3.0 Socioeconomic Conditions

Introduction

This chapter describes the socioeconomic changes that would result from the Proposed Actions and assesses whether such changes would result in significant adverse impacts. As described in the 2021 *City Environmental Quality Review (CEQR) Technical Manual*, the socioeconomic character of an area includes its population, housing, and economic activity. These socioeconomic impacts may occur when a project directly or indirectly changes any of these elements.

The Proposed Actions stemming from the Atlantic Avenue Mixed-Use Plan aim to invigorate the Atlantic Avenue thoroughfare and surrounding blocks by facilitating new housing, economic opportunity, and growth of local services and jobs.

The objective of the CEQR analysis is to disclose whether any of the changes resulting from the future with the Proposed Actions (With-Action condition) would have the potential for significant adverse socioeconomic impacts when compared with what could happen in the future without the Proposed Actions (No-Action condition). Even if socioeconomic changes would not result in significant impacts, this analysis will assess whether the Proposed Actions would affect land use patterns, low-income populations, the availability of goods and services, or economic investment in a way that changes the socioeconomic character of the area.

The 2021 *CEQR Technical Manual* recommends examination of five ways in which a project could alter socioeconomic conditions: (1) direct residential displacement; (2) direct business displacement; (3) indirect residential displacement; (4) indirect business displacement; and (5) adverse effects on specific industries.

As detailed in **Chapter 1, Project Description**, the Proposed Actions consist of a comprehensive development initiative to establish a dynamic mixed-use, transit-oriented district along Atlantic Avenue (the Plan Area). The Plan Area consists of a significant amount of vacant and underutilized lots, as well as single-story warehouses and auto-related uses. The Proposed Actions aim to facilitate new affordable housing, job-generating commercial uses, and improved safety and accessibility through infrastructure improvements.

Based on the locations of the projected development sites, the Proposed Actions would displace approximately nine residential units and 63 businesses including retail establishments, storage facilities, and parking, with an estimated 319 employees. In addition to direct displacement, the Proposed Actions have the potential to result in direct and indirect changes to the socioeconomic character of the area. Thus, a further assessment of socioeconomic conditions is warranted. Finally, given that the Proposed Actions would directly and may indirectly displace businesses, an assessment of potential adverse effects on specific industries is warranted.

Principal Conclusions

Direct Residential Displacement

The screening-level assessment found that the Proposed Actions would not result in significant adverse impacts due to direct residential displacement. The Proposed Actions would directly displace residents living in nine dwelling units (DUs). Assuming the average household size for a DU in the Plan Area is 2.23, this would represent a direct displacement of approximately 20 residents. The nine DUs that would be displaced are located on Projected Development Sites 1, 2, 8, and 17.[1] According to the 2021 *CEQR Technical Manual*, direct displacement of fewer than 500 residents would not typically be expected to substantially alter the socioeconomic character of a neighborhood. These displaced residents represent 0.01 percent of the estimated 172,332 residents[2] within the half-mile Study Area surrounding the Plan Area.[3] Therefore, the direct displacement of nine DUs and 20 residents would not substantially alter the socioeconomic character of the neighborhood.

Direct Business Displacement

A preliminary assessment found that the Proposed Actions would not result in significant adverse impacts due to direct business displacement. Under the RWCDS, projected development generated by the Proposed Actions by the 2034 Analysis Year would directly displace an estimated 63 businesses and 319 jobs associated with those businesses.[4] The 63 displaced businesses include 6 Construction sector businesses; 2 Manufacturing sector businesses; 7 Wholesale Trade sector businesses; 10 Retail Trade sector businesses; 2 Transportation and Warehousing sector businesses; 2 Arts, Entertainment, and Recreation sector businesses; 1 Accommodation and Food Services sector business; and 33 Other Services sector businesses. The 63 businesses do not represent a majority of half-mile Study Area businesses or employment for any given sector.

[1] According to the reasonable worst case development scenario (RWCDS).

[2] According to the 2020 Census via DCP Population FactFinder.

[3] The half-mile Study Area, and its relationship to the Plan Area, is further described in "Methodology."

[4] Datasets from Reference USA (2023), Mergent Intellect (2023), fieldwork research (January 2024), and desktop research were used to identify specific businesses in the Plan Area. As of February 2024, some of these businesses may have closed or relocated to new locations outside the Plan Area.

While all businesses contribute to neighborhood character and are valuable to the City's economy, there are alternative sources of goods, services, and employment provided within the socioeconomic Study Area and nearby areas in Brooklyn. None of the displaced businesses are subject to regulations or publicly adopted plans to preserve, enhance, or otherwise protect it. Therefore, the potential displacement of these businesses does not constitute a significant adverse impact as defined by the 2021 *CEQR Technical Manual*.

Indirect Residential Displacement

A preliminary assessment found that the Proposed Actions would not result in significant adverse socioeconomic impacts due to indirect residential displacement. Per the guidance of the 2021 *CEQR Technical Manual,* the objective of the indirect residential displacement assessment is to determine whether an action or project may introduce a trend or accelerate a trend of changing socioeconomic conditions that may potentially displace a vulnerable population. Based on the guidance of the 2021 *CEQR Technical Manual,* a vulnerable population is defined as renters living in privately held units unprotected by rent control, rent stabilization, or other government regulations restricting rents, and whose incomes or poverty status indicate that they may not be able to support substantial rent increases.

The Proposed Actions are not anticipated to result in significant adverse impacts due to indirect residential displacement. In the future with the Proposed Actions, the Project Area would add an additional 5,143 DUs, of which 44 percent (2,265 DUs) would be permanently affordable. The Proposed Actions are not anticipated to result in a new population with higher incomes than the existing population. Although the Proposed Actions would add new populations, the aggregate new populations would have a lower average household income ($108,486) than the current average household income in the Study Area ($141,293).[5]

However, the population increase under the With-Action condition is large enough to potentially affect real estate market conditions in the half-mile Study Area, because it would increase the half-mile population by more than 5 percent. Absent the Proposed Actions, the half-mile Study Area is expected to continue to experience the existing trend of increasing rents and increasing household incomes. Overall, the half-mile Study Area is already experiencing a trend of increasing rents and the Proposed Actions would not create or accelerate this trend. During the calendar year of 2023, the monthly median asking rent for market-rate units in the Study Area was $3,462, as shown in **Table 3-4**, "Median Asking Rent for Apartments Listed in Study Area 2022–2023." This is a 4.5 percent increase over the median asking rent for market-rate units in the Study Area in 2022 ($3,314).[6]

The Proposed Actions would result in 5,143 more DUs, of which 2,909 would be affordable, in the Study Area than under the No-Action condition. The Proposed Actions would add new

[5] The weighted average income of the With-Action population is higher than the current Study Area median household income of $97,996 as illustrated in **Table 3-4**.

[6] For real estate analysis, the Study Area overlaps with several residential real estate markets including Bedford-Stuyvesant, Clinton Hill, Crown Heights, Fort Greene, Park Slope, and Prospect Heights. Additional information on data sources and their application to specific analyses is provided in "Methodology."

transit-accessible housing stock to the Study Area that is affordable to households with a wide range of incomes, with the majority of the housing projected to be affordable for households ranging between 40 percent to 80 percent Area Median Income (AMI). The Proposed Actions would support the socioeconomic diversity of the Study Area and ensure that households with a range of incomes could remain in the neighborhood. Therefore, the Proposed Actions would not result in significant adverse impacts due to indirect residential displacement.

Indirect Business Displacement

A preliminary assessment found that the Proposed Actions would not result in significant adverse impacts due to indirect business displacement. Concerns under CEQR guidance are whether the Proposed Actions could lead to changes in the local market conditions that would lead to increases in commercial property values and rents within the Study Area, making it difficult for some categories of businesses to remain. Furthermore, CEQR seeks to assess whether the Proposed Actions could lead to displacement of a use type that directly supports businesses in the Study Area or brings people to the area that form a customer base for local business.

The Proposed Actions would facilitate approximately 453,426 square feet (sf) of new office development and 336,917 sf of new retail development (including local retail and destination retail) on the projected development sites, displacing up to 63 businesses from those sites. However, the broader half-mile Study Area includes well-established retail, commercial, and industrial markets such that the Proposed Actions would not introduce new economic activities to the Study Area or add a concentration of a particular sector of the local economy to the extent that would significantly alter or accelerate existing economic patterns. Additionally, the Proposed Actions would add an increment of 5,143 DUs above the No-Action condition, providing new housing for current and future residents. This would introduce a new residential population that would increase demand for the goods and services provided by existing businesses and bolster the commercial market provided by the existing resident and worker populations in the Study Area.

There is an increasing trend of retail and commercial development in the Study Area, and the retail added under the RWCDS would not be enough to accelerate ongoing trends. In terms of office uses, within the wider Study Area, the Proposed Actions would reinforce existing trends of office space development, because commercial businesses, offices, and other uses serving the Study Area's residential communities have increased in recent years. The new office development is expected to respond to the local demand for office space and other workspaces and is not enough to substantively alter or accelerate trends.

The Proposed Actions would not directly displace uses that provide substantial direct support for businesses in the area or that bring people into the area that form a substantial portion of the customer base for local businesses. The Proposed Actions would result in increasing economic activity in an area where commercial and industrial corridors are currently dormant and underutilized. The With-Action condition populations (increment of 11,469 residents and

2,819 new employees) on the projected development sites would become new customers at many of the existing retail businesses in the Study Area. The mix of market-rate and affordable DUs resulting from the Proposed Actions would also maintain a diverse customer base to shop at retail stores offering products at a range of price points.

Adverse Effects on Specific Industries

The Proposed Actions would not result in a significant adverse impact on business conditions in any specific industry or any category of business. In addition, the Proposed Actions would not indirectly substantially reduce employment or impair the economic viability in any specific industry or category of business. By 2034, the Proposed Actions would directly displace 63 businesses and 319 employees in several economic sectors. The businesses that could be displaced do not represent a critical mass of businesses within any City industry, category of business, or category of employment.

Proposed Actions

The Proposed Actions would facilitate development consistent with the vision and goals of a multi-year planning process conducted along Atlantic Avenue in northwestern Crown Heights and southern Bedford-Stuyvesant in partnership with elected officials, City agencies, community boards, and local stakeholders. The Proposed Actions would allow for housing growth with permanently affordable housing, strengthening corridors with active ground floor uses and streetscape improvements, and promoting job growth in existing clusters of non-residential uses.

The Proposed Actions would affect an approximately 20-block area, or Plan Area, in Brooklyn Community Districts 3 and 8, including several frontages along Atlantic Avenue generally bounded by Vanderbilt Avenue to the west, Nostrand Avenue to the east, Herkimer Street to the north, and Bergen Street to the south. In addition, the Proposed Actions would affect a separate, non-contiguous area located on a portion of two blocks in Prospect Heights bounded by 6th Avenue to the west, Carlton Avenue to the east, Dean Street to the north, and St. Marks and Flatbush Avenues to the south. Furthermore, the Proposed Actions would help spur the development of new housing, including substantial new affordable housing, and facilitate economic opportunity and the growth of local services and jobs in the area.

The Proposed Actions would allow for the development of new uses and higher densities at the projected and potential development sites. Under the RWCDS, the total development expected to occur on the 54 projected development sites under the With-Action condition would consist of approximately 6,657,597 sf of floor area, including 5,320,984 sf of residential floor area (approximately 5,278 DUs, 2,265 of which are expected to be affordable pursuant to City Mandatory Inclusionary Housing (MIH) and City-based programs, 347,132 sf of local retail uses, 50,410 sf of destination retail uses, 472,574 sf of office uses, 77,095 sf of industrial uses, and 389,402 sf of community facility uses, as well as no accessory parking

spaces. The estimated population under the With-Action condition would include a total of approximately 12,931 residents and 3,566 workers on these projected development sites.[7]

The projected incremental (net) change between the No-Action and With-Action conditions that would result from the Proposed Actions would be an increase of 5,206,302 sf of residential floor area (5,143 DUs), 286,507 sf of local retail space, 50,410 sf of destination retail space, 453,426 sf of office space, 121,716 sf of community facility space, a net reduction of 209 accessory parking spaces, and a net decrease of 160,276 sf of industrial, 3,500 sf of other commercial area, and 81,000 sf of automotive-related uses on the projected development sites. The projected incremental change between the No-Action and With-Action conditions that would result from the Proposed Actions would be an increase of 11,469 residents and 2,819 workers.

