant 2008 dollars) increased substantially in the primary and secondary study areas from 1989 to 1999. Median household income increased by 38 percent in the primary study area and 18 percent in the secondary study area, compared with an increase of 8 percent in Manhattan and a decrease of 5 percent in New York City as a whole. The secondary study area had the highest median household income compared to all other areas in 1999. Median household income in the primary study area was 10 percent lower than Manhattan and 38 percent lower than the secondary study area, but as noted above, the median household income grew at a much faster rate than both of those areas from 1989 to 1999. Overall, the trend in median household incomes of the primary and secondary study areas suggests a growing concentration of residents with relatively higher incomes.

Table 3-4
Income Characteristics

Area	Median Household Income			Percent Below Poverty Level		
	1989	1999	Percent Change	1989	1999	Percent Change
Primary Study Area	$40,925	$56,654	38	25	17	-31
Secondary Study Area	$77,931	$92,094	18	11	11	-4
Manhattan	$58,515	$63,067	8	21	20	-3
New York City	$54,092	$51,351	-5	19	21	10

Notes: All 1989 and 1999 income values were converted to 2008 constant dollars using the U.S. Department of Labor's Consumer Price Index for the "New York-Northern New Jersey-Long Island" area.

Sources: U.S. Department of Commerce, Bureau of the Census, 1990 and 2000 Census, Summary File 1 and Summary File 3.

As median household income grew from 1989 to 1999, the percent of the population living below the poverty level decreased. In 1989, 25 percent of the primary study area was living below the poverty level; 2000 Census data show this figure fell by 31 percent to 17 percent. In the secondary study area the number of persons living under the poverty level also decreased, although at a lesser rate. This pattern contrasts with that of New York City as a whole, where the percentage of residents living below the poverty level increased from 19 to 21 percent between 1989 and 1999.

In 1989, the relatively high portion of the primary study area population living below the poverty level was largely due to the presence of two New York City Housing Authority (NYCHA) developments with a combined 1,258 housing units (37 percent of all housing units in 1990). Since 1990, substantial market-rate development has been undertaken within the primary study area, which has contributed to the reduction in the proportion of the population living below the poverty level. In the 2000 Census, the 1,285 housing units in NYCHA developments comprised only 22 percent of all housing units within the primary study area. In 1999, both the primary and secondary study areas had smaller portions of their population below the poverty line than Manhattan or New York City. In terms of absolute numbers, the primary study area had approximately 1,842 people living below poverty level in 1990, with 1,203 of those living within the Census tract that contains the NYCHA developments. By 2000, the number of people living below the poverty level decreased to 1,774. In comparison, the number of people living below poverty level increased from 297,617 to 298,231 in Manhattan, and from 1,384,994 to 1,668,938 people in New York City as a whole. This disparity demonstrates a trend toward a more affluent demographic within the study area, compared to the citywide population.

Table 3-5 shows the distribution of household incomes within the study area in 1999. Compared to Manhattan and New York City, the primary study area had a similar proportion of residents with incomes less than $20,115 (22 percent). The secondary study area had a lower percentage of residents at that income level (14 percent). The primary study area had a similar proportion of residents with incomes over $100,575 (30 percent) compared with Manhattan (33 percent), and a higher proportion at this income level than New York City overall (23 percent). The secondary study area had the largest percentage of households at the highest income level (44 percent).

Table 3-5
1999 Household Income Distribution

Area	Less than $20,115	$20,115 - $40,229	$40,230 - $67,049	$67,050 - $100,574	$100,575 and more
Primary Study Area	22%	16%	16%	16%	30%
Secondary Study Area	14%	11%	15%	15%	44%
Manhattan	20%	14%	17%	15%	33%
New York City	23%	18%	4%	17%	23%

Notes: All 1999 income values were converted to 2008 constant dollars using the U.S. Department of Labor's Consumer Price Index for the "New York-Northern New Jersey-Long Island" area.
Sources: U.S. Department of Commerce, Bureau of the Census, 2000 Census, Summary File 3.

Housing Characteristics

The type, quality, and age of housing structures vary across the study areas. There are new high-rise buildings and ongoing construction on the Riverside South project site as a result of the approval of the project in 1992, as well as other new residential construction located throughout the study areas. Older high-rise apartment buildings are located in the vicinity of Lincoln Center and along West 57th Street. Along Ninth and Tenth Avenues, there is a concentration of older three- to four-story residential buildings with ground-floor retail. **Table 3-6** shows growth in housing units and change in vacancy rates from 1990 to 2000. **Table 3-7** shows housing tenure and its change from 1990 to 2000.

Table 3-6
Housing Units and Vacancy

	Total Housing Units			Vacant Housing Units			Percent Vacant	
Area	1990	2000	% Change	1990	2000	% Change	1990	2000
Primary study area	3,512	5,971	70	349	697	100	10	12
Secondary study area	29,932	32,454	8	3,130	2,866	-8	10	9
Manhattan	785,127	798,144	2	68,705	59,500	-13	9	7
New York City	2,992,169	3,200,912	7	172,768	179,324	4	6	6

Source: U.S. Department of Commerce, Bureau of the Census, 1990 and 2000 Census, Summary File 1 and Summary File 3.

Table 3-7
Housing Tenure

	Owner-Occupied Housing Units				Renter-Occupied Housing Units			
	1990		2000		1990		2000	
Area	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Primary study area	221	7	419	8	2,942	93	4,855	92
Secondary study area	6,311	24	8,364	28	20,491	76	21,224	72
Manhattan	128,037	18	148,732	20	588,385	82	589,912	80
New York City	807,378	29	912,296	30	2,012,023	71	2,109,292	70

Source: U.S. Department of Commerce, Bureau of the Census, 1990 and 2000 Census, Summary File 1 and Summary File 3.

According to the 2000 Census, the primary study area contained approximately 5,971 housing units, of which 5,274 housing units were occupied. The secondary study area contained approximately 32,454 housing units, with 29,588 occupied units. The 2000 vacancy rates for the primary study area (12 percent) and the secondary study area (9 percent) were higher than the vacancy rate in Manhattan (7 percent) and the vacancy rate for New York City (6 percent). The high vacancy rate for the primary study area was due to a large number of units being classified as "For Rent" at the time of the 2000 Census. According to the Census, 638 units were "For Rent," which represents approximately 10 percent of the total housing units in the primary study area. It is likely that many of these units were recently constructed on Riverside South parcels north of the project site, demonstrated by the fact that 589 of the "For Rent" units were within Census Tract 151, which contains the Riverside South development.

As shown in **Table 3-6**, there was a small shift towards owner occupancy in all areas, as the proportion of owner-occupied units increased slightly from 1990 to 2000. This shift was most pronounced in the secondary study area, where the percent of owner-occupied units increased from 24 percent of the housing stock in 1990 to 28 percent in 2000. The primary study area had the lowest owner-occupancy rate (8 percent), which was substantially lower than the secondary study area (28 percent), Manhattan (20 percent), and New York City overall (30 percent). The low owner-occupancy rate in the primary study area was due to two conditions. First, the primary study area contains the larger Riverside South project site, and at the time of the 2000 Census only two buildings had been completed, one of which was a 516-unit rental building. Second, the primary study area contains the two New York City Housing Authority (NYCHA) developments discussed above; these developments contain rental units.

Based on 2008 RPAD data, approximately 3,543 and 5,144 housing units were constructed in the primary and secondary study areas, respectively, since the 2000 Census (see **Table 3-8**). In comparison, 3,077 and 4,722 units were constructed in the primary and secondary study areas, respectively, between 1990 and 2000.[1] Therefore, the pace of residential construction in the study areas increased from 2001 to 2008 as compared with 1990 to 2000, and the study areas are likely becoming increasingly residential areas.

Table 3-8
Housing Units Built 1990 to 2008

Study Area	1990-2000	2001-2008	Percent Change
Primary study area	3,077	3,543	15
Secondary study area	4,722	5,144	9

Note: This data is not net new housing units. RPAD does not account for any housing units that may have been demolished prior to construction
Source: RPAD 2008.

Based on 2000 Census data, home values in the primary study area were high compared with those in Manhattan and New York City. As shown in **Table 3-9**, at $525,534, the median home value for the primary study area was higher than the median home value for the secondary study area ($481,020), Manhattan ($470,089), and New York City overall ($287,964). It is not possible to compare 1990 and 2000 Census data on median home value because the median

[1] These figures are not net new housing units; they do not account for housing units that may have been demolished on a site prior to construction of the new housing units.

