West Harlem Rezoning EIS
CHAPTER 3: SOCIOECONOMIC CONDITIONS

A. INTRODUCTION

This chapter assesses whether the Proposed Action would result in significant adverse impacts to the socioeconomic character of the area within and surrounding the proposed West Harlem rezoning area. As described in the *CEQR Technical Manual*, the socioeconomic character of an area includes its population, housing, and economic activities. Socioeconomic changes may occur when a project directly or indirectly changes any of these elements. Although some socioeconomic changes may not result in environmental impacts under CEQR, they are disclosed if they would affect land use patterns, low-income populations, the availability of goods and services, or economic investment in a way that changes the socioeconomic character of the area.

In accordance with *CEQR Technical Manual* guidelines, this socioeconomic analysis considers five specific elements that can result in significant adverse socioeconomic impacts: (1) direct displacement of residential population on a project site; (2) direct displacement of existing businesses or institutions on a project site; (3) indirect displacement of residential population in a study area; (4) indirect displacement of businesses or institutions in a study area; and (5) adverse effects on specific industries.

In considering the likely socioeconomic effects of the Proposed Action, it is important to note that Action-induced development is expected to occur over an approximately nine year period on a site-by-site basis, rather than all at once. It is unclear exactly when each of the 24 projected development sites would be developed, or what businesses or tenants would occupy the sites at the time of redevelopment. It is likely that those sites with known development proposals would be developed first, with the remaining parcels being built later in response to market conditions (refer to Chapter 17, "Construction," for conceptual construction schedule and sequencing). During that time, the Proposed Action's overall effect on socioeconomic conditions would gradually increase, with the full effects being reached in 2021.

B. PRINCIPAL CONCLUSIONS

For all five areas of socioeconomic concern- direct residential, displacement, direct business and institutional displacement, indirect residential displacement, indirect business and institutional displacement, and adverse effects on specific industries—a preliminary assessment was sufficient to conclude that the Proposed Action would not result in any significant adverse socioeconomic impacts. The following summarizes the conclusions drawn from the analysis.

Direct Residential Displacement

The Proposed Action would not result in significant adverse direct residential displacement impacts. All of the projected development sites that include residential units would undergo partial conversions and/or enlargements in the future without the Proposed Action to allow community facility space to occupy the existing buildings' lower floors, and therefore, none of the existing residential units would be directly displaced as a result of the Proposed Action. The Proposed Action would allow retail space to occupy the existing building's lower floors. Therefore, no direct residential displacement is anticipated as a result of the Proposed Action.

Direct Business and Institutional Displacement

A preliminary assessment found that the Proposed Action would not result in significant adverse impacts due to direct business and institutional displacement. Direct displacement would be limited to 11 businesses and institutions located on three of the 24 projected development sites, subject to lease terms and agreements between private firms and property owners existing at the time of redevelopment in the With-Action condition. These 11 businesses/institutions that could be directly displaced conduct a variety of business activities, including automotive and transportation-related service, wholesale, educational, health and social service, warehousing, and insurance sales. They occupy a total of approximately 131,906 gsf of commercial space and employ an estimated 161 workers. The 11 businesses/institutions that are expected to be displaced in the study area do not represent a substantial amount of study area employment and would likely be able to find alternative properties that are appropriately zoned in the surrounding area, Manhattan and in greater New York City.

The Proposed Action would not result in the direct displacement of any businesses that provide products or services essential to the local economy that would no longer be available in its trade area, nor would it result in the displacement of any business that is the subject of regulations in the publicly adopted plans to preserve, enhance or otherwise protect it. It is the intent of the Proposed Action to expand development opportunities for several blocks currently zoned only for light manufacturing use. The proposed MX district would allow a wider range of uses and increase the allowable FAR that would further the community's officially adopted goal of creating a stable climate for investment, employment retention and new job creation.

Indirect Residential Displacement

A preliminary assessment found that the Proposed Action would not result in significant adverse impacts due to indirect residential displacement. According to the *CEQR Technical Manual*, a population increase of less than 5 percent of the total study area population would generally not be expected to change real estate market conditions in a study area. The RWCDSs associated with the Proposed Action would result in a maximum net increase of approximately 569 residential units, of which 82 housing units are expected to be affordable units pursuant to the Inclusionary Housing program, compared to the No-Action condition.[1] Assuming that the units would be fully occupied and would have the same average household size as the ¼-mile study area in 2010 (2.57 persons per household), this is expected to increase the residential population by 1,463 people over the No-Action condition. This equates to an approximately 1.1 percent increase as compared to the study area population in the future without the Proposed Action.[2] Therefore, the Proposed Action would not introduce a substantial new population that could substantially affect residential real estate market conditions in the study area, and no further analysis is required.

Indirect Business and Institutional Displacement

The Proposed Action would not result in significant adverse impacts due to indirect business and institutional displacement. The Proposed Action would not introduce a new economic activity that would alter existing economic patterns in the study area. The study area already has a well-established

[1] Two reasonable worst-case development scenarios (RWCDSs) have been identified for projected development sites 6 and 40. RWCDS 4 assumes that projected development site 6 would be redeveloped under a No-Deed restriction scenario, and projected development site 40 would redeveloped as a new development scenario, in which all of the existing buildings would be demolished and the site would undergo new development.

[2] In the future without the Proposed Action, the ¼-mile study area is anticipated to have a population of 131,293 residents (see Table 3-10).

residential market and a critical mass of non-residential uses, including retail, office and community facility uses.

Adverse Effects on Specific Industries

The Proposed Action would not result in significant adverse impacts on specific industries within the study area or in the city more broadly. The 11 businesses and institutional uses that could be potentially directly displaced from projected development sites conduct a variety of business activities and are not concentrated within a business sector. Nor are the businesses subject to displacement essential to the survival of other industries outside of the study area, as they do not serve as the sole provider of goods and services to an entire industry or category of business in the City. Collectively, these 11 businesses and institutional uses account for only a small fraction of the total employment and economic activities in the secondary study area and their products and services would continue to be available in the trade area to local residents and businesses. Furthermore, while the Proposed Action is not expected to cause indirect displacement, any indirect displacement that may occur would not be concentrated in a particular industry. Therefore, the Proposed Action would not result in an adverse impact on a particular industry or category of businesses within or outside the study area, and would not substantially reduce employment or impair the economic viability in an industry or category of business.

C. METHODOLOGY

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

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

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

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

Analysis Format

Following *CEQR Technical Manual* guidelines, the socioeconomic analysis begins with a preliminary assessment. The purpose of the preliminary assessment is to learn enough about the effects of the proposed actions to either rule out the possibility of significant adverse impacts, or determine that a more detailed analysis is required to resolve the issue. A detailed analysis, when required, is framed in the context of existing conditions and evaluations of the future without the proposed project and the future with the proposed project by the project build year. In conjunction with the land use task, specific development projects that occur in the area in the future without the proposed project are identified, and the possible changes in socioeconomic conditions that would result, such as potential increases in population, changes in the income characteristics of the study area, new residential developments, possible changes in rents or sales prices of residential units, new commercial or industrial uses, or changes in employment or retail sales. Those conditions are then compared with the future with the proposed project to determine the potential for significant adverse impacts. For all five areas of socioeconomic concern—direct residential displacement, direct business displacement, indirect residential displacement, indirect business and institutional displacement, and adverse effects on specific industries—a preliminary assessment was sufficient to conclude that the Proposed Action would not result in any significant adverse socioeconomic impacts.