The projected incremental change from the Proposed Actions would also result in the creation of 2,234 (or 43.3 percent) additional affordable DUs as part of the total incremental DUs (5,143) that would be developed. Option 1 of the New York City MIH text amendment of March 22, 2016, requires that 25 percent of units are affordable for households with incomes averaging 60 percent of AMI, or $69,746 for a family of 2.23.[8]

Methodology

The analysis of potential adverse socioeconomic effects applies the methodologies of the State Environmental Quality Review (SEQR) Handbook and the 2021 *CEQR Technical Manua*l. According to the 2021 *CEQR Technical Manual*, the five principal issues of concern with respect to socioeconomic conditions are whether a project would result in significant impacts due to: (1) direct residential displacement; (2) direct business displacement; (3) indirect residential displacement due to increased rents; (4) indirect business displacement due to increased rents or due to retail market saturation; and (5) adverse effects on specific industries.

As defined by the 2021 *CEQR Technical Manual*, direct displacement is the involuntary displacement of residents or businesses from a site or sites directly affected by a project. An example of direct displacement includes a proposed redevelopment of a currently occupied site for new use or a new structure. Indirect displacement is defined by the 2021 *CEQR Technical Manual* as the involuntary displacement of residents, businesses, or employees that results from a change in socioeconomic conditions created by a project. One example of indirect displacement includes business tenant turnover to higher paying commercial tenants due to a new, nearby successful office project. Finally, a project may not displace but

[7] Based on 2020 Census data via DCP Population FactFinder, the average household size for a DU in the Study Area is 2.23.

[8] Option 2 of the New York City MIH text amendment of March 22, 2016, requires that 30 percent of units are affordable for households with incomes averaging 80 percent of AMI, or $92,994 for a family of 2.23. If Option 2 of MIH were analyzed for all applicable developments, the projected incremental change from the Proposed Actions would also result in the creation of 2,428 additional affordable DUs, or 47.2 percent of the total incremental DUs (5,143) that would be developed. Additional analysis on direct and indirect residential displacement is found in "Preliminary Assessments."

may affect the operation of a major industry or commercial operation in the City. In those cases, the economic impact of the project on that particular industry would be analyzed.

Following 2021 *CEQR Technical Manual* guidance, preliminary assessments were conducted to learn enough about the potential effects of the Proposed Actions to either rule out the possibility of significant adverse impacts or to determine that more detailed analysis is required to understand the potential for impacts.

Determining Whether a Socioeconomic Assessment Is Appropriate

According to the 2021 *CEQR Technical Manual*, a socioeconomic assessment should be conducted if an action may be reasonably expected to create socioeconomic changes in the area affected by the action that would not be expected to occur in the absence of the action (i.e., the No-Action condition). The following screening assessment considers whether threshold circumstances identified in the 2021 *CEQR Technical Manual* would lead to socioeconomic changes warranting further assessment.

Direct Residential Displacement

Would the Proposed Project directly displace residential population to the extent that the socioeconomic character of the neighborhood would be substantially altered? Displacement of less than 500 residents would not typically be expected to alter the socioeconomic character of a neighborhood. For projects exceeding this threshold, an assessment of direct residential displacement is warranted.

The Proposed Actions could displace an estimated 20 residents living in 9 DUs: two DUs located on Site 1; two DUs located on Site 2; three DUs located on Site 8; and two DUs located on Site 17 (see **Figure 1-3** in Chapter 1, "Project Description").[9] There are no DUs on Sites 3 through 7, 9 through 16, or 19 through 55. According to 2021 *CEQR Technical Manual* guidance, significant adverse impacts would not be expected to occur unless the number of low-income residents to be displaced exceeds 5 percent of the Study Area's population. The entire potentially displaced population—including but not exclusive to low-income residents—equates to 0.01 percent of all residents in the Study Area. The total number of directly displaced residents, approximately 20 residents, would not exceed the 500-person 2021 *CEQR Technical Manual* threshold warranting full assessment, and thus would not be expected to alter socioeconomic character.

Direct Business Displacement

Would the Proposed Project directly displace more than 100 employees, or would it displace any business that is unusually important because its products or services are uniquely dependent on its location, is the subject of policies or plans aimed at its preservation, or that serves a population uniquely dependent on its services in its present location? If so,

[9] Based on 2020 Census data via DCP Population FactFinder, the average household size for a DU in the Study Area is 2.23.

assessments of direct business displacement and indirect business displacement are appropriate.

The Proposed Actions would directly displace an estimated 319 employees from the projected development sites. The number of employees displaced by the Proposed Actions exceeds the 2021 *CEQR Technical Manual* threshold of 100 employees, warranting assessment.

Indirect Residential Displacement Due To Increased Rents

Would the Proposed Project result in substantial new development that is markedly different from existing uses, development, and activities within the neighborhood? Residential development of 200 units or less would typically not result in significant socioeconomic impacts. For projects exceeding this threshold, an assessment of indirect residential displacement is warranted.

The Proposed Actions would result in the incremental development of 5,143 DUs, which exceeds the 2021 *CEQR* threshold of 200 units, warranting further socioeconomic analysis of indirect residential displacement.

Indirect Business Displacement Due To Increased Rents

Would the Proposed Project result in substantial new development that is markedly different from existing uses, development, and activities within the neighborhood? Commercial development of 200,000 sf or less would typically not result in significant socioeconomic impacts. For projects exceeding this threshold, an assessment of indirect business displacement is warranted.

The Proposed Actions are expected to add more than 200,000 sf of commercial development. While there would be a reduction in automotive and other commercial space, there would be an increase in local retail, destination retail, and office space that exceeds the 200,000 sf threshold and therefore warrants additional analysis of indirect business displacement due to increased rents.

Indirect Business Displacement Due to Market Saturation

Would the Proposed Project potentially draw a substantial amount of sales from existing businesses within the study area, resulting in indirect business displacement due to market saturation? Projects resulting in a total of 200,000 square feet or more of retail on a single development site or 200,000 square feet or more of region-serving retail across multiple sites would not typically result in socioeconomic impacts. For projects exceeding this threshold, an assessment of indirect business displacement is warranted.

According to the 2021 *CEQR Technical Manual,* an analysis of indirect business displacement due to market saturation is warranted if the Proposed Actions would result in the development of over 200,000 sf of retail on a single development site or over 200,000 sf of region-serving retail across multiple development sites. The Proposed Actions would introduce an increment of approximately 336,917 sf of retail, including approximately 286,507

sf of local retail and 50,410 sf of destination retail. However, the local retail would not be concentrated on any specific site, so the Proposed Actions would not result in the development of more than 200,000 sf of retail on a single development site. Similarly, the Proposed Actions would result in less than 200,000 sf of destination retail development across multiple development sites. The Proposed Actions intend to create retail development that would fill the gaps between existing retail establishments in the Study Area and that would serve the existing population as well as the population introduced through the Proposed Actions. The Proposed Actions are not expected to add to or create a retail concentration that may draw a substantial number of sales from existing businesses in the Study Area.

Adverse Effects on Specific Industries

Is the Proposed Project expected to affect conditions within a specific industry? The Proposed Project could affect socioeconomic conditions if a substantial number of workers or residents depend on the goods or services provided by the affected businesses, or if the Proposed Project would result in the loss or substantial diminishment of a particularly important product or service within the City.

The Proposed Actions would meet the threshold for preliminary assessments of direct and indirect business displacement. Thus, a preliminary assessment of effects on specific industries was conducted to determine whether the Proposed Actions would significantly affect business conditions in any industry or category of businesses within or outside the Study Area, or whether the Proposed Actions would substantially reduce employment or impair viability in a specific industry or category of businesses.

Conclusion of the Initial Screening

Based on this initial screening, a preliminary assessment is warranted for direct business displacement, indirect residential displacement, indirect business displacement due to increased rents, and adverse impacts on specific industries. Additional analysis is included below.

Study Area Definition

A socioeconomic study area is the area within which the Proposed Actions have the greatest potential to directly or indirectly affect population, housing, and economic activities. A study area typically encompasses a proposed project area and adjacent areas within approximately 400 feet, quarter mile, or half mile, depending upon the project size and area characteristics. According to the 2021 *CEQR Technical Manual*, the larger half-mile Study Area is appropriate for projects that would potentially increase the quarter-mile area population by more than 5 percent.

Under the RWCDS, the Proposed Actions would increase the quarter-mile population by approximately 11,462 people (12.8 percent over the No-Action condition), using an average

household size of 2.23 for the Study Area.[10] As the potential population increase for the quarter-mile Study Area is more than 5 percent over the No-Action population, a larger half-mile Study Area is warranted per 2021 *CEQR Technical Manual* guidance.

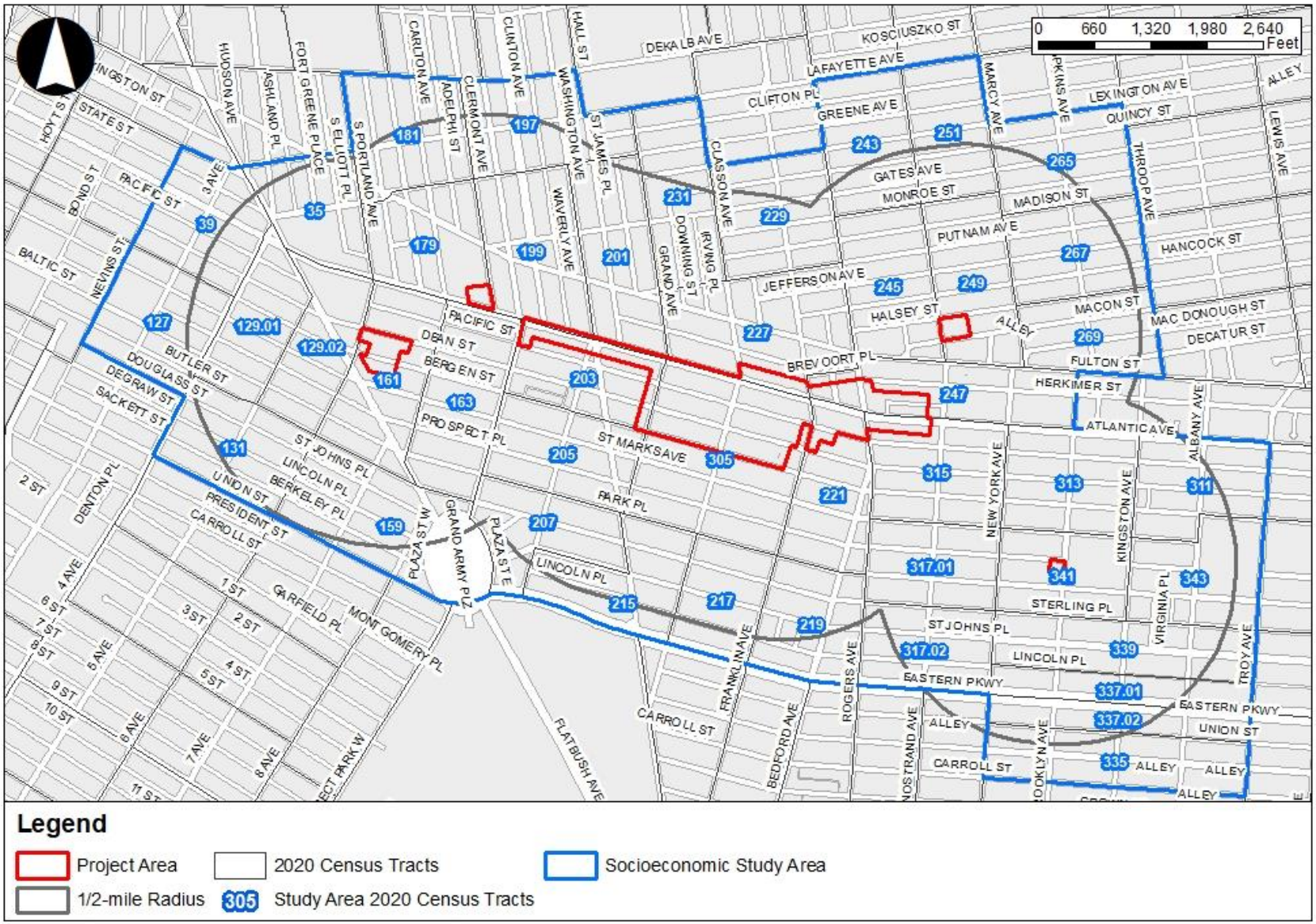
For this analysis, the Study Area boundary conforms to the census tract delineation that most closely approximates the half-mile radius surrounding the Plan Area. These census tracts that comprise the "socioeconomic study area," or "Study Area," are shown in **Figure 3-1**. The adjusted Study Area captures an approximately half-mile area surrounding the Plan Area, including portions of Prospect Heights, Clinton Hill, Crown Heights, Bedford-Stuyvesant, Park Slope, and Fort Greene.

This Study Area comprises the following 44 census tracts: 35, 39, 127, 129.01, 129.02, 131, 159, 161, 163, 179, 181, 197, 199, 201, 203, 205, 207, 215, 217, 219, 221, 227, 229, 231, 243, 245, 247, 249, 251, 265, 267, 269, 305, 311, 313, 315, 317.01, 317.02, 335, 337.01, 337.02, 339, 341, 343.[11] For real estate and market rent analysis, the Study Area overlaps with several residential real estate markets including Bedford-Stuyvesant, Clinton Hill, Crown Heights, Fort Greene, Park Slope, and Prospect Heights. Additional information on data sources and their application to specific analyses is provided in the forthcoming section.