Table 3-9
Housing Characteristics

Area	Median Home Value**			Median Contract Rent**		
	1990*	2000	Percent Change	1990	2000	Percent Change
Primary study area	N/A	$525,534	N/A	$579	$1,075	86%
Secondary study area	N/A	$481,020	N/A	$1,159	$1,469	27%
Manhattan	N/A	$470,089	N/A	$823	$963	17%
New York City	N/A	$287,964	N/A	$771	$841	9%

Notes:
* The 1990 median home value is not reported because the 1990 value was based on “specified owner-occupied housing units” only, while the 2000 median was based on all owner-occupied housing units. The two data sets are not comparable.
** All 1990 and 2000 values were converted to 2008 constant dollars using the U.S. Department of Labor’s Consumer Price Index for the “New York-Northern New Jersey-Long Island” area.
Sources: U.S. Department of Commerce, Bureau of the Census, 1990 and 2000 Census, Summary File 1 and Summary File 3.

home value reported in the 1990 Census is based on “specified” housing units only (this excludes many apartment units), while the 2000 values are based on all housing units. However, recent sales information indicates that home values in the study area have increased substantially since 2000. According to data from Miller Samuel Inc., a New York City real estate appraiser and consultant, condominium and cooperative units sold in the study area from the 1st quarter of 2007 through the 2nd quarter of 2008 had an average sales price of approximately $1,673,000 and a median sales price of approximately $1,036,000, almost double the median home value reported in the 2000 Census.[1] East of the project site, current listings in the Adagio at 239 West 60th Street are priced from $895,000 to $2,900,000.[2] At 10 West End Avenue, for sale and recently sold units have ranged in price from approximately $750,000 to $5,000,000.[3]

In 2000 the median contract rent in the primary study area was lower than the median contract rent for the secondary study area, but higher than that for Manhattan and New York City as a whole. The median contract rent in the primary study area increased by 86 percent, compared with an increase of 27 percent in the secondary study area, 17 percent in Manhattan, and 9 percent in New York City.[4] The high growth in the primary study area median contract rent is indicative of a rental market that is changing dramatically as new buildings are introduced with higher rents than the existing housing stock. From 1990 to 2000, a number of large luxury rental buildings came to market in the primary study area, most notably 101 West End Avenue and the West End Towers complex, which increased the study area’s median contract rent.

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[1] Miller Samuel Real Estate Appraisers and Consultants. Median and average sales price for the study area is a weighted average of the median and average sales price reported for all condominium and cooperative units from the 1st quarter of 2007 to the 2nd quarter of 2008 for the Lincoln Center and Midtown West/Clinton neighborhoods. Miller Samuel defines the Lincoln Center neighborhood as the area bounded by West 72nd to West 57th Streets, Central Park West to the Hudson River. The Midtown West/Clinton neighborhood is defined West 57th to West 34th Streets, Sixth Avenue to the Hudson River. Aggregate Data Search Engine at www.millersamuel.com.

[2] Based on online listings at Prudential Douglas Elliman and the Corcoran Group. Accessed on July 21, 2008.

[3] Based on online listings on Streeteasy.com. Accessed November 3, 2008.

[4] According to the US Census Bureau, median contract rent is “the regardless of any furnishings, utilities, fees, meals, or services that monthly rent asked for the rental unit at the time of interview.”

While Census data on median contract rent provide a statistical basis for comparing trends in changing values and rents, these data are affected by such factors as the presence of rent-regulated housing units in the city and study areas, and so do not reflect market trends experienced in non-regulated apartments. To obtain a more accurate picture of current market-rate rents in the study areas, information on current real estate listings in the area was analyzed.

Current rental market data indicates that rents are substantially higher than the median contract rent reported in the 2000 Census. According to data from CitiHabitats, a leading rental brokerage in New York City, current average rents in the Midtown West and Upper West Side submarkets, which include the primary and secondary study area, range from $1,900 for studios to $6,100 for three-bedroom units.[1] For instance, current rental listings at the Helena at 601 West 57th Street (south of the project site) range from $2,290 to almost $5,000 per month.[2] South of the project site, units at Archstone Clinton at 515 West 52nd Street rent for $2,400 to $3,800 per month for studio and one-bedroom units.[3] Across West End Avenue from the project site, rental units in 10 West End Avenue are being offered for lease at $3,000 to $18,000 per month.[4]

ASSESSMENT OF AT-RISK POPULATION

The *CEQR Technical Manual* preliminary assessment methodology suggests considering the presence of populations particularly vulnerable to economic changes. At-risk populations are defined under CEQR as people living in privately held units that are unprotected by rent regulations, whose incomes or poverty status indicates that they could not pay substantial rent increases (*2001 CEQR Technical Manual* page 3B-11).

The 1992 FEIS included an analysis of the population vulnerable to displacement pressures. The 1992 FEIS concluded that the study area had a limited vulnerable population, and that there was an existing trend towards the displacement of the vulnerable population as a result of ongoing market conditions that would continue without the Riverside South project. Since the publication of the 1992 FEIS, market conditions have continued the existing trend towards the displacement of the vulnerable population in the area, and it is expected that this population is now even smaller than identified in the 1992 FEIS.

This section updates the 1992 FEIS assessment of the at-risk population by estimating the at-risk population currently residing in the study area. Following *CEQR Technical Manual* guidelines, the assessment is based on the status (rent-regulated or non-regulated) of housing stock in the study area and income data. Based on the analysis below, the study areas were identified as having only a small potentially vulnerable population.

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[1] CitiHabitats; *Residential Rental Market Report, 2nd Quarter/Mid-Year 2008.* CitiHabitats defines Midtown West as the area bounded by West 59th Street, West 42nd Street, Fifth Avenue, and the Hudson River. The Upper West Side is defined as the area west of Central Park from West 59th to West 110th Street.

[2] Based on online listings for the Helena at Streeteasy.com. Accessed on July 21, 2008.

[3] Based on online listings for Archstone Clinton at http://www.archstoneapartments.com/Apartments/New_York/New_York_City/Archstone_Clinton/default.htm. Accessed on November 3, 2008.

[4] Based on online listings for 10 West End Avenue at Streeteasy.com. Accessed on November 3, 2008.

Rent-Regulated Housing

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

Other programs and types of housing offering rent protection include Section 8 housing, Mitchell-Lama developments, public housing, and buildings receiving tax exemption or abatement under Sections J-51, 421-a or 420-c.

Identifying Population at Risk

This analysis considers whether unprotected renter populations in the study area are "at risk;" i.e., whether they have income characteristics that make them vulnerable to displacement pressures. To determine whether a population at risk exists in the study area, the *CEQR Technical Manual* recommends analyzing "Census data on income and renters in structures containing fewer than six units" (since these are units that would not be rent-protected) combined with data on other factors, including the presence of subsidized housing and land use. The analysis provides an estimate of a population currently at risk of indirect displacement, irrespective of the Proposed Project.

The following steps were used to identify population at risk:

1. Census 2000 tract-level data were used to determine the average household income of renters in small (1-4 units) buildings. As described above, these buildings are not generally subject to rent regulation laws. The population at risk analysis is done at census tract level since average household income for renters by size of building is not available at block group level from the US Census.
2. For each census tract, the average household income for renters in small buildings was compared to the average household income for renters in large buildings to determine where income disparities exist between renters in small and large buildings. This information was used to gain a better understanding of the income distribution across housing types and census tracts. Average incomes were used in place of median incomes for this analysis because census data on median household income by size of building is not publicly available.

[1] Rent regulations obtained from the New York State Division of Housing and Community Renewal, Office of Rent Administration and the New York City Rent Guidelines Board.

3. For each census tract, the average household income for renters in small buildings was compared to the average household income for all renters in Manhattan. If the average for small buildings was lower than the borough-wide average for all renters, the census tract was identified as having a potentially vulnerable population.

4. Census tracts identified as having a potentially vulnerable population were examined in greater detail to determine whether the discrepancy in average incomes between renter-occupied small buildings in the tract and all renter-occupied buildings in Manhattan is indicative of a truly vulnerable population. In some cases, for example, the income discrepancy is likely to have decreased since the 2000 Census (due to new construction or renovation of buildings with rental units) and, in others, the geographic location of the census tract makes it less vulnerable to indirect displacement pressures. Any tracts that were not screened out through this more detailed examination of current conditions were assumed to contain some vulnerable population.

Population at Risk

The Census data depicted in **Table 3-10** generally show that incomes for renters in small, unregulated buildings in the study area are higher than the incomes for renters in regulated buildings. This is true for all census tracts in the study area with the exception of Tracts 133 and 135 (the location of study area census tracts are shown in **Figure 3-1**). It can be concluded from this data that overall, unregulated housing units are occupied by higher income households and that the occupants of these units are not at risk of displacement.