Study Area Definition

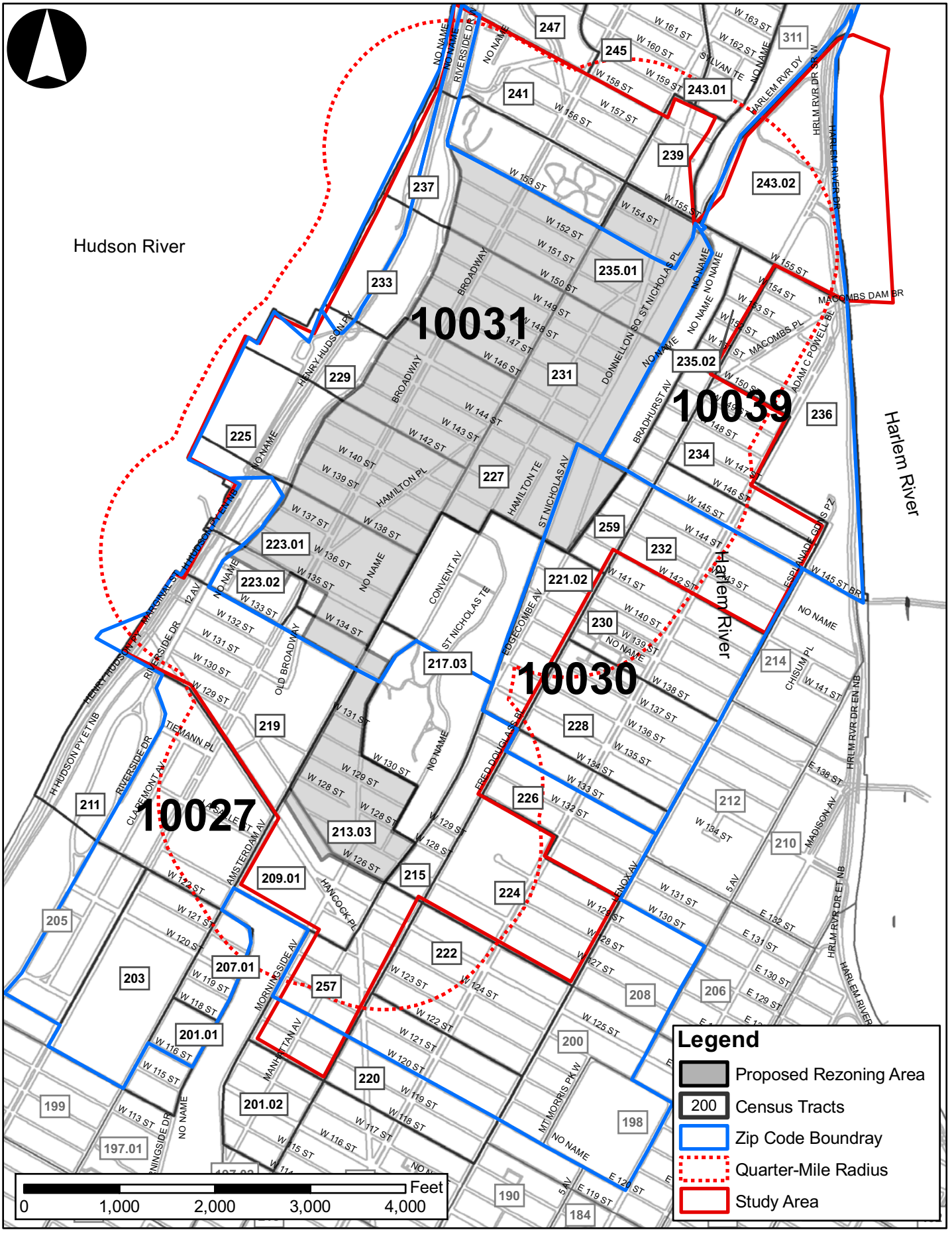
In order to assess these issues, information was gathered regarding the surrounding area's demographic characteristics, housing inventory, housing market, and industrial, commercial, and retail activity. Typically, the socioeconomic study area boundaries are similar to those of the land use study area. The study area encompasses the area affected by the Proposed Action, and an adjacent area within 400 feet, ¼-mile, or ½-mile, depending on project size and area characteristics. The socioeconomic assessment seeks to assess the potential to change socioeconomic character relative to the study area population. For projects that result in an increase in residential population, the scale of the relative change is typically represented as a percent increase in population (i.e., a project that would result in a relatively large increase in population may be expected to affect a larger study area).

As described in Chapter 1, "Project Description," a total of four reasonable worst case development scenarios (RWCDS) have been identified for the Proposed Action, as a range of new development could occur at two of the 24 identified projected development sites (projected development sites 6 and 40). For analysis purposes, two RWCDS haves been identified for these two sites – a With-Deed Restriction scenario and a No-Deed Restriction scenario for projected development site 6, as well as a Conversion scenario and a New Development scenario for projected development site 40 (refer to Table 1-2 in Chapter 1, "Project Description"). The socioeconomic analysis considers all four RWCDs (RWCDS 1 through 4), as discussed below.

As described above, the Proposed Action would result in a maximum net increase of approximately 569 residential units (RWCDS 4), which would add an estimated 1,463 net new residents to the rezoning area.[3] This population increase represents an approximately 1.1 percent increase in population compared to the expected No-Action population of 131,293 residents in a ¼-mile radius from the proposed rezoning area (refer to Table 3-10). Therefore, pursuant to *CEQR Technical Manual* guidelines, an approximate ¼-mile radius from the proposed rezoning area is the appropriate study area for the socioeconomic assessment (see Figure 3-1).

[3] Utilizing the average household size of 2.57 persons per household (based on 2010 Census data for the ¼-mile study area).

Socioeconomic Conditions Study Area



Similar to the land use and zoning analysis in Chapter 2, this assessment includes two study areas: the primary study area (i.e., the area to be rezoned) and the secondary study area (i.e., the approximate ¼-mile area around the primary study area). The exact boundary of the socioeconomic secondary study area was modified to match the census tracts that most closely define a ¼ -mile perimeter surrounding the rezoning area (see Figure 3-1).[4] By conforming to census tract boundaries, the socioeconomic analysis more accurately applies Census data to depict the demographic characteristics of the surrounding area.

Data Sources

Information used in the socioeconomic analysis includes data from the U.S. Census Bureau's 2010 Census, 2000 Census, 2006-2009 American Community Survey, and the New York City Department of Finance's Real Property Assessment Data (RPAD) 2010 database.

The Census data have been supplemented, where appropriate, with information from local real estate agencies. Census data on median contract rent provide a statistical basis for identifying trends; these data are affected by the presence of rent-regulated housing units in the study area. Due to the prevalence of rent-regulated housing in the study area, the median contract rent data does not reflect pricing trends experienced by the majority of residents in the area. However, in order to provide a more accurate picture of current market rate rents in the study area, information was gathered from real estate agency web sites, and the New York City Department of Finance.

Employment data were obtained from the New York State Department of Labor (NYSDOL). However as NYSDOL employment data are available at the zip code level, rather than smaller geographic areas such as census tracts or block groups, employment estimates for the study area are based on a slightly different geographic area than the actual boundary of the study area, but nevertheless is still representative of conditions in the study area given the proximity of the zip code boundaries to the study boundary.

The employment data gathered identifies the industry sectors that dominate or characterize the study area. Employment data on specific businesses was estimated based on field surveys and secondary research. These data were used to estimate the total number of jobs that would be directly displaced by the Proposed Action through private redevelopment initiatives on the projected development sites. When information on a business was not available through various secondary sources (such as Manta.com), employment was estimated using information on comparable businesses of the same size and with similar hours of operation. In some cases, the number of current employees for the projected development sites was estimated based on the approximate square footage and the standard ratio of 3 employees per 1,000 sf of retail space. However, the jobs identified on the projected development sites in this assessment might not be located on the affected sites at the time the Proposed Action is under way. The analysis represents a "snapshot in time" that describes the existing socioeconomic conditions in the vicinity of the rezoning area. The employment data also were supplemented by field investigations conducted as of February and March 2012.