The approximately 20-block Plan Area, shown in **Figure 3-1**, is located at the center of the Study Area and is the focus of this analysis. The Plan Area runs primarily along Atlantic Avenue in Brooklyn Community Districts 3 and 8 and is generally bounded by Vanderbilt Avenue to the west, Nostrand Avenue to the east, Herkimer Street to the north, and Bergen Street to the south. In addition, the Proposed Actions would affect a separate, non-contiguous area located on a portion of two blocks in Prospect Heights bounded by 6th Avenue to the west, Carlton Avenue to the east, Dean Street to the north, and St. Marks and Flatbush Avenues to the south. The Plan Area includes 54 projected development sites and 16 potential development sites (see **Figure 1-3** in Chapter 1, "Project Description"). The 54 projected sites identified by the RWCDS are the sites most likely to experience redevelopment as a result of the Proposed Actions by 2034. There are 16 potential development sites deemed less likely to be redeveloped by 2034. The program associated with potential sites is not included in the assessment of the 2034 With-Action condition.

[10] The population of the quarter-mile Study Area is 79,545 according to the 2020 Census. Under the No-Action condition, an additional 136 DUs would be built within the Plan Area. According to the Q4 2023 NYC Department of Buildings (NYCDOB) list of active permits and active permit filings, an additional 4,178 DUs would be built within the quarter-mile Study Area for a total of 4,314 new DUs. Using an average household size of 2.23 for the Study Area, this would result in a new population of 9,620 people and a projected No-Action condition population of 86,165 within the quarter-mile Study Area. The With-Action condition would add an additional 11,469 people, or 13.3 percent over the No-Action condition population. When factoring the vacancy rate of the Study Area (7.37 percent per 2020 US Census), the total DU count would be 3,996, the No-Action condition population within the quarter-mile Study Area would be 85,456, and the With-Action condition incremental population would be an increase of 13.4 percent.

[11] These Census Tracts each have 50 percent or more of their areas within a half-mile buffer of the Plan Area.



Atlantic Avenue Mixed-Use Plan

Figure 3-1
Socioeconomic Study Area

Data Sources

This study uses data from multiple sources to perform the analyses. Information pertaining to socioeconomic conditions draws upon data from the 2010 and 2020 Decennial Census, and the five-year American Community Survey (ACS) of the U.S. Census Bureau from 2006–2010 and 2017–2021 provided via the New York City Department of City Planning (DCP) Population Factfinder and Social Explorer. Data were collected for the Study Area when appropriate. Where relevant, data were also collected for the Borough of Brooklyn and New York City more broadly as a comparison to the Study Area. Several characteristics were analyzed, including population count, household count, median and mean household income, median and average rents, and poverty status.

Real estate market information was collected from the DCP Primary Land Use Tax Lot Output (PLUTO) database, StreetEasy, and the New York University (NYU) Furman Center. PLUTO was used primarily to determine existing conditions of market inventory, while StreetEasy and the Furman Center were used to assess real estate market trends. For real estate market data, characteristics such as market rent were analyzed between 2018–2023 and 2023–2023. Datasets were collected for a number of real estate submarkets overlapping with the Study Area, including the Bedford-Stuyvesant, Clinton Hill, Crown Heights, Fort Greene, Park Slope, and Prospect Heights neighborhoods.

Employment trend datasets were collected from New York State Department of Labor (NYSDOL) Quarterly Census of Employment and Wages (QCEW) for the first quarter or Q1 of 2023.

Reference USA, Mergent Intellect, and fieldwork research were used to identify specific businesses in the Study Area. Reference USA and Mergent Intellect datasets were obtained for 2023. The datasets identified businesses, business characteristics, and estimated employee counts for the Plan Area. Where business data were unavailable from both Reference USA and Mergent Intellect, standard industry employment density ratios commonly used in CEQR analysis were used to estimate employment figures. Additional fieldwork was conducted in December 2023 to verify some of the business counts and characteristics.

Additional details on the principal data sources used are as follows (presented alphabetically):

- **ACS 5-Year Estimates, 2006–2010 and 2017–2021.** Administered by the U.S. Census Bureau, ACS presents statistically estimated data gathered over a specified period of time rather than a single point in time.

- **DCP Population FactFinder.** DCP Population FactFinder was used to provide demographic information in this chapter. DCP Population FactFinder provides detailed population and housing profiles for user-defined areas within New York City using data from decennial censuses and the five-year ACS.

- **DCP Primary Land Use Tax Lot Output (DCP PLUTO).** DCP PLUTO provides extensive land use and geographic data at the tax lot level. DCP PLUTO was used to provide information about real estate inventory in the Plan Area and Study Area.

- **Mergent Intellect.** Mergent Intellect, a directory of business information using data from Dun & Bradstreet Hoover's data, was used to provide an estimate of potentially displaced businesses and employee counts. The database was also used to identify similar businesses in the Study Area that could provide similar services should potentially displaced businesses be displaced. Mergent Intellect provides information for over 100 million private companies across the globe. The Mergent Intellect database contains company names, estimated employee counts, estimated revenues, locations, industry, and many other characteristics of the business sectors and workforce in both the Plan Area and Study Area.

- **NYSDOL – QCEW.** DCP provided QCEW figures from the first quarter of 2023, produced by NYSDOL, to assess existing conditions for employment and businesses in the Study Area.

- **NYU Furman Center State of New York City's Housing and Neighborhoods.** NYU Furman Center's annual report, State of New York City's Housing and Neighborhoods, provides data on housing, vacancy, rents and affordability levels in various New York City neighborhoods.

- **Primary Fieldwork.** This study uses information obtained from fieldwork and other primary sources. Fieldwork was conducted in December 2023 to verify business counts and ground floor retail tenants in the Plan Area. Additional desktop research was conducted in December 2023 and January 2024 using Google Maps and LiveXYZ websites.

- **Reference USA.** A division of Infogroup, Reference USA was used to provide an estimate of potentially displaced businesses and business locations. Reference USA provides locational and operational information for over 14 million U.S. businesses nationwide. The Reference USA database contains company names, estimated employee counts, estimated revenues, locations, industry, and many other characteristics of the business sectors and workforce in both the Plan Area.

- **Social Explorer.** Social Explorer is a demographic data visualization and research website that aggregates a variety of data including data from the ACS and U.S. Census.

- **StreetEasy.** A subsidiary of Zillow, Inc., StreetEasy is an online real estate database and website providing rental listings, leasing history, and other property information. This study uses StreetEasy data to analyze residential rents in the Study Area.

- **U.S. Decennial Census 2010 and 2020.** Data figures from the U.S. Decennial Census were used in this report. The 2010 and 2020 Census figures are used to analyze trends over time in residential and socioeconomic data.

Preliminary Assessment

As described above, a preliminary assessment is warranted for direct business and institutional displacement, indirect residential displacement, indirect business and institutional displacement due to increased rents, and adverse impacts on specific industries.

Preliminary assessments are conducted to learn enough about the potential effects of the Proposed Actions to either rule out the possibility of significant adverse impacts or determine that a more detailed analysis is required to fully determine the extent of the impacts. A detailed analysis is designed to examine existing conditions and then evaluate the changes to those conditions in the With-Action condition as compared with the changes that would be expected in the No-Action condition.

Direct Business Displacement

The 2021 *CEQR Technical Manual* defines direct business displacement as the involuntary displacement of businesses from the site of, or a site directly affected by, a proposed action. In accordance with this guidance, displacement of a business or group of businesses is not, in itself, considered a significant adverse environmental impact. The 2021 *CEQR Technical Manual* specifies consideration of the following two factors when determining a proposed action's potential for significant adverse impacts: (1) whether the businesses to be displaced provide products or services essential to the local economy that would no longer be available to local residents or businesses and (2) whether adopted public plans call for preservation of such businesses in the area.

As detailed below, projected development generated by the Proposed Actions would directly displace 63 businesses and an estimated 319 jobs associated with those businesses. As such, a preliminary assessment of direct business displacement was conducted, examining the employment and businesses value characteristics of the potentially displaced businesses. The analysis begins with a description of overall business activities within the Study Area, then describes the businesses and employment that could be directly displaced by the Proposed Actions. This direct displacement analysis identifies and evaluates all potentially displaced businesses and institutions, even though certain businesses and institutions may own the property on which they are located and would not be involuntarily displaced as they would have to willingly enter into an agreement to sell their property and relocate.

Profile of Private Employment in the Socioeconomic Study Area

As of 2023 Q1, there were an estimated 29,120 private sector employees in the socioeconomic Study Area (see **Table 3-1**). These employees represent 3.9 percent of

Brooklyn's total private employment and approximately 0.8 percent of New York City's total private employment.

The economic sector with the highest private employment was Accommodation and Food Services, representing approximately 21.3 percent of total private sector employment in the Study Area, which is substantially higher than the share of employment in this sector in Brooklyn and New York City. Accommodation and Food Services employers located throughout the Study Area include Applebee's, Alta Calidad, Mac Shack, and the New People Kitchen. Accommodation and Food Services sector businesses, such as restaurants and bars, are located throughout the Study Area, with concentrations along Flatbush Avenue, Fulton Street, Washington Avenue, Nostrand Avenue, and Vanderbilt Avenue. In Brooklyn and New York City, the Accommodation and Food Services sector represented 7.4 and 8.5 percent of private sector employees, respectively.

The next largest economic sector with the highest private sector employment was Health Care and Social Assistance, with approximately 16.3 percent of private employment in the Study Area, which is lower than the share of employment in this sector in Brooklyn and New York City (42.4 and 22.8 percent, respectively). Health Care and Social Assistance employers in the Study Area include the Interfaith Medical Center, numerous physician's offices, Concord Nursing and Rehabilitation Center, and Blue Ridge Home Care, Inc.

The third and fourth largest economic sectors in the Study Area are Retail Trade and Educational Services making up approximately 13.9 and 10.3 percent of private employment in the Study Area, respectively. In Brooklyn and New York City, the Retail Trade sector represented 9.9 and 7.8 percent of private sector employees, respectively. The Educational Services sector represented 5.0 percent in Brooklyn and 5.1 percent in New York City.

Table 3-1: Private Sector Employees in Half-Mile Study Area Compared to Borough and NYC, 1Q 2023

Estimated Employees in Half-Mile Study Area, Brooklyn, and New York City						
Type of Job by NAICS Category	Study Area		Brooklyn		New York City	
	Employees	Percent	Employees	Percent	Employees	Percent
Agriculture, Forestry, Fishing, and Hunting	0	0.0%	382	0.1%	596	0.0%
Mining, Quarrying, and Oil and Gas Extraction	0	0.0%	6	0.0%	68	0.0%
Utilities	0	0.0%	3,420	0.5%	14,930	0.4%
Construction	767	2.6%	30,842	4.1%	136,998	3.5%
Manufacturing	331	1.1%	17,064	2.3%	56,542	1.5%
Wholesale Trade	377	1.3%	21,286	2.9%	121,359	3.1%
Retail Trade	4,054	13.9%	73,421	9.9%	301,389	7.8%
Transportation and Warehousing	154	0.5%	19,677	2.6%	130,218	3.4%
Information	754	2.6%	14,228	1.9%	223,831	5.8%
Finance and Insurance	1,067	3.7%	14,348	1.9%	345,288	8.9%
Real Estate and Rental and Leasing	817	2.8%	18,170	2.4%	129,814	3.4%
Professional, Scientific, and Technical Services	1,526	5.2%	30,627	4.1%	435,611	11.2%

Estimated Employees in Half-Mile Study Area, Brooklyn, and New York City						
Type of Job by NAICS Category	Study Area		Brooklyn		New York City	
	Employees	Percent	Employees	Percent	Employees	Percent
Management of Companies and Enterprises	109	0.4%	2,758	0.4%	69,005	1.8%
Administration & Support, Waste Management and Remediation	763	2.6%	33,858	4.5%	234,002	6.0%
Educational Services	2,995	10.3%	37,409	5.0%	195,780	5.1%
Health Care and Social Assistance	4,740	16.3%	316,268	42.4%	884,313	22.8%
Arts, Entertainment, and Recreation	1,278	4.4%	10,134	1.4%	78,779	2.0%
Accommodation and Food Services	6,196	21.3%	55,431	7.4%	330,155	8.5%
Other Services (excluding Public Administration)	2,733	9.4%	38,937	5.2%	161,635	4.2%
Unclassified	459	1.6%	6,909	0.9%	21,823	0.6%
Total	**29,120**	**100%**	**745,175**	**100%**	**3,872,136**	**100%**

Sources: NYSDOL QCEW, 1Q 2023; NYSDOL QCEW 1Q 2023 data were provided at the census-tract level for the Study Area by DCP (February 2024).