Table 3-10
Average Household Income for Renters in Small Buildings, Buildings with 5 or More Units, and All Renter-Occupied Buildings in Manhattan, 1999[1]

Census Tract	Average Household Income in Small Buildings[2]	Average Household Income in Large Buildings	Difference between Small Buildings and Borough Average[3]
133	*$83,814*	*$96,396*	*-$4,523*
135	*$13,220*	*$43,680*	*-$75,117*
139	$96,380	$112,545	$8,042
145	NA[4]	$194,401	NA[4]
147	NA[4]	$145,608	NA[4]
149	$389,334	$186,700	$300,997
151	$131,898	$114,437	$43,561
153	$519,514	$169,387	$431,177
155	NA[4]	$91,070	NA[4]
159	$594,951	$109,467	$506,614

Notes:
1 All dollars presented in constant 2008 dollars using the US Department of Labor Consumer Price Index for the "New York-Northern New Jersey-Long Island" area.
2 The average household income for small renter-occupied buildings is based on renter-occupied units in buildings with one to four units.
3 This number represents the difference between the average household income for renters in small buildings and the average household income for all Manhattan renters ($88,337).
Tracts in italics are those in which the average household income for renter-occupied units in small buildings is lower than the average household income for all renter-occupied units in Manhattan.
4 NA indicates that there are no renter-occupied units in buildings with one to four units and therefore, no average household income for these types of households could be reported.
Sources: U.S. Census Bureau, 2000 Census, Summary File 3.

The following sections examine the potential for Census Tracts 133 and 135 to house a population at risk of indirect displacement. Within these tracts, buildings with one to five units were identified using 2008 RPAD data and were individually analyzed to confirm the presence of a vulnerable population. If a building appeared to have undergone substantial renovation or rehabilitation, or if current rental listings within the building indicated that the property was achieving current market rents, it was assumed that the building likely did not house a low-income population.

Census Tract 133

Tract 133 contains the area located between Eighth and Tenth Avenues, between West 50th and West 54th Streets. The secondary study area does not include the entire tract; it only includes Census Block Groups 3 and 4, which are located between Ninth and Tenth Avenues. Within those block groups, 2008 RPAD data indicate that there are 17 buildings of one to five units, containing a total of 62 dwelling units. Census 2000 data indicate that residents living in small buildings containing one to four units in this tract earned $83,814, which is 5.1 percent lower than the average for all renters in Manhattan. Recent site visits and surveys of online building photos indicate that approximately half of the buildings containing one to five units in block groups 3 and 4 have experienced substantial renovation and rehabilitation, and likely do not house a vulnerable population. The remaining buildings, assuming that they are renter-occupied, could house a population that is potentially vulnerable to displacement.

Census Tract 135

Tract 135 encompasses the area west of Tenth Avenue between West 50th and West 58th Streets. Census Tract 135, Block Group 1 is in the primary study area and Block Group 2 is in the secondary study area. The residential inventory in Tract 135 includes 30 buildings that have between 4 and 597 residential units. As discussed above, census tracts are considered to have a potentially vulnerable population if renters living within small buildings have an average household income lower than the average for all renters in the Borough. According to 2008 RPAD data, only one building in Census Tract 135—located at 503 West 57th Street—is a small building with between one and five dwelling units. In 2000, the average household income for renter-occupied units in small buildings in Tract 135 was $13,220[1], 85 percent less than the average for all renters in Manhattan. Assuming that the dwelling units in this small building are renter-occupied, they could house a vulnerable population. However, according to RPAD data, the building at 503 West 57th Street was renovated in 2002, and according to online rental apartment listings, a three-bedroom unit in the building is currently available for rent at $3,750 per month.[2] Based on this rental rate, it is likely that unregulated units in this building are turning over to high-income households that are not at risk of displacement.

Conclusion – Population at Risk

Table 3-10 identifies tracts 133 and 135 as census tracts that may house populations potentially vulnerable to displacement, if their rents were to increase. The number of unprotected units and the size of the at-risk population are small, based on the fact that several unprotected buildings have undergone substantial renovation or are renting for rates that indicate the presence of a

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[1] According to 2000 Census, in 2000 there were 12 residential units in buildings of 1 to 4 units; because the Census average household income estimates are based on sample (STF3) data, it is possible that some or all of these units were not included in this Census estimate.

[2] Rental listing accessed on May 26, 2009.
http://www.urbansherpany.com/BuildingHome/3750/503_West_57th_Street

high-income population. In total, there are no more than an estimated 40 to 50 unprotected units within the study areas, some of which may be owner-occupied (in which case, they are effectively protected units). Even if all of the unprotected units were renter-occupied, they would house a very small population vulnerable to indirect displacement.

CEQR ASSESSMENT CRITERIA

The preliminary assessment of indirect residential displacement examines the *CEQR* threshold indicators (numbered in italics below) to determine the potential for significant adverse impacts.

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

According to the Census, in 2000 there were approximately 11,228 residents in the primary study area and 49,754 residents in the secondary study area. Although the study area population in 2008 is unknown, increasing numbers of housing units indicates continued population growth. Based on 2008 RPAD data, the number of housing units in the primary study area increased from 5,971 units in 2000 to 9,514 units in 2008, while the number of housing units in the secondary study area increased from 32,454 units to 37,598 units from 2000 to 2008.

As discussed in Section D, "Methodology," the project sponsor currently intends to build 2,500 residential units on the project site (as shown in **Table 3-1**), but the proposed zoning approvals would specify a range of floor areas by land use for the Proposed Project. This preliminary assessment considers a RWCDS that would include up to 3,000 residential units on the project site, of which 360 would be affordable to low- and moderate-income households. Under this RWCDS, the 3,000 units would introduce approximately 5,400 new residents to the study areas by 2018. This projected new population would represent approximately 48 percent of the 2000 primary study area population, and approximately 11 percent of the 2000 secondary study area population. This would constitute a substantial new population.

Although the Proposed Project would introduce a substantial new population to the study areas, this new population would not have substantially different socioeconomic characteristics compared with the size and character of the existing population. The Proposed Project could introduce up to 2,640 market-rate units that would likely rent or sell at the high end of the market and, therefore, would introduce a population with incomes high enough to afford these units. Data from the 2000 Census on median household income indicates that there is already a high-income population in the study areas. As discussed above, the secondary study area has a considerably higher median income compared to Manhattan and New York City as a whole. The median household income in the secondary study area in 1999 was $92,094, which was 46 percent higher than the median household income in Manhattan ($63,067) and almost 80 percent higher than in New York City ($51,351).

Although the 2000 median household income in the primary study area was lower than in the secondary study area and Manhattan, several factors suggest that the primary study area has a large and growing population of affluent residents. First, the median household income for the primary study area is likely skewed by the presence of two NYCHA developments with a combined 1,258 housing units (36 percent of primary study area housing units in 1990 and 21 percent in 2000). Despite this, median household income in the primary study area grew by 38 percent from 1989 to 1999, compared with 8 percent in Manhattan, and the percent of the population living below the poverty level decreased by 31 percent. The rapid growth in median household income, along with the substantial decrease in the percent of the population below the poverty line, suggests a trend toward more affluent residents in the primary study area. This trend has likely accelerated since 2000 with the opening of several luxury rental and for-sale condominium buildings along West End Avenue/Eleventh Avenue, including the Helena at 601 West 57th Street, 10 West End Avenue between 60th and 61st Street, and the Hudson at 225 West 60th Street. These buildings alone have introduced 872 residential units to the primary study area. Furthermore, the median household income in the primary study area in 1999 was $56,654, which was 10 percent higher than New York City as a whole ($51,351).

Further evidence of the high-income population within the study areas is the high home values and median contract rent. As shown in **Table 3-9**, median home values and median contract rents in the primary and secondary study area were substantially higher than in Manhattan and New York City in 2000, and have continued to increase since then. The high median home values and median contract rents in the primary and secondary study area indicate that there is already a high-income population able to afford these types of units, and that the Proposed Project would not introduce a population with different socioeconomic characteristics.

Given that most of the residential units introduced by the Proposed Project would be market-rate, it is reasonable to assume that a significant percentage of the new residents would have high household incomes similar to householders already living in the study areas. Therefore, although the Proposed Project would introduce a substantial new population, it would not have different socioeconomic characteristics compared to the character of the existing population.

The existing at-risk population identified in the "Assessment of At-Risk Population" section above could experience rent pressures as a result of the introduction of a high-income population by buildings expected to be complete by 2018, including the Proposed Project. However, as discussed above, the study area has a very limited vulnerable population. Only Census tracts 133 and 135 have potentially vulnerable populations, and many of the buildings housing a potentially vulnerable population have undergone substantial renovation or are renting at rates that indicate the presence of high-income tenants and an existing trend towards increased rents. Therefore, the population introduced by the Proposed Project would not introduce or accelerate a socioeconomic trend leading to the displacement of the substantial at-risk population.