[4] For analysis purposes, only those census tracts with an area of approximately 50 percent or greater located within a ½-mile radius of the proposed rezoning area were included within the socioeconomic conditions study area, including Tracts 209.01, 213.03, 215, 217.03, 219, 221.02, 223.01, 223.02, 224, 225, 227, 229, 231, 232, 233, 234, 235.01, 235.02, 237, 239, 241, 243.02, 257, and 259. Those census tracts with less than approximately 50 percent of their area within a ½-mile radius of the rezoning area were excluded.

D. PRELIMINARY ASSESSMENT

This section examines the five areas of socioeconomic concern in relation to the Proposed Action. For all five issue areas—direct residential displacement; direct business and institutional displacement; indirect residential displacement; indirect business and institutional displacement; and adverse effects on specific industries—the preliminary assessment rules out the possibility that the Proposed Action would have a significant adverse impact as defined in the *CEQR Technical Manual*.

Direct Residential Displacement

Direct residential displacement is not by itself a significant socioeconomic impact under CEQR. Impacts from residential displacement may occur if the numbers and types of people being displaced would be enough to alter the socioeconomic character of a neighborhood and perhaps lead to indirect displacement of remaining residents. Under CEQR guidelines, a detailed assessment of direct residential displacement is only required if a preliminary assessment of the Proposed Action shows that:

- The Proposed Action would directly displace more than 500 residents;
- The displaced residents represent more than 5 percent of the study area population; and
- The average income of the directly displaced population is markedly lower than the average income of the rest of the study area population.

The Proposed Action would not result in significant adverse direct residential displacement impacts. The DCP has identified 24 projected development sites that are considered most likely to be developed in the future with the Proposed Action under the reasonable worst-case development scenario (RWCDS). Four of the 24 projected development sites (sites 51, 52, 53, and 55) currently have a total of 215 residential units (see Table 3-1). In addition, projected development site 54 accommodates a 5-story community facility building that provides supportive housing for approximately 156 homeless families. All five of these projected development sites would undergo partial conversions and/or enlargements in the future without the Proposed Action to allow community facility space to occupy the existing buildings' lower floors. Therefore, no direct residential displacement is anticipated as a result of the Proposed Action, and no further analysis of direct residential displacement is warranted.

TABLE 3-1
Projected Development Sites Containing Existing Residential & Supportive Housing Units

Projected Development Site	Block; Lot	Address	No. of DUs	Redeveloped in the No-Action?
51	2091; 38	606-618 W. 145th St.	86	**Yes.**
52	2060; 25	409-411 W. 145th St.	35	**Yes.**
53	2050; 150	406 W. 145th St.	1	**Yes.**
54*	2070:8	30-36 Hamilton Pl. 541 W. 138th St 560-566 W. 139th St.	N.A.	**Yes.**
55	2070; 12	31-35 Hamilton Pl 530-540 W. 139th St.	93	**Yes.**
		Total	**215**	

Notes: *Projected development site 54 contains a community facility building that provides supportive housing for 156 homeless families.
Source: DCP

Direct Business and Institutional Displacement

The *CEQR Technical Manual* defines direct business and institutional displacement as the involuntary displacement of businesses or institutions from the site of (or a site directly affected by) a proposed

action. The Proposed Action would result in some direct business and institutional displacement, and the amount of employment associated with that displacement could exceed the 100-employee *CEQR Technical Manual* threshold warranting a preliminary assessment. Therefore, a preliminary assessment of direct business displacement was conducted which looks at the employment and business value characteristics of the affected businesses to determine the significance of the potential impact. This preliminary assessment starts with a profile of the employment within a ¼-mile secondary study area surrounding the project site.

Secondary Study Area Employment

As of 2010, there were 39,048 employees in the ¼-mile study area (refer to Table 3-2). These employees represented slightly more than 2 percent of Manhattan's employment and approximately 1.3 percent of total employment in New York City. The economic sector with the highest employment in the study area, representing almost 61 percent of employment, was educational services. The study area encompasses the City College of New York, and several of its affiliated institutes and centers such as the Sophie Davis School of Biomedical Education, the Institute for Ultrafast Spectroscopy and Lasers, the CUNY Institute for Transportation Systems, the Colin L. Powell Center for Policy Studies and the New York Structural Biology Center. The next largest economic sectors in the study area include health care and social services and retail trade representing approximately 9 and 8 percent of employment in the study area, respectively.

TABLE 3-2
Employees in 2010 in the Secondary Study Area, Manhattan, and New York City

Type of Job by NAICS Category	Study Area*		Manhattan		New York City	
	Number	Percent	Number	Percent	Number	Percent
Ag., forestry, fishing & hunting	0	0%	114	0.01%	248	0.01%
Mining	0	0%	17	0.01%	52	0.01%
Utilities	0	0%	5,632	0.31%	15,723	0.52%
Construction	409	1.05%	30,572	1.67%	111,294	3.65%
Manufacturing	N.A.	N.A.	26,643	1.45%	7,6332	2.51%
Wholesale trade	59	0.15%	71,775	3.91%	129,161	4.24%
Retail trade	3,146	8.06%	141,466	7.72%	300,679	9.87%
Transportation & warehousing	75	0.19%	15,016	0.82%	100,868	3.31%
Information	189	0.48%	130,599	7.12%	150,679	4.95%
Finance, insurance, & real Estate	1,632	4.18%	349,042	19.04%	425,079	13.96%
Professional, scientific, and technical services, management of companies & enterprises	947	2.43%	330,136	18.01%	369,293	12.12%
Admin., support and waste management and remediation services	947	2.43%	126,005	6.87%	182,272	5.98%
Education services	23,749	60.82%	85,107	4.64%	137,243	4.51%
Health care & Social services	3,455	8.85%	205,067	11.18%	568,460	18.66%
Arts, entertainment, recreation accommodations & food services	2,532	6.48%	224,228	12.32%	322,667	10.59%
Other services	1,668	4.27%	86,442	4.71%	141,888	4.66%
Unclassified establishments	129	0.33%	5,390	0.29%	13,841	0.45%
Total	**39,048**	**100%**	**1,833,401**	**100%**	**3,045,781**	**100%**

Notes: * The ¼-mile secondary study area includes the following four Manhattan zip codes: 10027, 10030, 10031 and 10039.
Source: NYSDOL

Profile of Existing Businesses in the Primary Study Area (Rezoning Area)

The projected sites that have been identified as likely locations for redevelopment under the Proposed Action are analyzed under CEQR for potential business displacement as the assumed locations of

potential private market development. It is not known, however, if these sites will be developed. If these sites are redeveloped in the future with the Proposed Action, it is possible that existing businesses could be displaced. However, such displacement would be subject to private contracts and lease terms between tenants and landlords existing at the time of redevelopment.

Although this EIS analyzes long-term development trends, it also identifies the firms subject to potential direct displacement based on existing conditions and the businesses located on projected development sites today. In fact, however, New York City's commercial streets are dynamic; businesses regularly open and close in response to changes in the economy, local demographics, and consumer trends. Therefore, within the period up to 2021, it is likely that a number of the businesses identified as likely to face displacement pressure as sites redevelop would close or relocate prior to assumed site development due to reasons independent of the Proposed Action.