Notes:

1. Private employee counts for the Study Area are based on an aggregate of values from the QCEW, 1Q 2023 for the following 2020 Census Tracts in Kings County: 35, 39, 127, 129.01, 129.02, 131, 159, 161, 163, 179, 181, 197, 199, 201, 203, 205, 207, 215, 217, 219, 221, 227, 229, 231, 243, 245, 247, 249, 251, 265, 267, 269, 305, 311, 313, 315, 317.01, 317.02, 335, 337.01, 337.02, 339, 341, and 343.
2. The number of private sector employees in Brooklyn and New York City is equal to the average number of employees in the first three months of 2023.
3. To avoid disclosing data for individual employees, sectors that were considered non-disclosable were symbolized with a 'D.' The number of non-disclosable employees is included in the total employee count to provide an accurate representation of the number of employees.
4. NYSDOL QCEW data include workers covered by State unemployment insurance (UI) laws and Federal workers covered by the Unemployment Compensation for Federal Employees (UCFE) program. Self-employed or freelance workers who work within these geographic areas may not be captured because QCEW excludes proprietors and the unincorporated self-employed.

Profile of Private Businesses in the Socioeconomic Study Area

As of 2023 Q1, there were an estimated 4,893 private sector businesses within the Study Area (see **Table 3-2**). While the Accommodation and Food Services and Health Care and Social Assistance sectors housed the largest share of private employment in the Study Area, the Other Services and Unclassified sectors accounted for the largest proportion of businesses (16.1 percent and 14.0 percent, respectively). In contrast, 10.2 percent of Brooklyn private businesses were Other Services and 12.5 percent are "Unclassified"; in New York City at large, these proportions were 11.7 and 9.7 percent, respectively.

The third- and fourth-most prevalent private business sectors in the Study Area were Accommodation and Food Services and Retail Trade, representing an estimated 12.9 and 9.6 percent of businesses, respectively. Accommodation and Food Services and Retail Trade sector businesses, such as restaurants and bars, are located throughout the Study Area, with concentrations along Flatbush Avenue, Fulton Street, Washington Avenue, Nostrand Avenue, and Vanderbilt Avenue.

Table 3-2: Private Sector Firms in Half-Mile Study Area Compared to Brooklyn and NYC, 2023 Q1

Estimated Firms in Half-Mile Study Area, Brooklyn, and New York City						
Type of Job by NAICS Category	**Study Area**		**Brooklyn**		**New York City**	
	Firms	**Percent**	**Firms**	**Percent**	**Firms**	**Percent**
Agriculture, Forestry, Fishing, and Hunting	0	0.0%	20	>0.1%	63	>0.1%
Mining, Quarrying, and Oil and Gas Extraction	0	0.0%	6	>0.1%	20	>0.1%
Utilities	0	0.0%	29	>0.1%	119	>0.1%
Construction	134	2.7%	4,709	6.6%	15,992	5.6%
Manufacturing	61	1.3%	1,629	2.3%	4,996	1.8%
Wholesale Trade	97	2.0%	3,121	4.4%	13,337	4.7%
Retail Trade	470	9.6%	9,565	13.4%	31,505	11.1%
Transportation and Warehousing	23	0.5%	1,656	2.3%	5,438	1.9%
Information	272	5.5%	2,102	2.9%	9,213	3.2%
Finance and Insurance	74	1.5%	1,637	2.3%	12,276	4.3%
Real Estate and Rental and Leasing	271	5.5%	4,675	6.6%	21,453	7.5%
Professional, Scientific, and Technical Services	530	10.8%	7,285	10.2%	34,314	12.0%
Management of Companies and Enterprises	17	0.4%	260	0.4%	1,835	0.6%
Administration & Support, Waste Management & Remediation	173	3.5%	2,675	3.8%	12,313	4.3%
Educational Services	123	2.5%	1,306	1.8%	4,731	1.7%
Health Care and Social Assistance	335	6.9%	6,844	9.6%	24,912	8.7%
Arts, Entertainment, and Recreation	212	4.3%	1,370	1.9%	6,466	2.3%
Accommodation and Food Services	629	12.9%	6,239	8.7%	24,751	8.7%
Other Services (excluding Public Administration)	788	16.1%	7,280	10.2%	33,364	11.7%
Unclassified	684	14.0%	8,908	12.5%	27,669	9.7%
Total	**4,893**	**100%**	**71,316**	**100%**	**284,767**	**100%**

Sources: NYSDOL QCEW, 1Q 2023; NYSDOL QCEW 1Q 2023 data was provided at the census-tract level for the Study Area by DCP (February 2024).

Notes:

1. Private firm counts for the Study Area are based on an aggregate of values from the QCEW, 1Q 2023 for the following 2020 Census Tracts in Kings County: 35, 39, 127, 129.01, 129.02, 131, 159, 161, 163, 179, 181, 197, 199, 201, 203, 205, 207, 215, 217, 219, 221, 227, 229, 231, 243, 245, 247, 249, 251, 265, 267, 269, 305, 311, 313, 315, 317.01, 317.02, 335, 337.01, 337.02, 339, 341, and 343.
2. The number of private sector firms in Brooklyn and New York City is equal to the average number of firms in the first three months of 2023.
3. To avoid disclosing data for individual employees, sectors that were considered non-disclosable were symbolized with a 'D.' The number of non-disclosable employees is included in the total employee count to provide an accurate representation of the number of employees.

Profile of Potentially Displaced Private Businesses

This section describes the characteristics of businesses on the projected development sites that could be directly displaced by the Proposed Actions. Employment locations and worker estimates were based on information obtained from Reference USA, Mergent Intellect, on-site fieldwork observations, and standard industry employment density ratios commonly used in CEQR analysis.[12] Some businesses may vacate their spaces on the projected

[12] The listings from Reference USA (current as of 2023) and Mergent Intellect (current as of October 2023) provided a verified database of business address listings, worker estimates, and business activities. Where business data were unavailable from both Reference USA and Mergent Intellect, standard industry employment density ratios commonly used in CEQR analysis were used to estimate employment figures.

development sites before the analysis years, but for the purposes of this analysis, it is assumed that those businesses listed would be in operation during the time of displacement.

As shown in **Table 3-3**, under the RWCDS, an estimated 319 employees working for 63 private businesses would be directly displaced by the Proposed Actions. The businesses on the projected development sites span a range of industry sectors based on North American Industry Classification System (NAICS) codes. The industry sector with the largest number of displaced employees is Other Services with an estimated 164 potentially displaced employees. The displaced Other Services sector businesses include Atlantic Car Wash (Development Site 1); Bismillah Auto Repair (Development Site 9); Monsey Bus Tours (Development Site 21); and Barks and Rec Center (Development Site 42). Other Services is also the sector with the largest number of displaced firms, numbering 33.

Table 3-3: Private Businesses and Employment Potentially Displaced by the Proposed Actions

	Firms	Percent of Displaced Businesses	Estimated Employment Displaced	Percent of Displaced Employment
Construction	6	9.5%	34	10.7%
Manufacturing	2	3.2%	12	3.8%
Wholesale Trade	7	11.1%	23	7.2%
Retail Trade	10	15.9%	61	19.1%
Transportation and Warehousing	2	3.2%	3	0.9%
Arts, Entertainment, and Recreation	2	3.2%	15	4.7%
Accommodation and Food Services	1	1.6%	7	2.2%
Other Services	33	52.4%	164	51.4%
Total	63	100.0%	319	100.0%

Sources: BJH Advisors field surveys; DCP MapPLUTO 2023 data; Reference USA; Mergent Intellect.
Notes: Where data were not available, employment estimates are based on field observations and standard industry employment density ratios commonly used for CEQR analysis.

The sector with the second largest number of displaced employees is Retail Trade with an estimated 61 employees. The displaced Retail Trade businesses include Excellence Auto Trader 1 (Development Site 9); Mobil (Development Site 15); L Train Vintage (Development Site 23); and Hibiscus Flowershop (Development Site 34).

CEQR Preliminary Assessment Criteria

According to the 2021 *CEQR Technical Manual*, the following threshold indicators are considered to determine the potential for significant adverse impacts due to direct business displacement.

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

It is possible that a number of the displaced businesses would close or relocate for reasons independent of the Proposed Actions. It is also possible that not all businesses projected to be displaced would be able to relocate to other spaces. Businesses that would wish to continue to operate may have to choose to relocate outside of the neighborhood, Brooklyn, or even New York City. Generally, those businesses with more stringent location and space constraints would be less likely to find comparable, suitable nearby space. For example, a business that can operate out of a 5,000-sf storefront would find it easier to relocate than a business that needs a 50,000-sf space. The following section details the industry sectors within which displacement could occur and the potential effects on socioeconomic conditions in the Study Area.

Construction

As noted above, there are six Construction sector businesses employing an estimated 34 people on the projected development sites that would be displaced as a result of the Proposed Actions. These businesses provide contractor, electrical contractor, and residential construction services. Within the Study Area, there are an estimated 134 Construction businesses with 767 employees. The potentially displaced businesses represent approximately 4.5 percent of Construction businesses and 4.4 percent of Construction employment in the Study Area.

Construction sector businesses generally serve large, regional trade areas. There are an estimated 4,709 construction businesses with 30,842 private employees in Brooklyn. The potentially displaced businesses represent approximately 0.1 percent of businesses and private Construction employment in Brooklyn. If the businesses on the proposed development sites are displaced, similar construction businesses exist in the Study Area and throughout Brooklyn to fill local demand. There are other businesses providing various types of contracting services throughout the Study Area and Brooklyn, including Hivolts Electrical Inc. and Star Homes Design & Management, Inc. Additionally, the office-based activities of the potentially displaced Construction firms are not uniquely dependent on their location within the Plan Area because their clients and “job sites” are located throughout New York City and the broader region.

Manufacturing

There are two Manufacturing sector businesses employing an estimated 12 people on the projected development sites that would be displaced as a result of the Proposed Actions. The Manufacturing sector businesses are Generations Millwork & Cabinetry (Development Site 2) and Brooklyn Bottle Distributors (Development Site 25) and provide cabinet and bottle manufacturing services, respectively. The potentially displaced businesses represent approximately 3.3 percent of Manufacturing businesses and 3.6 percent of private Manufacturing employment in the Study Area.

The two businesses represent 0.1 percent of Brooklyn’s 1,629 Manufacturing businesses and employ 0.1 percent of the borough’s 17,064 private Manufacturing workers. While Manufacturing represents a use that may be more challenging to relocate due to space

demands and operating expenses constraints for manufacturers, there are alternative businesses that could provide manufacturing services should the two businesses be displaced. For example, Bushwick Bottling, LLC and Schless Bottles, Inc. provide plastic bottle manufacturing, while S&G Woodworking, Inc. and Premium Millwork, Inc. provide cabinetry manufacturing in Brooklyn. Additionally, the Manufacturing sector businesses located on the projected development sites could have the opportunity to relocate to protected industrial zones throughout Brooklyn such as the North Brooklyn and Southwest Brooklyn Industrial Business Zones (IBZs).

Wholesale Trade

There are seven Wholesale Trade sector businesses employing an estimated 23 private employees on the projected development sites that would be displaced a result of the Proposed Actions. These businesses provide construction material wholesaling, refrigeration equipment wholesaling, poultry wholesaling, and ornamental metal work wholesaling. The seven businesses represent 7.2 percent of the Study Area's 97 Wholesale Trade sector businesses and 6.1 percent of the 377 private Wholesale Trade workers in the Study Area. However, they represent 0.2 percent of Wholesale Trade sector businesses and 0.1 percent of private Wholesale Trade employment in Brooklyn. Because there are more than 3,000 Wholesale Trade businesses in Brooklyn, there are other businesses that could meet the needs of consumers should the seven businesses in the Plan Area be displaced. Examples include Mayflower Sales Co., Inc., Bush Wholesalers, Inc., and Leader Refrigeration Manufacturing, Inc.

Retail Trade

There are 10 Retail Trade sector businesses employing an estimated 61 private employees on the projected development sites that would be displaced as a result of the Proposed Actions. These businesses include gas stations, convenience stores, florists, tire dealers, used clothing stores, and used car dealers. Within the Study Area, these 10 businesses represent 2.1 percent of Retail Trade sector businesses and 1.5 percent of Retail Trade sector private employment.

In Brooklyn, there are 9,565 Retail Trade businesses employing 73,421 private employees. There are other retail businesses in the area that could provide the same services to consumers when these 10 existing Retail Trade businesses are displaced as a result of the Proposed Actions. Similar businesses in the Study Area and in nearby commercial corridors include AutoZone, J&E Tire Shop, and Rush Auto Tire Shop. Additionally, retail uses are generally easier to relocate as they require smaller footprints that could be found throughout Brooklyn. If the Proposed Actions are approved, there would be an incremental increase in retail space on the projected development sites, and some displaced businesses, such as florists and used clothing sellers, could potentially relocate into this new retail space.