This finding is consistent with the conclusion of the 1992 FEIS, which determined that the proposed redevelopment of the Riverside South project site would not introduce a substantial new population with different socioeconomic characteristics compared to the size and character of the existing population in the study area.

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

As described in the preliminary assessment of the potential for direct business and institutional displacement, the Proposed Project would directly displace two off-street parking facilities. These existing uses have no "blighting" effect on property values in the study area. Field surveys indicate that the properties appear to be in fair physical condition; the sites generally contain active uses that do not impose poor physical conditions on the surrounding area.

Other indicators that a property has had a "blighting" effect on property values in an area may include: limited development around the property, high vacancy rates in the study area, or stagnant or decreasing housing values and contract rents in the study area. These indicators of blight are not present in the study areas. From 1990 to 2000, the median contract rent in the primary study area increased by 86 percent from $579 to $1,075 (see **Table 3-9**). In the secondary study area, the median contract rent increased by 27 percent from $1,159 to $1,469. In addition, the 2000 median housing values in the primary and secondary study areas were higher than the median home values in Manhattan and the city as a whole. In 2000, the median home value in the primary study area was $525,534, which was 12 percent higher than the Manhattan median ($470,089) and 82 percent higher than the citywide median ($287,964). Although the secondary study area median housing value was only higher than the Manhattan median by 2 percent, it was 67 percent higher than the city's median. The high median housing value and median contract rent illustrates the desirability of the study area as a residential neighborhood and indicates that the area is not suffering from blight. Further, as discussed above, current real estate data indicates that rents and sales prices have increased significantly between 2000 and 2007. Thus, the upward trend in the study area's residential real estate market is not indicative of an area suffering from blight.

Recent development projects also are an indication that the Proposed Project site and its existing uses do not have a blighting effect on current property values in the area, especially on the blocks immediately adjacent to the project site. As discussed in Chapter 2, "Land Use, Zoning, and Public Policy," a number of new residential and commercial developments have been completed in the last decade in the primary and secondary study areas, and a number are scheduled to occur by 2018 without the Proposed Project. By 2018, several thousand residential units will be added to the study area, assuming a robust market. Several large projects are expected to be built within a few blocks of the project site. Adjacent to the project site to the east, construction is underway on the developments known as the Adagio and Sessanta at 239 West 60th Street. These developments will have 342 residential units as well as medical office space and street-level retail. Also to the east of the project site, the Element Condominium, with almost 200 luxury residential units, is nearing completion. On West 57th Street south of the project site, a 750-unit project with associated retail, parking, and auto uses is in the planning stages. There is a possibility that the current economic slowdown may result in the development of fewer residential units. However, the long-term, ongoing trend toward residential development in the primary and secondary study area is another indication that the project site has not had a blighting effect on property values.

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

As discussed above, the project site does not contain any residential units. Therefore, the Proposed Project would not directly displace enough of one or more components of the population to alter the socioeconomic composition of the study areas.

4. *Would the Proposed Project introduce a substantial amount of a more costly type of housing compared with existing housing and housing expected to be built in the study areas by the time the project is completed?*

The Proposed Project would introduce a mix of affordable and market-rate housing. Under the RWCDS described above, up to 3,000 residential units would be constructed, of which 2,640 would be market-rate (88 percent) and 360 would be affordable (12 percent). It is anticipated that the affordable units would be affordable to low- to moderate-income households as defined by *CEQR*.[1] The affordable housing units would rent at prices comparable to or below most existing rents in the study areas, while the market-rate units would likely rent or sell at the high end of the market. Although their price-point would likely be more costly than that for older

[1] The *CEQR Technical Manual* defines "low- to moderate-income households" as households making 80 percent or less of the Annual Section 8 Median Family Income (MFI) for a family of four. For fiscal year 2008, 80 percent of the MFI in the New York HUD Metro Fair Market Rent Area (HMFA) is $61,450 for a family of four.

housing stock in the study areas, it would be comparable to the price-point for the recently built market-rate residential units in the study areas, as well as new developments that are planned to be in place by 2018.

As discussed above, current rents in the study areas are significantly higher than median contract rents reported in the 2000 Census. These high prices are the result of an ongoing trend toward residential development in the study areas and new market-rate construction. According to data from CitiHabitats, a leading rental brokerage in New York City, current average rents in the Midtown West and Upper West Side submarkets, which include the primary and secondary study area, range from $1,900 for studios to $6,100 for three-bedroom units.[1] For instance, current rental listings at the Helena at 601 West 57th Street, south of the project site, range from $2,290 to almost $5,000 per month. Also south of the project site, units at Archstone Clinton at 515 West 52nd Street rent for $2,400 to $3,800 per month for studio and one-bedroom units.[2] Across West End Avenue from the project site, rental units in 10 West End Avenue are being offered for lease at $3,000 to $18,000 per month.[3]

Recent sales information indicates that home values in the study area have also increased substantially since 2000. Data from Miller Samuel, Inc. indicates that recently sold condominium and cooperative units in the study area had an average sales price of approximately $1,673,000 and a median sales price of approximately $1,036,000. Just north of the project site, sale prices for units in the Rushmore (Riverside South Parcel I) range from $975,000 to $4,600,000. East of the project site, current listings in the Adagio at 239 West 60th Street are priced from $895,000 to $2,900,000. By 2018, development in the Future Without the Proposed Project is expected to create a substantial number of new market rate units in the secondary study area.

The at-risk population identified in the "Assessment of At-Risk Population" section could experience rent pressures as a result of the introduction of market-rate units that are part of projects expected to be complete by 2018, including those of the Proposed Project. However, the at-risk population identified in existing conditions is very small and is already subject to increased rent pressures due to market-rate housing development. There is an existing trend towards increased rents that is expected to continue in the Future Without the Proposed Project. This trend was identified in the 1992 FEIS, and since then, the study area has experienced a substantial increase in the number of new market-rate housing, and will receive substantially more irrespective of the Proposed Project.

Overall, although the Proposed Project would introduce a substantial amount of housing, it would not be substantially more costly compared to existing market-rate units and market-rate housing expected to be built in the study areas by the time the project is implemented.

[1] CitiHabitats; *Residential Rental Market Report, 2nd Quarter/Mid-Year 2008.* CitiHabitats defines Midtown West as the area bounded by West 59th Street, West 42nd Street, Fifth Avenue, and the Hudson River. The Upper West Side is defined as the area west of Central Park from West 59th to West 110th Street.

[2] Based on online listings for Archstone Clinton at http://www.archstoneapartments.com/Apartments/New_York/New_York_City/Archstone_Clinton/default.htm. Accessed on November 3, 2008.

[3] Based on online listings for 10 West End Avenue at Streeteasy.com. Accessed on November 3, 2008.

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

In addition to the residential units, the Proposed Project would include up to approximately 151,598 gsf of community facility use (to be developed as a public school), 140,168 gsf of above-grade retail use (that could include approximately 36,701 gsf of cinema use), 104,432 gsf of office use, 181,677 gsf of below-grade automotive service use, and 249,240 gsf of hotel use. The Proposed Project would also include approximately 2.75 acres of privately owned, publicly accessible open space. As discussed in Section D, "Methodology," the project sponsor currently intends to build a total of approximately 140,168 gsf of retail uses, including an approximately 36,701 gsf cinema, but the proposed zoning approvals would specify a range of floor areas by land use for the Proposed Project. Based on the proposed zoning approvals, the RWCDS could include up to 325,022 gsf of retail use, including the proposed 36,701 -square-foot cinema. The study areas include several local retail corridors, including concentrations along Broadway, Amsterdam Avenue, Ninth Avenue, and Tenth Avenue. Because the majority of these retail uses are located east of Amsterdam Avenue, the primary study area is relatively less well-served by retail as compared to the secondary study area, and there is an overall lack of retail in the immediate neighborhood around the project site.

While the Proposed Project's new retail uses would provide residential amenities for existing and new residents in the study areas, the new retail would not be a critical mass of new uses that would have a substantial effect on the area's desirability as a residential neighborhood complex. As discussed in Chapter 2, "Land Use, Zoning, and Public Policy," there is an ongoing and long-term trend toward residential development in the study area that would continue irrespective of the retail uses introduced by the Proposed Project. Therefore, the Proposed Project would not have a substantial effect on the study area's desirability as a residential neighborhood.

The approximately 2.75 acres of public open space in the Proposed Project would provide a valuable amenity to the residential and worker population in the study area. However, it would not substantially increase the area's desirability as a neighborhood complex. As described in Chapter 5, "Open Space," the study area has a number of active and passive open spaces, most notably Riverside Park, Hudson River Park, and Central Park. Although the publicly accessible open space introduced by the Proposed Project would serve as a valuable amenity, it would not represent a new land use or amenity in the study area and would not substantially affect residential property values in the study area.