As described above, the DCP has identified 24 projected development sites that are considered most likely to be developed in the future with the Proposed Action under the reasonable worst-case development scenario (RWCDS). Most of the projected development in the rezoning area is expected to take place on underutilized parcels. Several of the projected development sites are occupied by vacant land, including projected development sites 4, 10, 11, 12, 17 and 19, or include low-density uses such as accessory parking lots (projected development site 13) that do not support any existing businesses/institutions. In addition, three of the 24 projected development sites contain vacant buildings (projected development site 6, 14, and 50).

Nine of the 24 projected development sites currently include a total of 36 businesses establishments/institutions with an estimated 380 employees (refer to Table 3-3). Based on field surveys conducted by Philip Habib & Associates, the various types of businesses and institutional uses include retail, restaurants, a bank, a laundromat, a day care center, church, automotive and transportation-related services, vehicle storage uses, educational services, health care and social services, warehousing, wholesale, and artist studio/showroom space (see Table 3-3). Collectively, these 36 businesses/institutional uses provide jobs for an estimated 380 people, which comprise less than 1 percent of the secondary study area's employment (39,048, as noted previously).

As noted previously, the majority of projected development sites (19 of the 24 sites) are anticipated to be redeveloped as-of-right or undergo conversion and/or expansion under conditions without the Proposed Action. The remaining five projected development sites are anticipated to only be redeveloped under the Proposed Action. Three of these five projected development sites (including projected development sites 1, 15, and 40), which are not expected to redeveloped or undergo conversion and/or enlargement in the future without the Proposed Action, currently accommodate businesses/institutional uses that could be potentially directly displaced. If these sites are redeveloped as assumed under the RWCDS, it is possible that these existing firms could be displaced to facilitate the construction of new development, subject to lease terms and agreements between private firms and property owners existing at the time of redevelopment. While the businesses and jobs currently located on the projected development sites may not be located on the affected sites when redevelopment under the Proposed Action occurs, the current businesses and employment are representative of the economic activities that could potentially be displaced in the future with the Proposed Action.

As shown in Tables 3-3 and 3-4, it is possible that the Proposed Action could displace 11 businesses/institutions employing an estimated 161 employees on three projected development sites. Most of these businesses are located on projected development site 40, which includes the majority of the S/NR-eligible and LPC-heard Yuengling Brewery Complex (a.k.a. Mink Building), which is currently undergoing substantial renovations and is largely unoccupied. More than half of (approximately 154,238 gsf) the Mink Building is currently vacant. As shown in Table 3-4, the firms/institutional uses that are

expected to be directly displaced include a total of 4 health and social services, 2 automotive services, 1 transportation-related use, 1 warehousing use, 1 wholesale establishment, 1 insurance sales establishment, and 1 educational service. The 4 health and social services firms include a non-profit career and skill building social service for the Harlem community, a non-profit advocacy organization for drug access and resources for people living with HIV/AIDS worldwide, a non-profit advocacy group dedicated to improving the health and self-sufficiency of the African community in New York City and beyond, and a New York State-operated school for the developmentally disabled. The educational service is a non-profit provider of research-based educational summer and after school programs for children in grades K-8.

TABLE 3-3
Classification of Business Establishments/ Institutional uses
Currently Located on the Projected Development Sites

Types of Business Establishments on the Projected Development Sites	Projected Development Site												Total Firms
	1	2*	5	7	8	9*	14**	15	18	19**	40*	50	
Retail/Restaurant		5	4	5		1							15
Gallery/Artist Studio Space											***		0
Wholesale											1		1
Finance, Insurance, Real Estate	1			1									2
Educational Service					1						1		2
Health Care & Social Service						1					4		5
Other Service		2			2								4
Automotive-Related/ Vehicle Storage	2	2							1***		***		5
Transportation-Related/Warehousing								1			1		2
Number of Employees	**16**	**28**	**34**	**70**	**36**	**47**	**0**	**10**	**4**	**0**	**135**	**0**	**Total Firms: 36 Total Employees: 380**
Redeveloped in the No-Action?	**No.**	**Yes.**	**Yes.**	**Yes.**	**Yes.**	**Yes.**	**No.**	**No.**	**Yes.**	**No.**	**No.**	**Yes.**	

Notes:
*Projected development site 2 includes a storefront church. Projected development site 9 includes community facility space, which houses a publicly funded day care center that has a capacity of 100 slots and a staff of approximately 33 workers. Projected development Site 40 also contains community facility space that houses a New York State-operated day habilitation center for the developmentally disadvantaged with a certified capacity of 80 persons and a staff of approximately 30 workers.
**Projected development site 14 includes a vacant building and projected development site 19 is occupied by vacant land.
*** Projected development site 18 includes an accessory parking lot that is used for vehicle storage purposed by U-Haul. In addition, projected development site 40 includes an accessory parking lot that is used for vehicle storage purposes by the Moving Man Inc., and accommodates artist studio/showroom space for Chashama (approximately 10,200 sf). There are no permanent employees associated with these three uses.
Source: PHA field surveys

Preliminary Assessment for Direct Business/Institutional Displacement

In most cases, direct displacement would not constitute a significant adverse socioeconomic impact under CEQR. The *CEQR Technical Manual* provides a framework to analyze the effects of displacement by asking whether the businesses in question provide products or services essential to the local economy that would no longer be available in its "trade area" to local residents or business due to the difficulty of either relocating it or establishing a new comparable business. In addition, the *CEQR Technical Manual* asks whether a category of businesses is the subject of other regulations or publicly adopted plans to preserve, enhance, or otherwise protect it.

As shown in Table 3-3, 9 of the 24 projected development sites contain 36 businesses with an estimated 380 employees. If these sites are redeveloped as assumed under the RWCDS, it is possible that a portion of these existing firms could be displaced, subject to lease terms and agreements between private firms and property owners existing at the time of redevelopment in the future with the Proposed Action. While the businesses and jobs currently located on the projected development sites may not be located on the

affected sites when redevelopment under the Proposed Action occurs, the current businesses and employment are representative of the economic activities that could potentially be displaced in the future with the Proposed Action.

As shown in Table 3-4, there are an estimated 161 workers in 11 businesses/institutions that could be directly displaced as a result of the Proposed Action. The 11 businesses/institutions that could be displaced conduct a variety of business activities, including automotive and transportation-related service, wholesale, educational, health and social service, warehousing, and insurance sales. These 11 businesses occupy a total of approximately 131,906 gsf of commercial space. Of the 11 potentially displaced businesses/institutions, seven firms (approximately 63 percent) are estimated to each employ ten or less employees and three of the establishment employ 30 or more workers. The three establishments that employ the largest number of workers are in the education and health care and social services sectors.