Transportation and Warehousing

There are two Transportation and Warehousing sector businesses employing an estimated three employees on the projected development sites that would be displaced as a result of

the Proposed Actions. These businesses are TCL Distributors (Development Site 33) and MTA Cable Shop (Development Site 45). They account for 8.7 percent of Transportation and Warehousing sector businesses in the Study Area and 1.9 percent of sector private employment in the Study Area.

There are 23 Transportation and Warehousing sector businesses in the Study Area and 1,656 in Brooklyn. Other existing businesses in the Study Area and in Brooklyn would have sufficient ability to absorb displaced employees and offer alternative spaces for the storage and transportation of goods.

Arts, Entertainment, and Recreation

There are two Arts, Entertainment, and Recreation businesses located on a projected development site; these are Global Strongman Gym (Development Site 4) and Dean Crossfit (Development Site 29), which collectively employ an estimated 15 employees. Both businesses provide fitness and recreational sports center services. The businesses represent 0.9 percent of Arts, Entertainment, and Recreation sector businesses and 1.2 percent of sector private employment in the Study Area.

There are 212 Arts, Entertainment, and Recreation businesses in the Study Area and 1,370 in Brooklyn. There are other fitness and recreation centers in the Study Area, including 9Round Fitness, One Bell Fitness, and Planet Fitness. These and other fitness and recreation centers could meet the needs of area residents seeking fitness services.

Accommodation and Food Services

There is one Accommodation and Food Services sector business on a projected development site; this is Grand Avenue Deli, which employs an estimated seven sector employees. This business provides full restaurant service. It represents 0.2 percent of Accommodation and Food Services businesses and 0.1 percent of sector private employment in the Study Area.

There are 629 Accommodation and Food Services businesses in the Study Area and 6,239 located throughout Brooklyn. The displacement of Grand Avenue Deli would not affect restaurant service in the study area. There are other businesses in the Study Area that provide full restaurant service, including Applebee's, Alta Calidad, Mac Shack, and the New People Kitchen. Additionally, if the Proposed Actions are approved, there would be an incremental increase in local retail space where displaced food services businesses such as Grand Avenue Deli could potentially relocate.

Other Services

There are 33 Other Services located on the projected development sites sector businesses employing an estimated 164 private employees that would be displaced as a result of the Proposed Actions. These businesses include 12 automotive repair shops, 3 car washes, 3 religious organizations, 1 beauty salon, 11 parking lots and facilities, 1 household goods repair shop, and 2 pet care service centers. The 33 businesses represent 4.2 percent of

Study Area Other Services businesses and 6.0 percent of Study Area private employment in the sector.

There are 788 Other Services sector businesses employing 2,733 workers in the Study Area, and there are 7,280 total sector businesses in Brooklyn. Other similar businesses are located in the Study Area that offer similar services. For example, A & S Auto Service Inc. and Ultimate Auto Repair Shop both offer automotive repair services within the Study Area. Parking facilities, religious organizations, car washes, pet care services, and household goods repair shops are not defining characteristics of the area.

Summary

In summary, the 63 directly displaced businesses and 319 directly displaced employees do not represent a majority of Study Area businesses or employment for any given sector. While all businesses contribute to neighborhood character and provide value to the City's economy, because there are alternative sources of goods, services, and employment provided within the Study Area or nearby areas of Brooklyn, the direct displacement of these businesses does not constitute a significant adverse impact on socioeconomic conditions as defined by CEQR.

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

Under the RWCDS, the Proposed Actions would directly displace 63 businesses. As discussed above, these businesses do not represent a majority of Study Area businesses or employment for any given sector, and there are alternative sources of their goods and services within the Study Area, Brooklyn, and New York City. None of the displaced businesses are in a category of business that is subject to regulations or publicly adopted plans to preserve, enhance, or otherwise protect it.

Based on the above analysis, according to the 2021 *CEQR Technical Manual* impact thresholds, the Proposed Actions would not result in significant adverse impacts due to direct business displacement. The businesses directly displaced by the Proposed Actions do not provide products or services essential to the local economy that would no longer be available in the Study Area or nearby in Brooklyn. Further, there is no category of business that would be directly displaced that is the subject of regulations or publicly adopted plans to preserve, enhance, or otherwise protect it.

Indirect Residential Displacement

The following is a preliminary assessment of the Proposed Actions' potential to result in indirect residential displacement. As described in the 2021 *CEQR Technical Manual*, indirect residential displacement usually results from substantial new development that is markedly different from existing uses and activity in an area, which can lead to increased property values in the area. Increased property values can lead to increased rents, which can make it

difficult for some existing residents to remain in their homes. The first step in a preliminary assessment of a project's potential for indirect residential displacement is to examine the impact of increased rents, as considered in the following question.

Step 1: Determine if the Proposed Actions would add new population with higher average incomes compared with the average incomes of the existing populations and any new population expected to reside in the study area without the Proposed Actions.

Existing Conditions and Trends

Table 3-4 indicates that the 2017–2021 ACS median and mean household incomes in the Study Area are both higher than those values for the Borough of Brooklyn and the City of New York at large; additionally, median and mean household incomes in the Study Area saw substantially higher rates of change between the 2006–2010 ACS and the 2017–2021 ACS compared to Brooklyn and New York City.

According to the 2017–2021 ACS, the estimated average or mean household income in the Study Area is $141,293, which is a 52 percent increase compared to the 2006–2010 ACS; the median household income in the Study Area is $97,996, or a 54.5 percent increase compared to 2006–2010 ($64,401). Meanwhile, Brooklyn's average or mean household income is $103,893 with a median household income of $67,753, and the New York City-wide average is $113,315 with a median of $70,663. The Study Area's average and median incomes changed at a faster rate during the comparison period than those of Brooklyn and New York City.

Table 3-4: Household Income Characteristics (2006–2010, 2017–2021 ACS)

	Average Household Income			Median Household Income		
Area	**2006–2010 ACS[1]**	**2017–2021 ACS[1]**	**Change or Direction[2]**	**2006–2010 ACS[1]**	**2017–2021 ACS[1]**	**Change or Direction[2]**
Study Area	91,438	141,293	+52.2%	64,401	97,996	+54.5%
Brooklyn	78,589	103,893	+32.2%	54,646	67,753	+24.0%
New York City	97,706	113,315	+16.0%	63,072	70,663	+12.0%

Sources: U.S. Census Bureau, 2006-2010 and 2017-2021 ACS 5-Year Estimates via U.S. Census Bureau, and DCP Population FactFinder.

Notes:

1. All dollar figures have been adjusted to 2021 inflation dollars.
2. If the margin of error (MOE) of the difference between 2006-2010 and 2017-2021 ACS data is greater than the difference, a change cannot be reported with confidence; if the MOE of the difference is greater than one third of the difference, a change cannot be estimated with confidence and only the direction of the change can be reported (i.e., increase/decrease)

Table 3-5 summarizes the distribution of incomes in the Study Area, Brooklyn, and New York City. Nearly 32.9 percent of households in the Study Area earn $150,000 or more, which is more than 10 percentage points higher than both Brooklyn and New York City for that income bracket (20.7 and 21.9 percent, respectively). The percentage of households earning $25,000 or less within the Study Area (17.4 percent) is lower than that of Brooklyn and New York City as a whole (22.1 and 21.2 percent, respectively).

Table 3-5: Distribution of Household Incomes (2017–2021)

	Study Area		Brooklyn		New York City	
Household Income	**Number**	**Percent**	**Number**	**Percent**	**Number**	**Percent**
Less than $25,000	12,666	17.4%	217,666	22.1%	689,576	21.2%
$25,000-$49,999	8,876	12.2%	172,624	17.5%	549,830	16.9%
$50,000-$74,999	7,628	10.5%	135,518	13.8%	454,571	14.0%
$75,000-$99,999	7,895	10.8%	108,053	11.0%	356,995	11.0%
$100,000-$149,999	11,800	16.2%	147,256	14.9%	486,246	15.0%
$150,000 or more	24,000	32.9%	203,991	20.7%	713,439	21.9%
Total	**72,865**	**100.0%**	**985,108**	**100.0%**	**3,250,657**	**100.0%**

Source: U.S. Census Bureau, 2017-2021 ACS 5-Year Estimates (NYC Planning Population FactFinder).

The data presented in **Table 3-6** show the percentage of families in the Study Area with income below the poverty level in the past 12 months, based on data from the 2017–2021 ACS. The share of families in the Study Area with income below the poverty level is 9.2 percent. This is lower than the share of families in Brooklyn (14.9 percent) and New York City (13.6 percent) with incomes below the poverty level.

Table 3-6: Percentage of Families with Income Below the Poverty Level in the Past 12 Months (2017–2021)

Geography	Percent Households, 2021
Study Area	9.2%
Brooklyn	14.9%
New York City	13.6%

Source: U.S. Census Bureau, 2017-2021 ACS 5-Year Estimates (NYC Planning Population FactFinder).

No-Action Condition

As identified in **Table 3-4**, there is an existing trend of increasing average and median household incomes in the Study Area. As shown in **Table 3-9**, there is a concurrent existing trend in the Study Area of increasing average and median gross rents. It is anticipated that the creation of affordable DUs in the Study Area would slow these trends to a degree. However, in the No-Action condition, it is estimated that there would only be an additional 136 DUs in the Plan Area, and 31 of those (or 22.7 percent) would be designated as permanently affordable pursuant to MIH. The remainder, 105 DUs, would be developed as market-rate DUs on other sites.[13] Based on the No-Action condition development of 105 market-rate DUs and 31 affordable DUs, it is expected that existing trends would continue into the future, leading to even higher incomes and rents in the No-Action condition as compared with the existing conditions.

[13]This assessment assumes that all affordable units are based on Option 1 of MIH. If based on Option 2 of MIH, there would be 37 affordable DUs and 98 market-rate units.

With-Action Condition

According to the RWCDS, the With-Action condition would result in an incremental increase in the number of market-rate and affordable DUs, due in large part to the application of the MIH program to the Plan Area. The MIH program sets forth two primary options that are characterized by different affordability levels, which promote a range of affordable development. Under Option 1 of MIH, 25 percent of residential floor area would be set aside for households making up to 60 percent AMI on average, with 10 percent of that number set aside for households making up to 40 percent AMI. Under Option 2 of MIH, 30 percent of residential floor area would be set aside for households making up to 80 percent AMI.

For the purposes of this assessment, all affordable units are assumed to be based on Option 1 of the New York City MIH text amendment of March 22, 2016. New York City AMIs and affordable monthly rents by AMI are shown in **Tables 3-7 and 3-8**. AMIs are calculated yearly by the U.S. Department of Housing and Urban Development.

Table 3-7: 2023 New York City Area Median Income (AMI)

Family Size	30% of AMI	40% of AMI	50% of AMI	60% of AMI	80% of AMI	100% of AMI	120% of AMI	130% of AMI	165% of AMI
1	$29,670	$39,560	$49,450	$59,340	$79,120	$98,900	$118,680	$128,570	$163,185
2	$33,900	$45,200	$56,500	$67,800	$90,400	$113,000	$135,600	$146,900	$186,450
3	$38,130	$50,840	$63,550	$76,260	$101,680	$127,100	$152,520	$165,230	$209,715
4	$42,360	$56,480	$70,600	$84,720	$112,960	$141,200	$169,440	$183,560	$232,980
5	$45,750	$61,000	$76,250	$91,500	$122,000	$152,500	$183,000	$198,250	$251,625

Source: U.S. Department of Housing and Urban Development.

Table 3-8: 2023 New York City Affordable Monthly Rents by Area Median Income (AMI)

Unit Size	30% of AMI	40% of AMI	50% of AMI	60% of AMI	80% of AMI	100% of AMI	120% of AMI	130% of AMI	165% of AMI
Studio	$636	$848	$1,060	$1,272	$1,696	$2,120	$2,544	$2,756	$3,498
1BR	$794	$1,059	$1,324	$1,589	$2,119	$2,648	$3,178	$3,443	$4,370
2BR	$953	$1,271	$1,588	$1,906	$2,542	$3,117	$3,813	$4,130	$5,242
3BR	$1,101	$1,468	$1,835	$2,202	$2,937	$3,671	$4,405	$4,772	$6,057

Source: U.S. Department of Housing and Urban Development.

Notes: Assumes tenant pays electricity. Rents are approximate and have been calculated at 30 percent of annual gross income of the target AMI. For low-income bands, rents are based on 30 percent of 27 percent, 37 percent, 47 percent, 57 percent, and 77 percent of AMI. Studio rents are based on a household factor of 0.6.