The RWCDS would also introduce up to 151,598 gsf of community facility use, 52,209 gsf of office use, 276,011 gsf of automotive service use, and 678,828 gsf of hotel use. The community facility use, which would be developed as a public school, would not be a new use to the area. As discussed in Chapter 4, "Community Facilities," three elementary and three intermediate school programs are located within ½ mile of the project site. The automotive service use would not be a new use in the study areas, as several other automotive uses are located along Eleventh Avenue south of the project site. Likewise, the hotel use would not be a new use to the area, as several hotels are located in the Columbus Circle area and along West 57th Street, and hotels generally do not serve as residential amenities. Furthermore, because residents do not use hotels and automotive uses on a day-to-day basis, these uses do not generally enhance the residential desirability of an area. Therefore, these other uses introduced by the Proposed Project would not have a substantial effect on the study area's desirability as a residential neighborhood.

Overall, the Proposed Project would not introduce a critical mass of non-residential uses such that the surrounding area would become more attractive as a residential neighborhood.

6. *Would the Proposed Project introduce a land use that could offset positive trends in the study area, impede efforts to attract investment to the area, or create a climate for disinvestment?*

The Proposed Project would not impose any type of change that would offset positive trends in the study areas, impede efforts to attract investment to the area, or create a climate for disinvestment. On the contrary, the Proposed Project would transform an underutilized site into a higher density mixed-use development with an architecturally distinctive design that respects the Manhattan street grid and provides an attractive connection to Riverside Park South and the Hudson River waterfront. The commercial components of the Proposed Project would provide jobs; based on the project sponsor's estimates of project-generated economic and fiscal benefits using standard rates of employment and the IMPLAN (IMpact analysis for PLANning) input-output modeling system[1], total permanent employment at the completed project is projected at 1,440 on-site full-and part-time jobs—including employment in the hotel, retail stores, restaurants, school, cinema, offices, parking, automotive showroom/service, and operation and maintenance of the residential units—as well as an estimated 750 indirect and induced jobs elsewhere in the City. The Proposed Project would also generate an estimated $100.3 million in annual tax revenues, including: over $10.3 million annually in sales tax revenues; personal income tax for New York City and State of nearly $2.1 million and $4.6 million, respectively; over $2.4 million in hotel tax revenues; and $65 million to $70 million annually in property tax revenues. Furthermore, the Proposed Project's substantial residential component would accommodate a portion of the city's current and future housing needs, including the need for affordable housing, and the proposed open space would link the Manhattan street grid to Riverside South Park and the Hudson River waterfront, which would help the city realize its long-standing objective of increasing public access to the waterfront.

CONCLUSION - INDIRECT RESIDENTIAL DISPLACEMENT

The preliminary assessment for indirect residential displacement demonstrates that the Proposed Project would add a substantial population to the study areas, but this population would not have different socioeconomic characteristics compared to the existing population. The Proposed Project would not directly displace uses or properties that have had a blighting effect on property values in the area, nor would it directly displace enough of one or more components of the population to alter the socioeconomic composition of the study area. The Proposed Project would also not introduce a substantial amount of a more costly type of housing compared to existing housing, and it would not introduce a "critical mass" of non-residential uses such that the surrounding area becomes more attractive as a residential neighborhood. Finally, the Proposed Project would not introduce a land use that could offset positive trends in the study area, impede efforts to attract investment to the area, or create a climate for disinvestment. Therefore, this preliminary assessment rules out the potential for significant adverse impacts resulting from indirect residential displacement, and detailed analysis is not warranted.

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[1] The IMPLAN (IMpact analysis for PLANning) input-output modeling system uses the most recent economic data from sources such as the U.S. Bureau of Economic Analysis, the U.S. Bureau of Labor Statistics, and the U.S. Census Bureau to predict effects on the local economy from direct changes in spending. The model contains data for New York County on more than 500 economic sectors, showing how each sector affects every other sector as a result of a change in the quantity of its product or service. A similar IMPLAN model for the state of New York is used to trace the effects on the State economy.

DIRECT BUSINESS AND INSTITUTIONAL DISPLACEMENT

Direct displacement is the involuntary displacement of businesses or institutions (e.g., community groups, charities, and other nonprofit organizations) from the site of a proposed project (in this case, the project site). Under CEQR, displacement of a business or group of businesses is not, in and of itself, an adverse environmental impact. Rather, the *CEQR Technical Manual* provides a framework to analyze the effects of displacement by asking whether the businesses in question have substantial economic value to the city or region; are the subject of regulations or publicly adopted plans to preserve, enhance, or otherwise protect them; or substantially contribute to a defining element of the neighborhood character. While all businesses contribute to neighborhood character and provide value to the city's economy, *CEQR* seeks to determine whether displacement of a single business or group of businesses would rise to a level of significance in terms of impact on the city's or the area's economy or the character of the affected neighborhood.

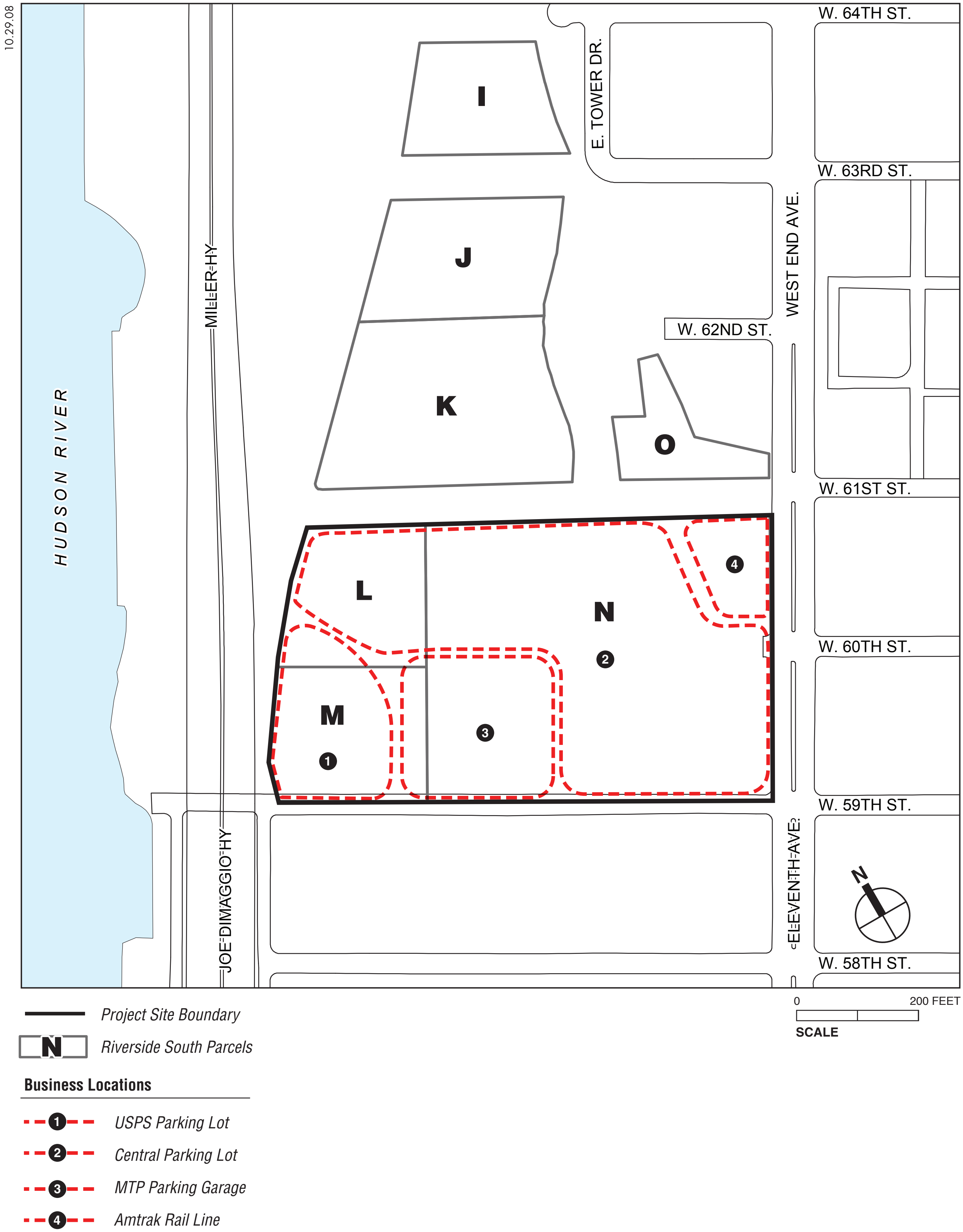
As shown in **Figure 3-2**, the project site is currently occupied by parking lots and other parking facilities. The majority of the project site is currently occupied by a surface automobile and truck parking lot operated by Central Parking with a capacity of 1,850 spaces. This lot occupies most of Parcels L and N. A parking lot for the United States Postal Service (USPS), which uses the lot for the storage of postal vehicles, is located in the southwest corner of the site, roughly within Parcel M. On the south side of the project site, MTP Parking operates a 537-space capacity parking garage within the building facing on West 59th Street, straddling the boundary between Parcels M and N. An Amtrak rail line is located within a sub-grade culvert, passing through the northeast corner of the project site.