Table 3-4
Businesses/Institutional Uses Subject to Direct Displacement under the Proposed Action by Projected Development Site

Address	Block	Lot	Business Name	Business Type	Economic Sector
Projected Development Site 1					
91-97 St. Nicholas Pl.	2069	20	Getty Gas Station	Automotive Service	Retail
91-97 St. Nicholas Pl.	2069	20	NYC TLC Service & Security Corp.	Insurance Sales	Finance, Insurance, & Real Estate
91-97 St. Nicholas Pl.	2069	20	International Auto Repair Inc.	Automotive Service	Retail
Projected Development Site 15					
415-421 W. 127th St.	1966	66	East-West Management	Transportation Service	Transportation
Projected Development Site 40					
1361-1369 Amsterdam Ave.	1967	40	State Supply Equipment & Props	Prop Supplier for Films/TV	Warehousing/Showroom
1361-1369 Amsterdam Ave.	1967	40	Reflective X-Ray Optics	Information Technology Research & Development	Wholesale
1361-1369 Amsterdam Ave.	1967	40	The Bell Foundation	Non-profit provider of educational programs for children	Educational Service
1361-1369 Amsterdam Ave.	1967	40	SoHarlem	Non-profit-Career and Artisan Trade Building Service	Health & Social Service
460-482 W. 128th St.	1967	89	Moving Man Inc.***	Vehicle Storage	Vehicle Storage
461-467 W. 126th St.	1967	45	NYS-operated State School	Service for Developmentally Disabled	Health & Social Service
461-467 W. 126th St.	1967	45	Chashama West Harem Studios***	Gallery/Artist Studio	Artist studio, gallery showroom space
429-437 W. 127th St.	1967	60	Health Global Access Project Inc.	Non-profit Advocacy Group for People with HIV/AIDs	Health & Social Service
429-437 W. 127th St.	1967	60	African Services Committee	Non-profit Advocacy Group for the African Community	Health & Social Service

Notes:
*** Projected development site 40 includes an accessory parking lot that is used for vehicle storage purposes by the Moving Man Inc., and accommodates artist studio/showroom space for Chashama (approximately 10,200 sf). There are no permanent employees associated with these two uses at projected development site 40.
Source: PHA field surveys

Seven of the businesses employing an estimated 135 workers that could be directly displaced as a result of the Proposed Action are located on projected development site 40 (the former Yuengling Brewery site). It is possible that the existing buildings on projected development site 40 could be retained if the New York City Landmarks Preservation Commission designates the site as a landmark. Two of the RWCDSs (RWCDSs 1 and 3) assume that projected development site 40 would undergo conversion as the site contains existing buildings of various height, density and character that lend themselves to a wide range

of redevelopment options. Under RWCDSs 1 and 3, existing buildings on site 40 would most likely be converted to multiple uses including residential, retail, community facility, and accessory parking, and could retain some, if not all, of the existing businesses at the site.

Several of the affected businesses/institutional uses do not serve the local economy or community, including the two non-profit advocacy health and social service establishments, the information technology wholesale establishment, and television/movie prop supplier/warehouse. It is estimated that the goods and/or services provided by seven of the potentially displaced businesses/institutions are utilized by residents of the study area. These businesses include the two automotive service establishments, the educational service, the career building social service establishment, insurance sales establishment, service establishment for the developmentally disabled, and transportation services establishment. However, these businesses draw from a market area that is larger than the study area, and the products and services provided by most of these businesses would still be available to consumers as other existing businesses would remain and firms providing similar products and services would still be available in the surrounding area under the Proposed Action. Furthermore, these establishments could be viable at other locations either within the study area, in the borough, or in the City more broadly. The locational needs of the four health and social service establishments, the wholesale establishment, the insurance sales establishment, and the educational service establishment could be accommodated in the area and in other commercial districts, which are widely mapped throughout the city. According to 2010 PLUTO data, the ¼-mile secondary study area includes approximately 3.54 million square feet of office space. Based on the list of planned projects that are anticipated in the future without the Proposed Action (presented in Table 2-4 of Chapter 2, "Land Use, Zoning, and Public Policy"), approximately 537,880 sf of additional office space will be built in the ¼-mile study area for a total 3.99 million square feet of office space in the study area by 2021.

Businesses that are expected to be displaced in the study area would likely be able to find alternative properties that are appropriately zoned within New York City. It is considered reasonable that these displaced businesses could relocate to other commercial areas in the immediate area, or within Manhattan or other parts of New York City. Furthermore, it is the intent of the Proposed Action to expand development opportunities for several blocks currently zoned only for light manufacturing use. As described in Attachment A, "Project Description," the existing M1-1 zoning limits new development and constrains the ability of existing property owners to enlarge or expand. The proposed MX district would support stakeholders who seek to undertake new development activity, as well as activate and help bring added vitality to the area by allowing residential and a wider range of commercial and community facility uses. The Proposed Action would result in a minimum net increase of approximately 15,885 gsf of office space and 127,383 gsf of community facility space in the rezoning area over No-Action conditions (RWCDS 4). In addition, RWCDSs 1 and 3 would result a net increase of approximately 124,350 gsf of retail space over No-Action conditions. Although the Proposed Action could result in the direct displacement of 11 businesses occupying approximately 131,906 gsf of commercial space, it is reasonable to assume that existing and anticipated office, community facility, and retail space inventory in the study area and surrounding area would readily accommodate the displaced commercial uses and that the displaced business establishments could relocate within the proposed rezoning area or secondary study area.

In addition, the potentially displaced businesses are not the subject of regulations or publicly adopted plans that preserve and protect their business category. There are no policies or regulations that directly protect the 11 businesses that are expected to be displaced as a result of the Proposed Action (the affected businesses do not fall within any in-place industrial parks or business improvement districts, for example).

As described in Attachment C, "Land Use, Zoning, and Public Policy," the Proposed Action is consistent with, and implements, principal goals and objectives of the 197-a plan, including mapping a mixed-use district that would allow a full range of uses that would further the community's officially adopted goal of creating a stable climate for investment, employment retention and new job creation. The proposed mixed-use district would permit high performance and semi-industrial uses, while allowing residential uses and a wider range of commercial and community facility uses and increasing the allowable FAR, and hence density. In addition, the Proposed Action would also support the City's goal of developing new housing throughout the City, including affordable housing pursuant to Inclusionary Housing. Furthermore, the Proposed Action would provide support for existing ground floor retail uses by mapping commercial overlays along streets where existing ground floor retail uses exist to encourage the growth of local-scale commercial activity.

As discussed above, the Proposed Action would not result in the direct displacement of any businesses that provide products or services essential to the local economy that would no longer be available in its trade area, nor would it result in the displacement of any business that is the subject of regulations in the publicly adopted plans to preserve, enhance or otherwise protect it. Therefore, the Proposed Action would not have a significant adverse direct business displacement impact, and no further assessment is warranted.

Indirect Residential Displacement

The objective of the indirect residential displacement preliminary assessment is to determine whether the Proposed Action would introduce or accelerate a trend of changing real estate market conditions that might displace a vulnerable population to the extent that the socioeconomic character of a neighborhood would change. In most cases, indirect residential displacement is caused by increased property values generated by a project, which then results in higher rents in an area, making it difficult for some existing residents to continue to afford their homes.

The following preliminary assessment begins with a presentation of demographic conditions in the secondary study area, followed by the step-by-step preliminary assessment described in the *CEQR Technical Manual*.

Demographic Profile of the Study Area

This section describes the population and housing characteristics of the secondary study area as it relates to potential indirect residential displacement. It outlines trend data since 1999, and compares the secondary study area characteristics with the characteristics of Manhattan and New York City as a whole. The secondary study area comprises portions of five neighborhoods, including Manhattanville, Morningside Heights, Hamilton Heights, Washington Heights, and Central Harlem. It is bounded by West 158th and West 160th streets to the north, Adam Clayton Powell Boulevard to the east, West 121st Street to the south, and the Hudson River to the west.

According to the Census, the residential population of the study area was approximately 125,832 in 2010. As shown in Table 3-5, between 2000 and 2010, the study area's population decreased by approximately 1.0 percent. In contrast, the populations of Manhattan and New York City as a whole increased by 3.2 and 2.1 percent, respectively, during this timeframe.

As shown in Table 3-5, the 2006-2010 median household income in the secondary study area was an estimated $32,708 (in 2012 dollars), less than 50 percent of the median household incomes for Manhattan ($64,268) and about 60 percent of the median household incomes for New York City ($54,009). The median household income in the study area had increased by 11.5 percent between 1999 and the time

period 2006-2010, while the median household income increased by 5.5 percent in Manhattan, and 1.3 percent in New York City as a whole. In the time period between 2006 and 2010, approximately 30.7 percent of residents in the study area were living below the poverty level, compared to 17.8 percent in Manhattan and 19.1 percent in New York City. The number of study area residents living below the poverty level decreased by 16.0 percent between 1999 and the 2006-2010 time period.