The Proposed Actions would facilitate the development of 5,279 DUs for an increment of 5,143 over the No-Action condition. Of this increment, 2,234 DUs, or approximately 43.4 percent, would be permanently affordable while 2,909 DUs would be market-rate. Based on

the affordability levels outlined in **Table 3-7,** this would be approximately $69,746 for the Study Area's average household size of 2.23.[14]

In the future with the Proposed Actions, every projected development site that accommodates new residential development would include permanently affordable units. Further, six projected development sites (Sites 46, 47, 48, 53, 54, and 55), are intended to be developed with 100 percent affordable housing for approximately 1,260 affordable units on these sites, which goes beyond the requirements of MIH.

Average Household Income of the With-Action Population

As shown in **Table 3-9**, within the Study Area, average gross rent from the 2017–2021 ACS was an estimated $1,980 per month, which was greater than the average gross rent in Brooklyn as a whole ($1,646) and in New York City overall ($1,494). Median gross rent within the Study Area was an estimated $1,907 per month, which was greater than the median gross rent in Manhattan as a whole ($1,582) and in New York City overall ($1,579). Median gross rents have increased in the Study Area since 2010 by 41.5 percent. Over the same time period, median gross rents also increased in Manhattan (by approximately 23.5 percent) and in New York City (by 17.6 percent).

Table 3-9: Average and Median Gross Rents

	2006–2010 ACS		2017–2021 ACS		Percent Change or Directional Change[2]	
Area	**Average[1]**	**Median[1]**	**Average[1]**	**Median[1]**	**Average**	**Median**
Study Area	$1,144	$1,347	$1,980	$1,907	+73.1%	+41.5%
Brooklyn	$1,032	$1,281	$1,646	$1,582	+59.5%	+23.5%
New York City	$1,145	$1,343	$1,680	$1,579	+46.8%	+17.5%

Sources: U.S. Census Bureau, 2006–2010 and 2017–2021 ACS 5-Year Estimates via DCP's NYC Population FactFinder and Social Explorer.

Notes:

1. All dollar figures have been adjusted to 2021 inflation dollars.
2. If the MOE of the difference between 2006–2010 and 2017–2021 ACS data is greater than the difference, a change cannot be reported with confidence; if the MOE of the difference is greater than one third of the difference, a change cannot be estimated with confidence and only the direction of the change can be reported (i.e., increase/decrease).

U.S. Census data paints a general picture about whether housing costs are changing in a neighborhood, but the data do not provide specific rent information according to regulation status, current listing supply, or household unit size by bedrooms. Market asking rents were therefore used to provide a fuller understanding of where the Study Area market is today. **Table 3-10** includes data from StreetEasy, an online real estate listing database.[15] The table

[14] Under Option 1 of MIH, 10 percent of DUs will be affordable for households averaging 40 percent AMI. If Option 2 of MIH were analyzed for applicable development sites, 47.2 percent of the incremental affordable DUs (2,429) would be affordable for families with an average income of 80 percent of AMI. Based on the affordability levels outlined in **Table 3-7**, this would be approximately $92,994 for the Study Area's average household size of 2.23.

[15] StreetEasy Data Dashboard, Rental Data for neighborhoods Bedford-Stuyvesant, Clinton Hill, Crown Heights, Fort Greene, Park Slope, and Prospect Heights January-December 2022 and January-December 2023, accessed in January 2024.

compares median rents in the Study Area for 2022 and 2023. The data encompass all rental listings tracked by StreetEasy for Bedford-Stuyvesant, Clinton Hill, Crown Heights, Fort Greene, Park Slope, and Prospect Heights – neighborhoods that are at least partially overlapping with the Study Area.

As referenced in **Table 3-10**, there were 42,887 total listings in 2023 with an average median asking rent of $3,462 compared to 37,973 in 2022 with an average median asking rent of $3,314, or an increase of 4.5 percent in median rent.[16]

Table 3-10: Median Asking Rents, 2022–2023

	Total Apartment Listings During Period[1]	Average Number of Monthly Listings	Median Asking Rent for All Apartment Listings [2]
Jan–Dec 2023	42,887	3,574	$3,462
Jan–Dec 2022	37,973	3,164	$3,314
		Change 2022–2023	**+4.5%**

Source: StreetEasy, including rental data for neighborhoods Bedford-Stuyvesant, Clinton Hill, Crown Heights, Fort Greene, Park Slope, and Prospect Heights January-December 2022 and January-December 2023, accessed in January 2024.[17]

Notes:

1. Study area defined as neighborhoods Bedford-Stuyvesant, Clinton Hill, Crown Heights, Fort Greene, Park Slope, and Prospect Heights January-December 2023 accessed in January 2024. The median asking rents are based on weighted proportions of total listings.
2. StreetEasy indicates that the inventory in the neighborhoods overlapping with the Study Area, from January to December 2023, is 9.7% Studio, 29.4% 1-Bedroom, 32.4% 2-Bedroom, and 28.5% 3-Bedroom or larger.

Table 3-11 shows the median asking rent for market-rate units in the Study Area from StreetEasy for the period January-December 2023, broken down by the number of bedrooms per unit. The data show that median asking rents for DUs in the Study Area during this period range from $2,733 to $4,102, depending on the size and location of the listing.

Table 3-11: Median Asking Rents, January–December 2023

	Studio	One Bedroom	Two Bedroom	Three Bedroom or More
Study Area	$2,733	$3,128	$3,417	$4,102

Source: StreetEasy, including rental data for neighborhoods Bedford-Stuyvesant, Clinton Hill, Crown Heights, Fort Greene, Park Slope, and Prospect Heights January-December 2023 accessed in January 2024. The median asking rents are based on weighted proportions of total listings.

Table 3-12 shows the expected market-rate household income by unit type based on the assumption that new residents would spend 30 percent of their household income on housing costs. The annual household income expected to afford the monthly current market rent for

[16] Additionally, analysis by the NYU Furman Center *State of Renters and Their Homes*, 2022, found that 33 percent of rental units in the Crown Heights/Prospect Heights neighborhood, a central portion of the Study Area, were affordable at 80 percent AMI in 2021, down from 63.1 percent in 2010. Similarly, 36.0 percent of rental units in the Bedford-Stuyvesant neighborhood were affordable at 80 percent AMI in 2021 compared to 63.9 percent in 2010.

[17] StreetEasy Data Dashboard, Rental Data for neighborhoods Bedford-Stuyvesant, Clinton Hill, Crown Heights, Fort Greene, Park Slope, and Prospect Heights January-December 2022 and January-December 2023, accessed in January 2024.

each of these units would be substantially higher than the median household income for the Study Area ($97,996), as outlined in **Table 3-4**. However, it is important to note that, as of the 2017– 2021 ACS, 43 percent of occupied units paying rent in the Study Area are paying an annual gross rent that is 30 percent or more of their household income.[18] Additionally, the 2017–2021 ACS reports that the median monthly rent in the Study Area is $1,907, an amount that is below the current median market rents in the Study Area as shown in **Table 3-9**.

Table 3-12: Household Income by Unit Type

Unit Type	Median Monthly Rent	Est. Monthly Income	Est. Annual Income
Studio	$2,733	$9,110	$109,320
One Bedroom	$3,128	$10,427	$125,124
Two Bedroom	$3,417	$11,390	$136,680
Three Bedroom or More	$4,102	$13,673	$164,076
Overall Median	$3,462	$11,540	$138,480

Source: StreetEasy, including rental data for neighborhoods Bedford-Stuyvesant, Clinton Hill, Crown Heights, Fort Greene, Park Slope, and Prospect Heights January-December 2023 accessed in January 2024. Annual income figures are rounded.

For the past several decades, the conventional public policy indicator of housing affordability in the United States has been the percent of gross income spent on housing. The U.S. Department of Housing and Urban Development has historically viewed households that spend more than 30 percent of their household income on housing as "burdened." Therefore, based on the assumption that households would be expected to spend approximately 30 percent of their income on housing costs, under current conditions based on average market rents in the period of January to December 2023, households would need to earn approximately $138,480 annually to afford the median market-rate apartment in the Study Area, which is slightly lower than the average household income in the Study Area but higher than the median.[19]

Table 3-13 shows the estimated distribution of new market-rate units in the With-Action condition by number of bedrooms. There would be a total of 2,909 market-rate units on projected development sites in the With-Action condition. Based on the existing mix of unit-types in the Study Area according to the ACS, approximately 7.9 percent would be studios, 32.1 percent would be one-bedroom units, 32.9 percent would be two-bedroom units, and 27.1 percent would be three-or-more-bedroom units.

[18] U.S. Census Bureau, 2017-2021 ACS 5-Year Estimates via DCP's NYC Population FactFinder.

[19] This is based on the average median asking rent for all listings in the period of January to December 2023 in the neighborhood-level data summarized in **Table 3-12**, which is $3,427.

Table 3-13: Market-Rate Units by Number of Bedrooms

Unit Type	Percent	Number of Market-Rate Units in Study Area (ACS 2017–2021)	Number of Market-Rate DUs in With-Action Condition
Studio	7.9%	6,242	230
One Bedroom	32.1%	25,347	934
Two Bedroom	32.9%	25,959	956
Three Bedrooms or larger	27.1%	21,431	789
Total Units	**100%**	**78,979**	**2,909**

Sources: Distribution of units by number of bedrooms is sourced from the 2017–2021 ACS.
Notes: According to the RWCDS, the total number of units in the With-Action condition is 5,279. Of the 5,279, it is assumed that 2,265 would be affordable and 3,014 would be market-rate. The (net) increment of units in the With-Action condition is 5,143. Of the 5,143 units, it is assumed that 2,234 would be affordable (under Option 1 MIH) and 2,909 would be market-rate.

Table 3-14 shows calculations used to estimate the average household income of the families occupying the market-rate units on the potential development sites. Using the median monthly rent by bedrooms compiled from StreetEasy, the estimated household income required for each unit type was calculated by assuming that households spend 30 percent of their gross monthly income on rent. Then, the estimated annual incomes were multiplied by the number of units to determine the aggregate income for all units to produce a weighted average. Finally, this aggregate was divided by the total number of market-rate units to determine the average household income of the market-rate units of $138,237.[20]

Table 3-14: Weighted Average Income of With-Action Market-Rate Renters

Number of Bedrooms	Median Monthly Rent	Estimated Gross Monthly Income	Estimated Gross Yearly Income	Units	Aggregate Income by Number of Bedrooms (Yearly Income x Units)
Studio	$2,733	$9,110	$109,320	230	$25,143,600
One Bedroom	$3,128	$10,427	$125,124	934	$116,865,816
Two Bedroom	$3,417	$11,390	$136,680	956	$130,666,080
Three Bedrooms or larger	$4,102	$13,673	$164,076	789	$129,455,964
Total				2,909	$402,131,460
Weighted Average Income of the With-Action Population (Aggregate Income ÷ Total Units)					**$138,237**

Source: Monthly rent from StreetEasy, January–December 2023; Percent of units by number of bedrooms from the 2017-2021 ACS.
Notes: Monthly income was estimated using the assumption that renters spend 30 percent of their gross monthly income on rent.

Table 3-15 summarizes the average household income of both the affordable and market-rate units. The same methodology used in **Table 3-14** was applied in **Table 3-15** to derive a weighted average. The average income of market-rate units was multiplied by the total

[20] After accounting for the unit distribution of market-rate units, the weighted average household income of $138,237 (**Table 3-13**) is slightly less than the approximate household income of $138,480 based on median asking rent listings counts on Streeteasy (**Table 3-12**).

number of market-rate units. The average income of households in affordable units at 60 percent AMI (Option 1) was multiplied by the respective total number of MIH affordable units for each category. These two numbers were added together to determine aggregate income for all the units, both market-rate and affordable. This aggregate income was divided by the total number of units to determine the weighted average income required to afford all proposed unit types under the With-Action condition: $108,486.

Table 3-15: Weighted Average Income of Total With-Action Population

	Income	Units	Aggregate Income (Income x Units)
Market Rate	$**138,237**	2,909	$402,131,460
Affordable MIH Option 1[1]	$69,746	2,234	$155,812,564
Total		5,143	$557,944,024
Weighted Average Income of the With-Action Population (Aggregate Income ÷ Total Units)			**$108,486**

Source: Numbers may not sum to totals due to rounding. Monthly rent from Streeteasy Listings, January-December 2023; U.S. Department of Housing and Urban Development; 2017-2021 ACS 5-Year Estimates via DCP's NYC Population FactFinder.

Notes:

1 Affordable MIH Option 1 is based on the average incomes for 60 percent AMI for the Study Area's average household size of 2.45.