As discussed in Chapter 1 "Project Description," this SEIS considers two different scenarios for developing the project site absent the proposed discretionary actions. Under No Build Scenario 1, Parcels L, M, and N will be developed according to the original 1992 FEIS program. Parcels L and M will be developed with residential buildings and office space with public parking. Parcel N will be developed with a mix of retail, office, entertainment studio production, cinema, and parking uses. In this scenario, all existing uses on the project site will be displaced, except for the Amtrak passenger rail line, which will continue to operate. Therefore, compared to No Build Scenario 1, the Proposed Project would not result in any direct business displacement.

Under No Build Scenario 2, the original 1992 FEIS program will be completed for Parcels L and M, but Parcel N will remain in its current use. Therefore, under this scenario, the USPS parking lot on the southwestern portion of the project site and the MTP Parking garage on Parcel M would be fully displaced, and portions of the Central Parking lot would be displaced. This analysis conservatively assumes that although the Central Parking lot would be partially displaced on Parcel M by No Build Scenario 2, it could continue to operate within Parcel N. Under this assumption, the Proposed Project would result in the direct displacement of the MTP Parking garage.

Overall, the Proposed Project has the potential to result in the direct displacement of one business—the Central Parking lot. As discussed above, this use is directly displaced by the Proposed Project only when compared to No Build Scenario 2. This business provides off-street parking services and it is estimated to employ approximately nine people.[1]

[1] Based on an estimate of three shifts per day with three workers per shift at Central Parking.



Existing Businesses on the Project Site
Figure 3-2

CEQR ASSESSMENT CRITERIA

A preliminary assessment of direct business and institutional displacement, using the *CEQR Technical Manual* threshold indicators (numbered in italics below), is provided to determine the potential for significant adverse impacts resulting from the direct displacement of Central Parking.

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

As stated in the *CEQR Technical Manual*, the consideration of a business or institution's economic value is based on: (1) its products and services; (2) its location needs, particularly whether those needs can be satisfied at other locations; and (3) the potential effects on businesses or consumers of losing the displaced business as a product or service.

As discussed above, the one business that would be directly displaced is Central Parking. This business operates off-street parking facilities. The displacement of this business would temporarily displace the 1,850 parking capacity of the project site for a period of approximately eight years. The Proposed Project would result in the permanent displacement of a portion of the onsite parking capacity, but would also restore some of the existing capacity with the construction of an 1,800-space public parking garage.

Although the potentially displaced business contributes to the city's economy and therefore has economic value, it does not substantially contribute to the economic viability of the study areas. The off-street parking service it provides is not unique and is widely available throughout the study areas, Manhattan, and New York City. According to surveys, the primary study area contains 13 other off-street parking locations with a total of approximately 5,224 parking spaces (see Table 16-3 in Chapter 16 "Traffic and Parking"). Further, in the Future With the Proposed Project, the number of parking spaces in the primary study area would increase to 6,059 spaces (see Table 16-19). As discussed in Chapter 16, in the Future With the Proposed Project, there would be sufficient capacity at public parking facilities within the primary study area to accommodate all project-generated parking demand. In addition, there are other existing off-street parking facilities throughout Manhattan and New York City that could accommodate parking demand. Within New York City as a whole, there are approximately 1,110 parking garages and lots with 104,000 off-street parking spaces.[1] Therefore, the services offered by the potentially displaced business is not of substantial economic value to the city because many other existing businesses provide the same services at locations throughout the study areas, Manhattan, and New York City overall.

In terms of location needs, the viability of the displaced parking business is not contingent on location within the project site. Demand for off-street parking is not unique to the study areas, as demonstrated by the large number of other off-street parking facilities located throughout the city. Further, as described above, the parking capacity displaced from the project site could be handled by other off-street parking facilities in the study areas and around the city, and a portion of the capacity would be provided on the project site upon completion of the proposed 1,800-space public parking garage. While there is a limited supply of suitable sites to relocate a parking business in Manhattan, and a special permit is necessary, the viability of the displaced businesses does not depend on location within the project site. Therefore, the location needs of

[1] Tohn, Margot, *Park It Now! NYC 2007*. ParkIt Guides, 2007.

the displaced business do not classify them as having substantial economic value to the city or region.

The third and final criterion is the potential effect on businesses or consumers of losing the displaced business as a product or service. In this case, because the Proposed Project would create an 1,800-space public parking garage on the project site, some portion of the parking demand currently accommodated on the project site could continue to be accommodated there in the Future With the Proposed Project. As noted above and discussed in Chapter 16, "Traffic and Parking," there are a number of other off-street parking facilities that would continue to provide parking services to businesses and consumers in the Future With the Proposed Project. These facilities would provide sufficient parking capacity for businesses and consumers once the project is completed.

Therefore, the potential for adverse effects on businesses or consumers due to changes in parking supply is greatest during the construction period of the Proposed Project. During this time, the existing parking on the site would be displaced, but the new parking would not yet be operational. This loss of parking on the project site would be temporary, because once the Proposed Project is complete it would reintroduce parking uses to the site and would accommodate some portion of the parking demand that is currently accommodated on the site. During the peak construction period, AM and midday parking in the primary study area would not fully accommodate the parking demand for construction workers and displaced parkers currently parking on the project site. However, there would be sufficient parking spaces available within the secondary study area. In addition, because the project site and study areas are well-served by transit, many neighborhood retail and service establishments in the study areas attract customers using public transit, and rely to a lesser extent on parking facilities to attract their customer base. Therefore, the displacement of the off-street parking facility on the project site would not have an adverse effect on the remaining businesses or consumers in the study areas. Furthermore, the Proposed Project would benefit study area businesses by introducing a substantial new customer base for existing study area businesses.

Overall, neither the products, services, nor location of the displaced parking business, nor the possible effects on businesses or consumers of losing these displaced businesses, classify them, either individually or collectively, as having substantial economic value to the city or region.

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

The business that would be displaced is an off-street parking facility. There are no regulations or publicly adopted plans to preserve, enhance, or otherwise protect parking businesses.

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

According to the *CEQR Technical Manual*, neighborhood character is defined by certain features, such as land use, urban design, visual resources, historic resources, socioeconomic conditions, traffic, or noise, which, depending on the neighborhood in question, create its distinct "personality." The business that would be displaced does not individually or collectively define neighborhood character within the study areas. As detailed in Chapter 2, the study areas are characterized by a diverse mix of land uses, including residential, commercial, utility, industrial, transportation, institutional, and open space uses. There is an ongoing trend within the study areas toward the development of high-density mixed-use and residential developments. Further, the Proposed Project would reintroduce parking uses to the project site upon its completion.

In terms of employment, the displacement of this parking business would not represent a substantial change in the overall employment within the study areas. There are an estimated total of nine workers at Central Parking[1] Census data indicate that in 2000, approximately 12,523 persons were employed in the primary study area and 46,750 persons were employed within the secondary study area. The nine workers that would be displaced represent less than one half of one percent of both the primary and secondary study area worker populations; therefore, the Proposed Project would not result in a substantial employment loss within the study areas.

As shown in **Table 3-11**, economic sectors with the highest employment in the primary and secondary study areas (i.e., those that contribute substantially in an economic sense) are "educational, health, and social services" (31 percent); "arts, entertainment, recreation, accommodation, and food services" (16 percent); and "information" (14 percent). These sectors do not have employees that would be displaced by the Proposed Project.

Table 3-11
Breakdown of Employment by Industry in the Study Area, 2000

	Primary Study Area		Secondary Study Area		Manhattan		New York City	
Industry Sector	**Number**	**Percent**	**Number**	**Percent**	**Number**	**Percent**	**Number**	**Percent**
Agriculture, forestry, fishing and hunting and mining	0	0	0	0	955	0	2,190	0
Construction	405	3	1,570	3	69,530	3	171,880	5
Manufacturing	405	3	1,195	3	116,350	6	226,420	6
Wholesale trade	194	2	649	1	62,835	3	119,075	3
Retail trade	1,020	8	2,884	6	152,600	7	306,865	8
Transportation and warehousing and utilities	875	7	2,084	4	78,495	4	248,485	7
Information	3,255	26	6,495	14	176,865	8	219,010	6
Finance, insurance, real estate and rental and leasing	745	6	2,975	6	382,655	18	488,170	13
Professional, scientific, management, administrative, and waste management services	930	7	3,510	8	367,380	18	475,170	13
Educational, health and social services	3,380	27	14,539	31	315,145	15	838,210	22
Arts, entertainment, recreation, accommodation and food services	505	4	7,585	16	180,740	9	276,230	7
Other services (except public administration)	560	4	2,565	5	91,865	4	189,985	5
Public administration	245	2	695	1	94,015	4	191,285	5
Armed forces	4	0	4	0	485	0	2,150	0
Total	**12,523**	**100**	**46,750**	**100**	**2,089,915**	**100**	**3,755,125**	**100**
Sources: U.S. Census Bureau, Reverse Journey-to-Work, 2000; categorized by the North American Classification System (NAICS).								