Table 3-5
Population Income Characteristics in the Secondary Study Area, Borough of Manhattan, and New York City

	Total Population			Median Household Income[1,2]			Poverty Status[3]		
	2000	2010	Percent Change	1999	2006-2010	Percent Change	1999 (%)	2006-2010 (%)	Percent Change
Study Area	127,116	125,832	1.0%	$29,323	$32,708	11.5%	37.8%	30.7%	-16.0%
Manhattan	1,537,195	1,585,873	3.2%	$64,268	$67,833	5.5%	20.0%	17.8%	-8.2%
New York City	8,008,278	8,175,133	2.1%	$53,328	$54,009	1.3%	21.2%	19.1%	-9.0%

Notes:
[1] Median household income for the study area was estimated based on a weighted average of median household incomes for the Central Tracts in the ¼-mile study area.
[2] The American Community Survey (ACS) collects data throughout the period on an on-going, monthly basis and asks for a respondent's income over the "past 12 months." The 2006-2010 ACS data reflects incomes over 2005-2010. Census 2000 reflects income data over the prior calendar year (1999). The median household income is presented in 2012 dollars.
[3] For poverty status, the percent change reflects the percentage change in the number of people with incomes below the poverty level between 1999 and 2006-2010.
Sources: 2010 Census, 2006-2010 American Community Survey (ACS).

Census data show an increase of 1,760 housing units (a 3.5 percent increase) in the study area between 2000 and 2010 (see Table 3-6). The study area had a slower growth rate compared to Manhattan (6.1 percent) and New York City (5.3 percent). In 2010, the vacancy rate in the study area was 8.1 percent, comparable to the vacancy rate in New York City (7.8 percent) as a whole, and lower than the vacancy rate for Manhattan (9.8 percent). Of the occupied housing units in the study area, slightly more than 10 percent were owner-occupied. The percentage of owner occupied units in the study area was less than half of that of the borough (22.8 percent) and about a third of the citywide owner-occupancy rate (31.0 percent).

TABLE 3-6
Housing Unit Characteristics in the Secondary Study Area, Manhattan, and New York City

	Total Housing Units			Percent Vacant		Percent Owner Occupied	
	2000	2010	Percent Change 2000-2010	2000	2010	2000	2010
Study Area	50,795	52,555	3.5%	9.1%	8.1%		10.5%
Manhattan	798,144	847,090	6.1%	7.5%	9.8%	20.1%	22.8%
New York City	3,200,912	3,371,062	5.3%	5.6%	7.8%	30.2%	31.0%

Sources: U.S. Census Bureau, 2010 Census; 2000 Census, Summary File 1.

The median home value in the study area was $377,274 during the 2006-2010 time period, as compared to $861,556 in Manhattan and $577,147 in New York City (see Table 3-7). The median contract rent for the study area was $735 during the 2006-2010 time period, approximately $465 less than Manhattan ($1,200) and $307 dollars less than New York City ($1,042) as a whole (refer to Table 3-7).

The Real Estate Board of New York (REBNY) produces quarterly New York City residential market sales reports that provide the average and median sales prices of condominiums and cooperatives in New York City by Manhattan neighborhood. Table 3-8 provides a comparison of the median sale prices for

condominiums and cooperatives in West Harlem and Washington Heights, which encompass the secondary study area, as well as the Manhattan market overall. As shown in the table, the median home sale prices for all apartments in the West Harlem and Washington Heights neighborhoods were lower than the median prices for the overall borough of Manhattan. The median home sales price for West Harlem in the 4th Quarter of 2011 was $522,000, approximately 25 percent lower than Manhattan as a whole (median home sale $740,000) and the median sales price for Washington Heights was $386,000, approximately 48 percent lower than Manhattan. The median price per square foot in the West Harlem district was $670, approximately $330 less per square foot than for the entire borough, and the median price per square foot in Washington Heights was $520, approximately $480 less per square foot than Manhattan.

TABLE 3-7
Housing Cost Characteristics for the Secondary Study Area, Manhattan, and New York City

	Median Contract Rent[1, 2, 3]			Median Housing Value[1, 2]		
	2000	2006-2010	Percent Change	2000	2006-2010	Percent Change
Study Area	$626	$735	N.A.	$272,199	$377,274	39.3%
Manhattan	$1,011	$1,200	N.A.	$497,578	$861,556	73.1%
New York City	$910	$1,042	N.A.	$304,802	$577,147	89.3%

Notes:
[1] All dollars presented in 2012 dollars.
[2] Median values and contract rent presented for the study area are based on weighted average for the Census tracts in the study area. Median values and contract rent presented for New York City are based on weighted average for the counties in the City.
[3] The median contract rent data in Census 2000 and 2006-2010 American Community Survey are not comparable since the universe in the ACS is "renter occupied" whereas the universe in Census 2000 was "specified renter-occupied housing units," thus comparison cannot be made.
Sources: U.S. Census Bureau, 2010 Census, 2000 Census, ACS 2006-2010

TABLE 3-8
Median Sale Price for All Apartments (includes all Condominiums and Cooperatives)

	Median Home Sale Price			Median Price Per Square Foot		
	4th Quarter '11	4th Quarter '07	% Change	4th Quarter '11	4th Quarter '07	% Change
Manhattan	$740,000	$835,000	-11.4%	$1,000	$1,084	-7.7%
West Harlem*	$522,000	$575,000	-9.2%	$670	$639	4.8%
Washington Heights*	$386,000	$387,000	-0.3%	$520	$512	1.6%

Notes: *REBNY defines West Harlem as the area bounded by 145th Street to the north, Fifth Avenue to the east, Central Park North to the south, and the Hudson River to the west. Washington Heights is defined as the area bounded by Dyckman Street to the north, Harlem River on the east, 145th Street to the south, and Hudson River on the west.
Source: REBNY's New York City Residential Sales Reports for the 4th Quarter 2011 and 4th Quarter 2008.

Table 3-9 provides a comparison of average rent summaries for studio, one-, two-, and three-bedroom apartments in Harlem and the borough as a whole for 2011. Average rental rates in Harlem are some of the lowest in Manhattan. As shown in the table, rental rates in Harlem are generally approximately 33 to 40 percent lower than in the borough as a whole. The 2011 average rental rate for apartments in Harlem was $1,298 for a studio, $1,572 for a one-bedroom unit, $2,173 for a two-bedroom unit, and $2,836 for a three-bedroom unit.

TABLE 3-9
Average Rent Summary for Apartments in 2011

	Average Rent Summary			
	Studio	1-bedroom	2-bedroom	3-bedroom
Manhattan	$1,947	$2,635	$3,699	$4,956
Harlem*	$1,298	$1,572	$2,173	$2,836

Notes: * Harlem is defined as the area of Manhattan to the north 110th Street and south of the Harlem River, bounded by Firth Avenue to the east and Morningside and St. Nicholas avenues to the west.
Source: CitiHabitats, Inc., Residential Rental Market Report, 4th Quarter 2011/Year-End Review.