Based on 2021 *CEQR Technical Manual* guidance, if the expected average incomes of the new population would exceed the average incomes of the Study Area's populations, then Step 2 of the analysis should be conducted. Under the With-Action condition, the average household income of the new residents would be substantially lower than the average household income of the existing residents in the Study Area at $141,293 (see **Table 3-7**). In other words, the average household income of the incoming population under the With-Action condition would be approximately $108,486, which is lower than the existing average household income level in the Study Area. This new average income is lower than the current average due to the substantial amount of affordable housing that would be added to the area in the With-Action condition.[21]

Therefore, in accordance with 2021 *CEQR Technical Manual* guidance, Step 2 of the preliminary indirect residential displacement assessment is not warranted. Although further analysis is not warranted, the additional CEQR assessment questions are addressed below.

[21] In the With-Action condition, the average household income of the new population ($108,496) would be lower than the average household income of the existing Study Area ($141,293) but higher than the median household income ($97,996) of the existing population in the Study Area (see **Table 3-7**). If Option 2 of MIH were analyzed for applicable development sites, the new population would have an average household income of $116,,881 which is 17.3 percent lower than the current average household income of $141,293 and is 19.3 percent higher than the current median household income of $97,996.

Step 2: Determine if the Proposed Actions' increase in population is large enough relative to the size of the population expected to reside in the study area without the Proposed Actions to affect real estate market conditions in the study area.

As described in the 2021 *CEQR Technical Manual,* indirect residential displacement usually results from substantial new development that is markedly different from existing uses and activity in an area, which can lead to increased property values in the area. Increased property values can lead to increased rents, which would make it difficult for some existing residents to remain in their homes. Generally, an indirect residential displacement analysis is conducted only in cases in which the potential impact may be experienced by renters living in privately held units unprotected by rent control, rent stabilization, or other government regulations restricting rents, and whose incomes or poverty status indicate that they may not support substantial rent increases. Residents who are homeowners or who are renters living in rent-restricted units would not be vulnerable to rent pressures.

Table 3-16 summarizes the changes in population within the Study Area, the borough of Brooklyn, and New York City at large between the 2010 Census and 2020 Census. The data shows that the Study Area had a population of 150,748 in 2010, which increased to 172,332 by 2020, (a 14.3 percent change). Within the same timeframe, Brooklyn and New York City grew by 9.2 and 6.3 percent, respectively. An overview of completed residential construction projects based on data from the New York City Department of Buildings (NYCDOB) shows that 5,058 additional DUs have been completed between April 1, 2020, and December 31, 2023. Assuming a Study Area vacancy rate of 7.37 percent and a median household size of 2,23 persons, this would account for an additional 4,685 occupied units and 10,448 residents, or a total study area population of 182,780 by December 31, 2023.

Table 3-16: Study Area, Brooklyn and New York City Residential Population (2010-2024)

Geography	2010 Census	2020 Census	Est. Population through 6/30/2023	Percent Change 2010–2021	Percent Change 2010–2023
Study Area	150,748	172,332	182,780	14.3%	21.3%
Brooklyn	2,504,700	2,736,074	N/A*	9.2%	N/A*
NYC	8,175,133	8,804,190	N/A*	6.3%	N/A*

Sources: DCP Housing Database Project Files Q4 2023; 2010 and 2020 Census via DCP's NYC Population FactFinder.

Notes: Numbers may not sum to totals due to rounding. Methodology for calculating an estimated 1/1/24 population for the Study Area is described above. Note that this methodology was not applied to Brooklyn or New York City as a whole.

Table 3-17 shows additional information regarding planned or known development sites within a 1/2-mile radius of the Study Area based on NYC Department of Buildings (NYCDOB) list of active permits and active permit filings as of Q4 2023 (which includes "No-Build" sites).[22] From these recent completions and planned or known development sites, an

[22] For No-Build list, see Table 2-5, "Development Projects in the Future without the Proposed Actions", in Chapter 2, "Land Use, Zoning, and Public Policy" for more information. The calculations used in Table 3-

additional 11,062 DUs will be built regardless of the With-Action condition by the analysis year of 2034.[23] Assuming a Study Area average household size of 2,23 persons and a vacancy rate of 7.37 percent, such new development would yield approximately 10,247 occupied DUs and 22,850 new residents.

Table 3-17: Projected Background Study Area Growth Under the No-Action Condition

	Permits or Filings[1]	Occupied Units Estimate[3]	Additional Population as of 12/31/2028[3]
Completions between 4/1/20 and 12/31/23[1]	5,058	4,685	10,448
Active Permits as of 12/31/23	4,941	4,577	10,206
Active Filings as of 12/31/23	1,063	985	2,196
Total	11,062	10,247	22,850

Sources: NYC DCP Housing Database Project Files Q4 2023; 2010 and 2020 Census via DCP's NYC Population FactFinder.

Notes: Numbers may not sum to totals due to rounding.

1. Net numbers provided for completions, permits, and filings and may differ from No-Build totals in Chapter 2, Table 2-5, "Development Projects in the Future without the Proposed Actions", in Chapter 2, "Land Use, Zoning, and Public Policy" due to inclusion of properties under five units, completions, and demolitions.
3. Based on 2020 Census data via DCP Population FactFinder, the average household size for residential units in the Study Area is 2.23. Except for applicant controlled sites, the Study Area vacancy rate of 7.37 percent is applied to population counts in Recent Completion, No-Build, and No-Action population growth.

Under the No-Action condition, it is assumed that in addition to the 11,062 DUs from NYCDOB completions, permits, active permit filings with NYCDOB, and applicant-controlled sites, an additional 136 DUs would be built within the Project Area. Assuming a Study Area average household size of 2.23 persons and a vacancy rate of 7.37 percent, this would result in an additional 281 new residents and a total Study Area population of 195,463 as outlined in **Table 3-18**.[24]

17 may include developments in addition to the No-Build list including properties under five units, completions, and demolitions.

[23] Projects with active permits would yield approximately 4,941 new DUs and are assumed to be built by December, 31, 2026. Projects with active filings would yield approximately 1,063 new DUs and are assumed to be built by December 31, 2028. The Study Area vacancy rate of 7.37 percent, according to the 2020 U.S. Census, is applied to population counts.

[24] Assuming a 7.37 percent vacancy rate, 136 DUs would result in 126 occupied DUs and 281 additional residents. Without the 7.37 percent vacancy rate, 135 DUs would result in an additional 303 new residents and a total population of 195,485.

Table 3-18: Summary of No-Action Condition of Half-Mile Study Area

		Recent Completions Background Growth		No-Action Population Background Growth		No-Action Population on Plan Area Sites		Study Area No-Action Total Population (2034) (Existing Population + Incremental No-Build + No-Action Population)
	Existing Population	Residential (DU)	Incremental Population on Completion Sites	Residential (DU)	Incremental Population on No-Build Sites	Residential (DU)	No-Action Population on Plan Area Sites	
Total No-Action	172,332	5,058	10,448	6,004	12,402	136	281	195,463

Sources: DCP Housing Database Project Files Q4 2023; 2010 and 2020 Census via DCP's NYC Population FactFinder.
Notes: Assumes a vacancy rate of 7.37 percent. Numbers may not sum to totals due to rounding. Assumes average household size of 2.23 based on 2020 Census data via DCP Population FactFinder.

The With-Action condition would result in an incremental increase of 5,143 DUs, with 11,469 incremental residents over the No-Action condition, assuming the same average household size in the Study Area (average of 2.23 residents per unit). Assuming a 7.37 percent vacancy rate, the With-Action condition would result in an incremental increase of 4,764 occupied units with 10,624 incremental residents over the No-Action condition. Thus, the total With-Action Study Area population would be 206,087, a 5.4 percent increase over the No-Action condition, as shown in **Table 3-19**.[25] Based on guidance in the 2021 *CEQR Technical Manual*, if the population increase is greater than 5 percent in the Study Area, then further analysis should assess whether the Study Area has experienced a readily observable trend toward increasing rents and the likely effect of the Proposed Actions on such trends.

Table 3-19: Summary of With-Action Condition of Half-Mile Study Area

	No-Action Total Population (2034)	With-Action Population			With-Action Population with Vacancy		
		Incremental Population	Total Population (2034)	Percent Increase Over No-Action	Incremental Population	Total Population (2034)	Percent Increase Over No-Action
Total With-Action	195,463	10,624	206,087	5.4	11,469	206,594	5.9

Sources: DCP Housing Database Project Files Q4 2023; 2010 and 2020 Census via DCP's NYC Population FactFinder.
Notes: Numbers may not sum to totals due to rounding. Assumes average household size of 2.23 and Study Area vacancy rate of 7.37 percent according to 2020 Census data via DCP Population FactFinder.

[25] When applying the Study Area's vacancy rate (7.37 percent according to the 2020 U.S. Census), the With-Action incremental 5,143 DU would result in a total population of 206,087, or a 5.4 percent increment change over the No-Action population. Without the vacancy rate of 7.37, the With-Action incremental 5,143 DUs would result in a population of 206,954 or a 5.9 percent increment change over the No-Action population.

Step 3: Consider whether the study area has already experienced a readily observable trend toward increasing rents and the likely effect of the action on such trends. For the purposes of Step 3, "near" is defined as within a half mile of the study area boundary.

The 2021 *CEQR Technical Manual* states that, if the vast majority of the Study Area has already experienced a readily observable trend toward increasing rents and new market-rate development, further analysis is not warranted. Between the 2006–2010 ACS and the 2017–2021 ACS, the Study Area's median household income increased by 52.2 percent (per **Table 3-4**) and median gross rents increased by 41.6 percent (per **Table 3-9**).

As referenced in **Table 3-9**, average gross rent for the Study Area's housing supply increased by 73.1 percent between the 2006-2010 ACS and the 2017-2021 ACS, moving from $1,144 up to $1,980. In contrast, the average gross rent in Brooklyn increased by 59.4 percent and 37.9 percent in New York City as a whole. Based on market asking rent data from StreetEasy, median asking rents have also increased in each of the neighborhood's markets that overlap with the Study Area.[26] An analysis of recent listings (see **Table 3-10**) shows that market rents have continued to increase in recent years. Median asking rents in the Study Area neighborhood markets increased by 4.5 percent overall between 2022 and 2023 from $3,314 to $3,462.[27]

In addition, **Table 3-20** shows the five-year trends of median asking rents in the Study Area. Since 2018, median asking rents have increased by 30.5 percent overall in the past five years and have also increased in each Study Area neighborhood market. For instance, Bedford-Stuyvesant rents increased by approximately 24.8 percent between 2018 and 2023 ($2,499 to $3,120), while median asking rents in Crown Heights increased by approximately 23.5 percent over the same time period ($2,463 to $3,043). Fort Greene increased by approximately 49.3 percent between 2018 and 2023 ($2,967 to $4,430). Park Slope similarly increased by 39.5 percent over the same time period ($3,036 to $4,235). Finally, Prospect Heights saw one the highest rates of change with median asking rents increasing by approximately 46.3 percent between 2018 and 2023 ($3,025 to $4,424). Moreover, Clinton Hill saw a 40.8 percent increase from $2,956 to $4,64 between 2018 to 2023. Overall, rents declined in 2020 due to the COVID-19 pandemic but have since increased to above pre-pandemic rates.

[26] As noted above, U.S. Census data paints a general picture about whether housing costs are changing in a neighborhood, but the data does not provide specific rent information according to regulation status, current listing supply, or unit size. Market asking rents were therefore used to provide a fuller understanding of where the Study Area market is today.

[27] This is based on a weighted average of the median asking rent for all Study Area neighborhoods, as summarized in **Table 3-10**. Neighborhood markets include Bedford-Stuyvesant, Clinton Hill, Crown Heights, Fort Greene, Park Slope, and Prospect Heights.

Table 3-20: Change in Median Asking Rents in Study Area, 2018-2023

Study Area Markets	Median Asking Rent for All Apartment Listings, Jan - Dec 2018[1]	Median Asking Rent for All Apartment Listings, Jan - Dec 2023[1]	% Change in Median Rent, 2019-23
Bedford-Stuyvesant	$2,499	$3,120	24.8%
Clinton Hill	$2,956	$4,164	40.8%
Crown Heights	$2,463	$3,043	23.5%
Fort Greene	$2,967	$4,430	49.3%
Park Slope	$3,036	$4,235	39.5%
Prospect Heights	$3,025	$4,424	46.3%
Overall	$2,653	$3,462	30.5%

Source: StreetEasy, including rental data for neighborhoods Bedford-Stuyvesant, Clinton Hill, Crown Heights, Fort Greene, Park Slope, and Prospect Heights for January-December 2018 and January-December 2023, accessed in January 2024.

Notes:

1. Study Area defined as neighborhoods Bedford-Stuyvesant, Clinton Hill, Crown Heights, Fort Greene, Park Slope, and Prospect Heights.

Without the Proposed Actions, the Study Area is expected to continue the existing trend of increasing rents and household incomes. The affordability requirement of the Proposed Actions would also result in more affordable units in the Plan Area than in the No-Action condition and may help to stabilize rents. Therefore, the Proposed Actions would not result in significant adverse impacts due to indirect residential displacement, and no further assessment of potential impact is warranted.