The jobs that would be displaced are part of the "other services" industry sector. Employment in this sector makes up only 4 percent of the primary study area employment and only 5 percent of the secondary study area employment. Furthermore, the loss of a total of approximately nine employees at Central Parking would represent only 1.6 percent of the primary study area employment within this industry sector. Although the business adds to the commercial fabric, it does not individually or collectively define the character of the study area based on the criteria described in the *CEQR Technical Manual*. Therefore, the potentially displaced business does not substantially contribute to

[1] Based on an estimate of three shifts per day with three workers per shift at Central Parking.

a defining element of neighborhood character. In addition, the Proposed Project would reintroduce parking uses and parking-related jobs to the project site upon completion.

CONCLUSION—DIRECT BUSINESS AND INSTITUTIONAL DISPLACEMENT

Overall, the Proposed Project could result in the direct displacement of one business—the Central Parking lot. However, as demonstrated in the preliminary assessment above, the displacement of this business would not result in significant adverse socioeconomic impacts. The potentially displaced business is not of substantial economic value to the city or region; nor is it the subject of regulations or publicly adopted plans to preserve, enhance, or otherwise protect it; and it does not substantially contribute to a defining element of the neighborhood character. Therefore, this preliminary assessment rules out the possibility of significant adverse impacts resulting from direct business and institutional displacement, and a detailed analysis is not warranted.

INDIRECT BUSINESS AND INSTITUTIONAL DISPLACEMENT

Like the analysis of indirect residential displacement, the preliminary assessment of indirect business and institutional displacement focuses on whether the Proposed Project could increase commercial property values and rents within the primary or secondary study areas, making it difficult for some categories of businesses or institutions to remain in the area.

A preliminary assessment of the potential for indirect business and institutional displacement, using the *CEQR Technical Manual* threshold indicators (numbered in italics below), is provided to determine the potential for significant adverse impacts.

1. Would the Proposed Project introduce enough of a new economic activity to alter existing economic patterns?

As discussed in Section D, "Methodology," the project sponsor currently intends to build 2,500 residential units (of which approximately 12 percent, or 300 units, would be affordable), 140,168 gsf of retail (including an approximately 36,701 gsf cinema), 104,432 gsf of office, 181,677 gsf of automotive service use, 239,950 249,240 gsf of hotel, 151,598 gsf of community facility use (to be developed as a public school), and 1,800 parking spaces, but the proposed zoning approvals would specify a range of floor areas by land use for the Proposed Project. This preliminary assessment considers a RWCDS that would include up to 325,022 of retail use, including the proposed cinema.

While some of the uses proposed would be substantial additions to the study areas, they would not represent new uses that would alter existing economic patterns. The study area already contains a large residential population and street-level retail is common and located on all major north-south and east-west corridors in the primary and secondary study areas. Commercial office uses are present south of the project site, as well as in the eastern portion of the study area, near Midtown and Columbus Circle. There are several hotels located in the vicinity of the project site in the Columbus Circle area and along West 57th Street. The community facility use, which is to be developed as a public school, would also not be a new use to the area. As discussed in Chapter 4, "Community Facilities," three public elementary and intermediate school programs are located within ½ mile of the project site. Likewise, the automotive service use would not be a new use in the study areas, as several other automotive uses are located along Eleventh Avenue south of the project site. Overall, the Proposed Project would not be introducing new uses, or generating or drawing different populations that would introduce new types of economic activities to the study areas.

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

As discussed above, the 1992 FEIS acknowledged that the Riverside South redevelopment project would affect the viability of the manufacturing and commercial uses between West 58th and West 61st Streets east of West End Avenue by supporting market pressures for residential and other support uses. However, the 1992 FEIS noted that these pressures would exist in the future independent of the Riverside South project. Since publication of the 1992 FEIS, the industrial areas south of the project site have experienced a trend toward increased residential use as a result of residential rezonings and broad economic trends that favor service and consumer businesses.

Recent rezonings to allow residential uses in the industrial areas south of the project site include several sites along Eleventh Avenue. In 2001, the block bounded by West 57th Street, West 58th Street, Eleventh and Twelfth Avenues was rezoned from M2-3 to C4-7 and M1-5. C4 districts allow higher-density residential, commercial, and community facility uses to a maximum floor area ratio (FAR) of 10.0 or 12.0 with an inclusionary housing bonus. M1-5 districts permit manufacturing and commercial uses up to 5.0 FAR and community facility uses up to 6.5 FAR. Subsequently, a residential building, the Helena, was developed on the eastern portion of the block. In 2009, the western portion of the block bounded by Eleventh Avenue, Tenth Avenue, West 53rd Street, and West 54th Street was rezoned from M1-5 to C6-3X to facilitate the 770 Eleventh Avenue project (aka Clinton Park), which would include residential, retail, and auto uses, and an NYPD facility. South of the study area, the West 44th Street and Eleventh Avenue Rezoning recently changed the zoning of the block between Tenth Avenue, Eleventh Avenue, West 44th Street, and West 45th Street from M1-5 to R8 and R10. R8 and R10 are residential districts allowing residential development to 6.02 FAR and 12.0 FAR (with inclusionary bonus), respectively. These rezonings reflect the continuation of the long-term trend toward residential uses in the manufacturing and commercial areas south of the project site.

The Proposed Project would introduce residential, retail, hotel, and community facility uses to the study areas. These uses would be in keeping with a well-established trend toward this type of development in the study areas since the publication of the 1992 FEIS. The concern is whether the uses introduced by the Proposed Project would alter existing economic patterns or accelerate ongoing trends in the area’s economy (such as the long-term trend toward residential uses) in a way that would generate indirect displacement pressures on certain sectors of the area’s economic base. Based on the development program, this analysis considers whether the Proposed Project could alter existing economic patterns within the retail and industrial sectors of the study area economy. For the reasons described below, this analysis concludes that the Proposed Project would not alter or accelerate existing economic patterns in a manner that would result in significant indirect business or institutional displacement.

The RWCDS could introduce up to 288,321 gsf of retail uses, not including the proposed cinema. The proposed retail would be located throughout the proposed development and would accommodate restaurants and local retail needs to serve both the tenants of the new buildings and community residents. No “big-box” retail establishments (i.e., warehouse clubs or discount department stores) would be included as part of the Proposed Project. In addition, second-floor retail uses proposed for some or all of the buildings could be used instead for office uses.

The concern for the retail sector is whether the retail introduced by the Proposed Project would alter economic patterns in a way that would make existing retail vulnerable to indirect displacement due to competition. The retail introduced by the Proposed Project may offer products and services that overlap with the existing retail base in the study areas, and could attract sales from existing stores. While these competitive economic effects do not necessarily generate environmental concerns, they may become an environmental concern when they have the potential to affect neighborhood character by affecting the viability of neighborhood shopping areas. The possibility of indirect displacement of retail uses due to competition within the study areas—and its potential effect on the character of the neighborhood—is limited. Although there are retail uses located throughout the study areas and the area as a whole is generally well-served by retail, retail is currently lacking in the immediate neighborhood around the project site. As discussed above, the nearest substantial retail concentrations (i.e., those that offer a wide variety goods and services in close proximity) are located along Broadway north of Columbus Circle and along Tenth Avenue south of West 57th Street, more than a ¼-mile away.

The concern for the industrial sector of the study area economy is whether industrial uses could be vulnerable to indirect displacement due to increased rents. Industrial businesses are typically less compatible with the economic trend that is creating upward rent pressures in the study areas; i.e., they tend not to directly benefit (in terms of increased business activity) from the market forces generating the increases in rent. In the case of both the primary and secondary study areas, the existing economic trend that is creating upward rent pressures is toward residential uses as well as increased demand for convenience goods and neighborhood services for the growing residential population.

In the case of the Proposed Project, the development would introduce additional retail customers and draw new retail customers to the study area. Industrial uses within the study area would not capture any value from these customer trips, while a retail use could potentially capture additional sales from “cross-shopping” activity. Therefore, industrial uses in the study area could be considered potentially vulnerable to indirect displacement, as a property owner could decide to convert an existing industrial property to a retail use.