This preliminary assessment follows the step-by-step analysis described in Section 322.1 of the *CEQR Technical Manual.*

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

The RWCDSs associated with the Proposed Action would result in a maximum net increase of 569 residential units as compared to the No-Action condition. Approximately 14 percent of (82 units) the residential units would be affordable units pursuant to the Inclusionary Housing program. The remainder of residential units (487 units) are assumed to be market-rate units. The proposed rezoning area is within a predominantly low income area. As shown in Table 3-5.the median household income of the ¼-mile secondary study area ($32,078) is low, as compared to Manhattan ($64,268) and New York City ($54,009) as a whole. In addition, the poverty rate within the secondary study area is high (approximately 30.7 percent), as compared to the borough (17.8 percent) and the City (19.1 percent) Manhattan. Housing costs within the secondary study area are also lower than within the borough. In 2001, the median home sale price in the study area was approximately 48 percent lower than Manhattan. The average rental rate for a 1-bedroom in Harlem ($1,572) in 2011 was approximately $1,000 less than the average rental rate for Manhattan ($2,635).

It is assumed that the residents of the new market rate housing would have higher average incomes than the existing study area households. Therefore, since it cannot be ruled out that the average income of the proposed residential population would exceed the average income of the study area, Step 2 of the preliminary assessment is required.

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

According to the *CEQR Technical Manual,* a population increase of less than 5 percent of the total study area population would generally not be expected to change real estate market conditions. According to 2010 Census data, there are approximately 125,832 people living within the quarter-mile study area (refer to Table 3-10). Based on the list of planned projects that are anticipated in the future without the Proposed Action (presented in Table 2-4 of Chapter 2, "Land Use, Zoning, and Public Policy") approximately 2,125 residential units will be built in the ¼-mile study area in the study area by 2021. Assuming the average household size (2.57 people per household), these No Build projects would add 5,461 people to the study area, for a total study area population of 131,293 residents (see Table 3-10).

TABLE 3-10
Estimated Population in the Future with the Proposed Action

	2010 Population	Future without the Proposed Action*	Future with the Proposed Action**	Percent Change
¼-Mile Study Area	125,832	131,293	132,729	1.11%

Notes:
* Based on the No-Build List that is provided in Table 2-4, there will be approximately 2,125 residential units built in the ¼-mile study area in the future without the Proposed Action. Based on the average household size of ¼-mile study area (2.57 persons per household) from the 2010 Census, approximately 5,461 residents will be added in the future without the Proposed Action.
** RWCDS 4 would result in a net increase of 569 residential units. Assuming an average household size of 2.57 persons, 1,463 residents would be added in the future with the Proposed Action.
Sources: Census 2010, New York City Department of City Planning.

The RWCDSs associated with the Proposed Action would result in a maximum net increase of approximately 569 residential units, of which 82 housing units are expected to be affordable units,

compared to the No-Action condition.[5] Assuming that the units would be fully occupied and would have the same average household size as the ¼-mile study area in 2010 (2.57 persons per household), this is expected to increase the residential population by 1,463 people over the No-Action condition. This equates to an approximately 1.1 percent increase (refer to Table 3-10). Since this increase is lower than 5 percent, the Proposed Action is not expected to substantially change the demographic composition of the study area, nor is it expected to substantially alter residential real estate market conditions, and no further analysis is required.

Conclusion

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

Indirect Business Displacement

The objective of the indirect business and institutional displacement preliminary assessment is to determine whether the Proposed Action would introduce trends that would make it more difficult for nearby existing businesses that provide products or services essential to the local economy or that are targeted to be preserved in their current locations under adopted public plans to remain in the area. A proposed action could introduce such a trend by causing a marked increase in rents and property values in the area (such as by stimulating the demand for more lucrative land uses and thus redevelopment or by increasing the demand for new commercial or retail services with which the existing businesses cannot compete). Additionally, it could directly displace businesses or residents who serve as suppliers or the customer base for nearby businesses, affecting their viability or altering the desirability of their existing location. Finally, it could create enough new retail space to draw substantial sales from existing businesses (i.e., a market saturation impact).

In most cases, the issue for indirect displacement of businesses is that an action would markedly increase property values and rents throughout the study area, making it difficult for some categories of businesses to remain in the area.

- ***Would the Proposed Action introduce enough of a new economic activity to alter existing economic patterns?***

The Proposed Action would not introduce enough of new economic activity to alter existing economic patterns in the study area. As described in Chapter 2, "Land Use, Zoning, and Public Policy," the secondary study area has a well-established residential market, and includes a critical mass of nonresidential and institutional uses.

As described in Chapter 1, "Project Description," it is the intent of the Proposed Action to balance preservation and growth in select areas of West Harlem's medium-density residential core and within the rezoning area's proposed new mixed-use (MX) district. The new land uses that would result in the future with the Proposed Action are foreseen as a continuation of current established land use trends in a manner sensitive to the surrounding land uses and built form. The proposed contextual zoning changes would promote building forms that are consistent with the existing neighborhood character and preserve the low and mid-rise scale of the mid-blocks and avenue frontages with strong built context. The proposed MX

[5] Two reasonable worst-case development scenarios (RWCDSs) have been identified for projected development sites 6 and 40. RWCDS 4 assumes that projected development site 6 would be redeveloped under a No-Deed restriction scenario, and projected development site 40 would redeveloped as a new development scenario, in which all of the existing buildings would be demolished and the site would undergo new development.

district would expand development opportunities for several blocks currently zoned only for light manufacturing uses by providing flexibility to allow a wider range of uses and activities and increasing the allowable density. The proposed zoning changes would also increase density along portions of West 145th Street- a significant east-west corridor- to incentives mixed-use development and expand opportunities for affordable housing. In addition, the Proposed Action would provide support for existing ground floor retail uses by mapping commercial overlays along streets where existing ground floor retail uses exist to encourage the growth of local-scale commercial activity along portions of West 145th Street between Riverside Drive and Broadway and between Amsterdam and St. Nicholas avenues, and along Hamilton Place north of West 141st Street.

As discussed in Chapter 2, the proposed additional residential, retail, other commercial, and community facility uses would be consistent with the existing mix of uses in the study area and would not represent new uses that would substantially alter existing economic patterns. Therefore, the Proposed Action would not introduce new uses or economic activities to the study area.

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

The uses introduced by the Proposed Action would not represent new economic activities in the study area, and the Proposed Action would not add to the concentration of a particular sector of the local economy enough to alter or accelerate an ongoing trend to alter existing economic patterns.

Institutional uses in the study area are prevalent. As shown in Table 2-1 of Chapter 2, "Land Use, Zoning, and Public Policy," approximately ten percent of the lot area (832,959 sf) within the rezoning area is occupied by institutions or public facilities. The City College of New York or CCNY serves as a major institutional anchor in the secondary study area, occupy approximately 35 acres of land directly east of the proposed rezoning area. In addition to its renowned schools of architecture, education and engineering, CCNY is home to many noteworthy institutes and centers such as the Sophie Davis School of Biomedical Education, the Institute for Ultrafast Spectroscopy and Lasers, the CUNY Institute for Transportation Systems, the Colin L. Powell Center for Policy Studies and the New York Structural Biology Center. Furthermore, the educational services economic sector has the highest employment in the study area. As shown in Table 3-2, of the 39,048 employees in the study area, 23,749 employees (or approximately 61 percent) were employed in the educational services sector. In the future without the Proposed Action, more than 2.5 million gross square feet of community facility space would be added to the secondary study area. The Proposed Action would result in a maximum net increase of approximately 276,846 gsf of community facility space (RWCDS 1) to the rezoning area.