Indirect Business Displacement

The preliminary assessment of indirect business displacement focuses on whether the Proposed Actions could increase commercial property values and rents within the half-mile Study Area such that it would become difficult for some categories of businesses to remain in the area. The following four questions frame the potential for significant indirect business displacement.

Would the Proposed Actions introduce enough of a new economic activity to alter existing economic patterns?

The Proposed Actions would not introduce new types of economic activity such that they would alter existing economic patterns. Although the Proposed Actions would introduce new residential and commercial uses to the Study Area, the Study Area already has 6.3 million sf of office space, 5.9 million sf of retail space, and approximately 92,792 residential DUs, as shown in **Table 3-21**. The Study Area's well-established office, retail, and residential markets would not be disrupted by the incremental increase in activity introduced by the Proposed Actions.

Table 3-21: Existing Land Uses and Incremental Land Uses Under No-Action and With-Action Conditions

	Existing Conditions		No-Action			With-Action
Land Use Type	Existing Amount in Plan Area	Existing Amount in Study Area	No-Action Development on Projected Development Sites	No-Action Background Development in Study Area (not on Projected Development Sites)	Total Study Area No-Action Condition	Incremental Amount Introduced Under the With-Action RWCDS
Residential (DU)	1,020	81,730	136	11,062	92,792	5,143
Commercial (office)	365,723	6,314,701	19,148	45,809	6,379,658	453,426
Commercial (retail)	340,231	5,915,711	60,625[1]	243,261	6,219,597	336,917[1]

Sources: Existing use estimates for projected development sites and incremental use amounts introduced under the Proposed Actions RWCDS were based on 2023 MapPLUTO Data. Existing use estimates for the Study Area based on 2023 MapPLUTO GIS Data.

Notes:

1. The total sf is sum of "Local Retail" sf and "Destination Retail" sf according to Proposed Actions RWCDS.

In recent years, the Study Area has experienced substantial residential and commercial growth due to its proximity to transit hubs such as Atlantic Terminal and convenient access to employment hubs in Downtown Brooklyn, Lower Manhattan, and Long Island via the Long Island Rail Road at Atlantic Terminal. The Proposed Actions are intended to align development in the Project Area with larger trends in the Study Area and nearby neighborhoods. The introduction of 453,426 sf of commercial office space would increase the amount of office space in the Study Area over the No-Action condition by 7.1 percent. Similarly, the introduction of 336,917 sf of retail space constitutes only a 5.4 percent increase over the No-Action condition in the Study Area. Much of this new retail would be spread throughout the Project Area in new, mixed-use buildings on the projected development sites.

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

Residential Uses

Indirect displacement of businesses generally occurs when a proposed action or new project would significantly increase property values and rents throughout the Study Area, making it difficult for some categories of businesses to remain in the area. The Proposed Actions would add to the concentration of residential uses in the Study Area. However, the Study Area already contains well-established and growing residential markets, including residential communities in Crown Heights, Bedford-Stuyvesant, Prospect Heights, and Clinton Hill that are experiencing high demand for housing but are limited by development constraints. There is an existing trend toward housing development in the Study Area.

Recent residential developments in the Study Area include an 858-unit building at 18 Sixth Avenue, a 798-unit building at 595 Dean Street, a 312-unit building at 662 Pacific Street, a 264-unit building at 545 Vanderbilt Avenue known as the Axel, a 182-unit building at 1134

Fulton Street, a 175-unit building at 1010 Pacific Street known as Pacific House, a 135-unit building at 540 Waverly Avenue, a 124-unit building at 963 Atlantic Avenue, a 113-unit building at 834 Pacific Street, a 100-unit building at 58 Saint Marks Place, and several others.[28] Future residential developments in the Study Area include a 682-unit building at 698 Atlantic Avenue known as Pacific Park, a 456-unit building at 1045-1065 Atlantic Avenue, a 441-unit building at 90-100 Flatbush Avenue, a 267-unit building at 840 Atlantic Avenue, a 248-unit building at 1034-1042 Atlantic Avenue, a 246-unit building at 870-888 Atlantic Avenue, and several others.[29]

The Proposed Actions would facilitate the creation of new residential uses in mixed-use developments, primarily along Atlantic Avenue and Pacific Street and concentrated around Bedford Avenue. In these areas, the Proposed Actions would provide substantial amounts of new housing for current and future residents, including in areas where residential development is not currently permitted. The Proposed Actions would increase the population of the Study Area by 11,469 residents or 5.9 percent as compared to the No-Action condition.[30] Based on the With-Action condition, the new residential population would have an average household income of $109,873, which is 22.3 percent lower than the current average household income of $141,293.[31] The projected scale of new residents would not markedly increase property values and rents throughout the Study Area. Additionally, the introduction of a new residential population would increase demand for the goods and services provided by existing businesses.

Commercial Uses

Commercial uses in the Study Area include both retail and office use. In terms of retail uses, there currently exists 41,381 sf of retail floor space on the projected development sites and 5.9 million sf of retail space in the Study Area. Under the No-Action condition, it is projected that 60,625 sf of retail space would be developed on the projected development sites. Within the Project Area, other known projects are expected to develop an additional 44,127 sf of retail space on other sites. The Proposed Actions would add an increment of 336,917 sf of retail floor space (including 286,507 sf of local retail and 50,410 sf of destination retail) over the No-Action condition, representing a 43.1 percent increase in retail sf in the With-Action condition within the Project Area.

However, within the Study Area, other projects are expected to develop 243,261 sf of retail space absent the Proposed Actions, which indicates a growing trend toward retail

[28] Based on Table 2-5, "Development Projects in the Future without the Proposed Actions" in Chapter 2, "Land Use, Zoning, and Public Policy".
[29] Based on **Table 2-5**, "Development Projects in the Future without the Proposed Actions" in Chapter 2, "Land Use, Zoning, and Public Policy."
[30] When applying the Study Area's vacancy rate (7.37 percent according to the 2020 U.S. Census), the With-Action incremental 5,143 DUs would result in a total population of 206,087, or a 5.4 percent increment change over the No-Action population. Without the vacancy rate of 7.37, the With-Action incremental 5,143 DUs would result in a population of 206,954 or a 5.9 percent increment change over the No-Action population.
[31] The new population's average household income of $108,496 is 10.7 percent higher than the current median household income of $97,996. If Option 2 of MIH were analyzed for applicable development sites, the new population would have an average household income of $116,881 which is 17.3 percent lower than the current average household income of $141,293 and is 19.3 percent higher than the current median household income of $97,996.

development. Therefore, the 336,917 sf increment represents only a 5.4 percent increase in total retail square footage over the No-Action condition in the Study Area. This incremental increase in retail floor space would be spread across the projected development sites. The Proposed Actions would facilitate the development of new retail uses in the Project Area, particularly along Atlantic Avenue where retail uses are currently limited compared to other areas in the socioeconomic Study Area. In parts of the Study Area where retail is not permitted under existing zoning, industrial buildings have been redeveloped and repurposed for retail uses, indicating a trend toward retail and commercial development in the Study Area. Therefore, the retail added under the With-Action condition would not be enough to alter or accelerate ongoing trends.

In terms of office uses, there are many firms within the wider Study Area that are often sited in office buildings, including the Finance and Insurance sector (74 firms in the Study Area); Real Estate, Rental and Leasing sector (271 firms in the Study Area); Professional, Scientific, and Technical Services sector (530 firms in the Study Area); and Information sector (272 firms in the Study Area).[32] Commercial office uses in the Study Area are located primarily in Pacific Park, which sits above Atlantic Terminal and abuts Downtown Brooklyn, Brooklyn's largest central business district. Both Pacific Park and Downtown Brooklyn are characterized by high-density and mixed-use residential and commercial buildings.

The Proposed Actions would reinforce existing trends of office space development in the Study Area. There is currently 26,874 sf of office space on the project development sites, and it is expected that, under the No-Action condition, it is projected that there will be 19,148 sf of office uses developed on the projected development sites. Within the Project Area, there is expected to be 384,871 sf of office space under the No-Action condition. Under the Proposed Actions, there would be an increment of 453,426 sf of office space, which represents a 54.1 percent increase over the No-Action condition in the Project Area. However, within the Study Area, there is currently 6.3 million sf of office space, and, under the No-Action condition, it is expected that an additional 45,809 sf of office space would be developed. Under the Proposed Actions, the 453,426 sf increment represents only a 7.1 percent increase in total office space gsf over the No-Action condition in the Study Area.

As noted in **Chapter 2, Land Use, Zoning, and Public Policy**, there is already office development occurring within the Study Area, particularly in the blocks towards Pacific Park and Downtown Brooklyn.[33] Demand for office space in the Study Area is supported by New York City's growing and diversifying economy, and by a growing residential population. Consistent with citywide trends and the Atlantic Avenue Mixed-Use Plan, new populations are growing in neighborhoods closer in proximity to workplaces and employment hubs, such as along Atlantic Avenue. These factors have supported a trend towards new office development in other areas of Brooklyn, including in Downtown Brooklyn, Williamsburg, the Brooklyn Navy Yard, and Gowanus. Furthermore, within the Plan Area, commercial

[32] Based on NYSDOL QCEW 1Q 2023 data, which was provided at the census-tract level for the Study Area by DCP (February 2024).
[33] See **Table 2-5**, "Development Projects in the Future without the Proposed Actions" in Chapter 2, "Land Use, Zoning, and Public Policy."

businesses, offices, and other uses that serve the surrounding residential community have increased in recent years. Also, the Proposed Actions promote the growth of housing and employment centers around transit and foster an adequate range of services and amenities for residents, workers, and visitors. In the With-Action condition, there would be an increment of 453,426 sf of office space, which is expected to respond to the local demand for new office space and other workspaces and is not enough to substantially alter or accelerate trends.

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

The Proposed Actions would not directly displace uses that offer critical support services to the remaining local businesses or that draw a substantial customer base to the Study Area. As described above, businesses from several sectors could be displaced, with the largest share of displaced businesses from the Other Services sector. The majority of businesses in this sector are automotive businesses and parking lots and facilities. These businesses are relatively small and do not draw large volumes of customers to their locations relative to the overall consumer draw within the Study Area, nor are these firms relied upon exclusively for products or services by business establishments within the Study Area as similar businesses exist in nearby areas of Brooklyn. Similarly, potentially displaced businesses in other sectors are relatively small and do not include businesses that draw large volumes of customers relative to the overall consumer draw of the Study Area. Therefore, the potential displacement of these businesses would not have a significant adverse effect on the remaining businesses or consumers in the Study Area.

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

The Proposed Actions would not directly or indirectly displace residents, workers, or visitors who form a substantial portion of the customer base of existing businesses in the Study Area. Instead, in the future with the Proposed Actions, any potential loss of existing residential customers would be offset by the introduction of a new residential population (increment of 5,143 DUs) within the Plan Area and the surrounding Study Area. Similarly, the Proposed Actions would increase the number of daytime workers and visitors relative to existing numbers in the Plan Area. New employment resulting from the Proposed Actions would add an increment of 2,819 workers, adding to the customer base of the existing Study Area businesses and offsetting any loss of existing customers due to direct or indirect business displacement.

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

Adverse Effects on Specific Industries

According to the 2021 *CEQR Technical Manual*, a significant adverse impact may occur if an action would quantifiably diminish the viability of a specific industry that has substantial economic value to the economy of New York City. An example cited in the 2021 *CEQR Technical Manual* is new regulations that prohibit or restrict the use of certain processes that are critical to certain industries.

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

The Proposed Actions would not significantly affect business conditions in any industry or any category of businesses within or outside the Study Area. As described in the "Direct Business Displacement" analysis above, by 2034, the Proposed Actions would directly displace 63 firms and 319 employees across several economic sectors (see **Table 3-3**).

As described above, the businesses that could be displaced do not represent a critical mass of businesses within any City industry, category of business, or category of employment. Although these businesses are valuable individually and collectively to the City's economy, the goods and services they provide can be found elsewhere within the Study Area and nearby areas of Brooklyn. The products and services offered by potentially displaced businesses in the sectors identified are not essential to the viability of other businesses within or outside the Study Area. Therefore, the Proposed Actions would not adversely affect business conditions in any specific industry within or outside the Study Area.

Would the Proposed Actions indirectly substantially reduce employment or have an impact on the economic viability in the industry or category of business?

As described in the "Indirect Business Displacement" analysis, the Proposed Actions would not result in significant indirect business displacement. Therefore, the Proposed Actions would not indirectly substantially reduce employment or have an impact on the economic viability in any specific industry or category of business.

Based on this preliminary analysis, the Proposed Actions would not result in significant adverse impacts due to adverse effects on specific industries.