The industrial uses in the study areas are concentrated south of the project site, where the underlying zoning is manufacturing (including M1-5, M1-6, M2-3, and M3-2) and new residential uses are not allowed. Industrial uses in this area are primarily automotive, transportation, and utility uses. Although some commercial uses are permitted in these districts, certain large retail uses are permitted only by special permit. Therefore, the existing manufacturing zoning allows industrial business to remain as conforming uses in this area. Also, certain large industrial uses such as the Consolidated Edison Power House and the new DSNY garage at West 56th Street and Twelfth Avenue are fixed industrial infrastructure uses that would not be subject to increased displacement pressures.

As noted above, the industrial areas south of the project site are already experiencing a trend toward increased residential use as a result of both past rezonings and broad economic trends that favor service and consumer businesses. These trends are likely to continue in the Future With or Without the Proposed Project. The potential for the Proposed Project to generate substantial additional rent pressures beyond those currently generated in the study areas is limited, and such rent pressures would not rise to the level of significance. Therefore, the Proposed Project would not alter or accelerate ongoing trends affecting the industrial sector in the study areas.

3. Would the Proposed Project directly displace uses or properties that have a "blighting" effect on commercial property values in the area, leading to rises in the commercial rents?

The ongoing trend toward residential and commercial development in the study areas indicates that the project site has not had a blighting effect on property values and investment in the area. The Proposed Project would not displace properties or uses that have a "blighting" effect on commercial property values. The business that would be directly displaced is Central Parking, which operates off-street parking facilities. Field surveys of the property indicate it is in good physical condition and does not impose poor physical conditions on the surrounding area.

Also, as discussed in Chapter 2, a number of new residential and commercial developments are anticipated to be completed by 2018 without the Proposed Project. In addition, low vacancy rates in the area also suggest that the project site does not have a "blighting" effect on commercial property values in the area. By 2018, approximately 3,332 residential units will be added to the secondary study area, assuming a robust market. Several large projects are expected to be built within a few blocks of the project site. Adjacent to the project site to the east, construction is underway on the developments known as the Adagio and Sessanta at 239 West 60th Street. These developments will have 342 residential units as well as medical office space and street-level retail. Also to the east of the project site, the Element Condominium, with almost 200 luxury residential units, is nearing completion. On West 57th Street south of the project site, a 750-unit project with associated retail, parking, and auto uses is in the planning stages. Although there is a possibility that the current economic slowdown may result in the development of fewer residential units, recent trends make clear that existing uses on the site have not had a blighting influence on the surrounding area.

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

The Proposed Project would directly displace one off-street parking facility—Central Parking. In general, parking facilities such as this provide support to nearby businesses by offering parking amenities, but the displacement of this lot would not result in a shortage of parking capacity in the study area in the Future With the Proposed Project. Further, the project site and study areas are well-served by transit, and many neighborhood retail and service establishments in the study areas attract customers using public transit, relying to a lesser extent on parking facilities to attract their customer base. As discussed in the preliminary assessment of direct business and institutional displacement, local businesses do not rely on the potentially displaced business products and services for day-to-day needs. The primary study area contains 13 other off-street parking locations with a total of approximately 5,224 parking spaces. In the Future With the Proposed Project, there would be 6,059 parking spaces, which would be sufficient to accommodate all project generated parking demand. The Proposed Project would result in a loss of only a portion of the parking on the project site because once the Proposed Project is complete it would reintroduce parking uses to the site and would accommodate some portion of the parking demand that is currently accommodated on the site. In addition, the project site and study areas are well-served by transit, and many neighborhood retail and service establishments would continue to attract customers using public transit. Therefore, the displacement of the off-street parking facility on the project site would not have an adverse effect on the remaining businesses or consumers in the study areas. The Proposed Project would benefit study area businesses by introducing a substantial new customer base for existing study area businesses.

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

The Proposed Project would not directly or indirectly displace residents, workers, or visitors who form the customer base of existing businesses in the study areas. The one business that would be directly displaced from the project site is Central Parking. This business operates an off-street parking facility. The displacement of this business would temporarily displace all of the parking capacity of the project site. However, the Proposed Project would result in a loss of only a portion of the parking uses on site because it would construct a 1,800-space public parking garage.

While the nine employees of the directly displaced business may form a portion of the customer base of neighborhood service establishments (food and drink establishments, retail, etc.), they would be replaced by the Proposed Project's new residents, and retail, hotel, auto-service use and community facility employee population. Overall, the Proposed Project would result in a net increase in residents, workers, and visitors to the project site that would add to the customer base of existing study area businesses.

6. Would the Proposed Project introduce a land use that could (1) have a similar indirect effect, through the lowering of property values if it is large enough or prominent enough, or (2) combines with other like uses to create a critical mass large enough to offset positive trends in the study area, to impede efforts to attract investment to the area, or to create a climate for disinvestment?

The Proposed Project would not introduce a land use that could have a similar indirect effect, through the lowering of property values by being large enough or prominent enough, or combining with other like uses to create a critical mass large enough to offset positive trends in the study area, to impede efforts to attract investment to the area, or to create a climate for disinvestment. As detailed in Chapter 1, the Proposed Project is intended to transform an underutilized site into a thriving new development.

The commercial components of the Proposed Project would provide jobs and create new hotel and cinema uses on the Upper West Side; the substantial residential component (which includes affordable housing units) would accommodate a portion of the city's current and future housing needs; and the retail, public parking, and open space components would be available for use by the area's existing and future residents and workers. The Proposed Project's substantial amount of new open space is intended to provide a transition area between the Manhattan street grid and the public open spaces west of the site. The new structures and open spaces are intended to create an active streetscape that includes retail uses as part of a diverse mixed-use program, enhancing the pedestrian experience.

The Proposed Project would expand residential, retail, community facility/institutional and hotel uses in the primary and secondary study area, land uses that are already prominent in the area. The addition of new residents in the study area would expand somewhat the customer base and benefit existing businesses. The Proposed Project would make the area more attractive to visitors and local residents and would not impede efforts to attract investment to the area, or create a climate for disinvestment. In particular, the community facility space within the Proposed Project (to be developed as a public school) would provide amenities to new and existing residents and the surrounding area. The Proposed Project would significantly increase the area's spending power, thereby benefiting many existing commercial establishments.

CONCLUSION—INDIRECT BUSINESS/INSTITUTIONAL DISPLACEMENT

Based on the preliminary assessment presented above, the Proposed Project would not result in significant adverse impacts due to indirect business and institutional displacement, and a detailed analysis is not warranted.

ADVERSE EFFECTS ON SPECIFIC INDUSTRIES

According to the *CEQR Technical Manual*, a significant adverse impact may occur if an action would measurably diminish the viability of a specific industry that has substantial economic value to the city's economy. An example as cited in the *CEQR Technical Manual* would be new regulations that prohibit or restrict the use of certain processes that are critical to certain industries. A preliminary assessment of the adverse effects on specific industries, using the *CEQR Technical Manual* threshold indicators (numbered in italics below), is provided to determine the potential for significant adverse impacts.

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

There is one existing business located on the project site that would be displaced by the Proposed Project—Central Parking. The parking lot operated by Central Parking provides a capacity of 1,850 parking spaces. It is estimated that this business employs approximately nine persons in the Transportation, Warehousing and Utilities industry (see **Table 3-11**).[1] A total loss of nine jobs from this industry accounts for only a small fraction of the employment in Transportation, Warehousing and Utilities industry i.e., 1.0 percent and 0.4 percent of all employment in the Transportation, Warehousing and Utilities industry in the primary and secondary study areas, respectively.

Any indirect business displacement that may occur as a result of the Proposed Project would not have the potential to significantly affect business conditions in any particular industry or category of business. As previously stated, businesses most vulnerable to indirect displacement due to increased rent are those less compatible with existing market trends. In this case the products and services offered by the one business that would be displaced are not essential to the viability of other businesses within or outside of the study areas. Therefore, the Proposed Project would not result in an adverse impact on any specific industry within or outside the study areas.

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

As stated above, no particular industry would be affected by the Proposed Project. There is one existing business located on the project site that would be displaced by the Proposed Project. This business employs an estimated nine workers, which account for only 0.07 percent of the employment in the primary study area. Furthermore, while the Proposed Project is not expected to cause significant adverse indirect displacement, any indirect displacement that may occur would not be concentrated in a particular industry. Therefore, there would not be an adverse impact on a particular industry or category of businesses.

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[1] Based on an estimate of three shifts per day with three workers per shift at Central Parking.

CONCLUSION

Based on the preliminary assessment discussed above, the Proposed Project would not have the potential to have an adverse impact on specific industries within the study areas. Therefore, there would be no significant impact on specific industries. ✷