Commercial uses are largely concentrated along avenue corridors and major cross streets such as 125th, 135th and 145th street. RWCDSs 2 and 4 associated with the Proposed Action could result in a net increase of up to approximately 148,834 gsf of new retail uses on 14 of the 24 projected development sites. The retail uses would not represent a new economic activity within the study area. Retail is currently present on avenue corridors and major cross streets within the rezoning area. As shown in Table 3-2, approximately 8 percent of study area employment is in the retail trade sector. This share of employment is comparable to the share of retail employees in Manhattan (7.7 percent) and New York City (9.9 percent). According to 2010 PLUTO data, the secondary study area has approximately 2.23 million square feet of retail. Based on the list of planned projects that are anticipated in the future without the Proposed Action (presented in Table 2-4 of Chapter 2, "Land Use, Zoning, and Public Policy"), approximately 151,641 sf of retail will be built in the ¼-mile study area for a total 2.38 million square feet of retail in the study area by 2021. By 2021, the Proposed Action would introduce up to maximum net increase of 148,834 gsf of retail, resulting in a 6.3 percent increase in retail in the secondary study area as compared to the future without the Proposed Action. This amount of development would not be enough to

alter or accelerate existing economic trends. Similar to existing retail uses in the proposed rezoning, the retail space that would be introduced by the Proposed Action would be oriented to meeting the demands of the neighborhood's existing and future residents, workers, and visitors, and would not attract substantial numbers of people to the area.

The Proposed Action would not alter or accelerate existing patterns in the office sector. According to 2010 PLUTO data, the secondary study area has approximately 3.54 million square feet of office. Based on the list of planned projects that are anticipated in the future without the Proposed Action (presented in Table 2-4 of Chapter 2, "Land Use, Zoning, and Public Policy"), approximately 537,880 sf of office will be built in the ¼-mile study area for a total 3.99 million square feet of office in the study area by 2021. By 2021, the Proposed Action would introduce up to maximum net increase of 80,854 gsf of office, resulting in a 2.0 percent increase in office in the secondary study area as compared to the future without the Proposed Action. This amount of development would not be enough to alter or accelerate existing economic trends.

In addition, the Proposed Action would not add substantially to the concentration of residential uses in the study area. West Harlem is an established residential neighborhood. As described in Chapter 2, the ¼-mile secondary study area is predominantly residential in character, and approximately 60 percent of the total land area in the proposed rezoning area consists of residential-only buildings (refer to Table 2-1).The Proposed Action would result in a maximum net increase of 569 residential units (an approximately 1 percent) in the number of residential uses in the secondary study area as compared to the future without the Proposed Action. As discussed above in the discussion of indirect residential displacement, the new housing introduced is not expected to alter residential market conditions. In the future without the Proposed Action, the study area will continue to be developed with residential uses. As discussed in Chapter 2, "Land Use, Zoning, and Public Policy," residential developments are anticipated to introduce approximately 2,125 housing units by 2021 independent of the Proposed Action. Although the new housing units would increase the retail expenditure potential of the study area, this consumer spending would not constitute a new economic activity, given that the study area already contains a large residential population and street-level retail is common and located on all major north-south and east-west corridors in the study area.

- ***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?***

As discussed above, the Proposed Action would directly displace 11 businesses and institutional uses that employ an estimated 161 workers. Such potential displacement, however, would be subject to lease terms and agreements between private firms and property owners existing at the time of redevelopment. These displaced firms conduct a variety of business activities including: education, health and social services (5 establishments); automotive and transportation services (3 establishments); warehousing (1 establishment); wholesale (1 establishment); and finance, insurance, and real estate (1 establishment). None of the potentially displaced businesses provide substantial direct support to other businesses in the study area, nor do they bring substantial numbers of people to the area that form a customer base for local businesses. The goods and services offered by potentially displaced uses can be found elsewhere within the study area. In addition, local businesses do not rely on the potentially displaced businesses' products and services for day-to-day needs. Therefore, the displacement of these service businesses would not have an adverse effect on the remaining businesses or consumers in the study area.

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

As discussed above, the Proposed Action would not result in significant adverse impacts due to direct or indirect residential and business displacement. The Proposed Action would not result in any direct residential displacement. There are 11 existing businesses located on three of the 24 projected development sites that could be displaced if these sites are redeveloped as assumed under the RWCDS. Such potential displacement, however, would be subject to lease terms and agreements between private firms and property owners existing at the time of redevelopment. These firms employ an estimated 161 workers. While these 161 employees may form a portion of the customer base of local neighborhood retail businesses (i.e., restaurants, delis, food service, dry cleaners etc.), they represent approximately 0.4 percent of the approximately 39,048 employees in the study area, which is not substantial and would not cause indirect displacement of businesses. In addition, the majority of the customer base for the retail businesses in the study area comes from a combination of the local residents, tourists, and other New York City residents visiting the West Harlem neighborhood. The Proposed Action would result in an influx of new residents and workers that would add to the customer base of existing study area businesses.

Conclusion

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

Adverse Effect on a Specific Industry

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

- ***Would the proposed project significantly affect business conditions in any industry or any category of business within or outside the study area?***

The Proposed Action would not significantly affect business conditions in any industry or any category of business within or outside the study area. As discussed above under the preliminary assessment for direct business and institutional displacement, the 11 businesses and institutions that could be potentially directly displaced as a result of the Proposed Action from 3 of the 24 projected development sites conduct a variety of business activities and are not concentrated within a business sector. These businesses and institutional uses are also not tied to the local economy or community. The products and services offered by the 11 businesses and institutional uses that would be potential directly displaced are not expected to be essential to the viability of other businesses within or outside of the study area. None of the 11 businesses and institutional uses serve as the sole provider of goods and services to an entire industry or category of business in the City. Collectively, these 11 businesses and institutional uses account for only a small fraction of the total employment and economic activities in the secondary study area and their products and services would continue to be available in the trade area to local residents and businesses. Furthermore, while the Proposed Action is not expected to cause indirect displacement, any indirect displacement that may occur would not be concentrated in a particular industry.

The Proposed Action would introduce zoning changes that would allow for the addition of affordable housing and mixed-use development with bulk controls that reflect the existing character and scale in West Harlem. The Proposed Action would expand development opportunities for several blocks currently zoned for light manufacturing by mapping a mixed-use (MX) district that would increase density and

allow for more flexibility to facilitate mixed-use development supporting a wide range of uses and activities. The proposed MX (M1-5/R7-2) district is intended to support the growth and expansion of existing commercial and light manufacturing uses, while allowing street-enlivening retail uses and modest residential growth to occur. Additionally, the Proposed Action would map commercial overlays along portions of West 145th Street and Hamilton Place that include active non-conforming ground floor retail uses, to better serve current and future local retail needs.

The Proposed Action would result in an increase in total employment in the rezoning area, with a minimum net increase of approximately 963 workers. Most of these workers are expected to be in retail, as well as the staff of community facility uses. Therefore, the Proposed Action would not result in an adverse impact on a particular industry or category of businesses within or outside the study area.

- ***Would the proposed project indirectly substantially reduce employment or impair the economic viability in the industry or category of businesses?***

The Proposed Action would not result in direct or indirect displacement that would substantially reduce employment or impair the economic viability in an industry or category of business. Development under the Proposed Action is not expected to introduce new, competing businesses that would drive out or otherwise diminish the performance of any identifiable business sector. As described above, the Proposed Action would not result in significant indirect business and institutional displacement. The directly displaced employment—up to an estimated 161 workers—would account for approximately 0.4 percent of employment in the study area. The 11 businesses and institutional uses potentially facing direct displacement are generally small operations scattered among different categories, with no more than four establishments or 76 employees in any one type of business. The businesses are not tied to the local economy or community. Therefore, the Proposed Action would not substantially reduce employment in any industry or category of business.

Conclusion

Overall, the Proposed Action would not result in significant adverse socioeconomic impacts due to adverse effects on specific industries, and, therefore, a detailed analysis of this issue is not warranted.