PARK AVENUE BROOKLYN REZONING
Chapter 3: Socioeconomic Conditions

A. INTRODUCTION

This chapter describes the socioeconomic changes that could result from the Proposed Actions and assesses whether such changes could result in significant adverse impacts. As described in the 2025 *City Environmental Quality Review (CEQR) Technical Manual*, the socioeconomic character of an area includes its population, housing, and economic activity. Socioeconomic changes may occur when a project directly or indirectly changes any of these elements. Although some socioeconomic changes may not result in 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 some cases, these changes may be substantial, but not adverse. The objective of the CEQR analysis is to disclose whether any of these changes would have the potential to result in significant adverse socioeconomic impacts when compared with what could happen in the future without the Proposed Actions (i.e., "No-Action condition").

As described in **Chapter 1, "Project Description,"** the Proposed Actions involve zoning map and text changes that would expand the allowable uses and increase the allowable density on portions of five city blocks (Brooklyn Blocks 1715, 1716, 1717, 1735, and 1736; collectively, the "Project Area") and would facilitate the construction of several 11-story mixed-use buildings and two schools, as well as the expansion of another school across two new buildings. Under the reasonable worst case development scenario (RWCDS), the incremental (net) change between the No-Action and With-Action conditions at the 12 Projected Development Sites by 2031 would be net increases of 481 dwelling units (DUs), including 124 affordable units, assuming the Applicant's preferred Mandatory Inclusionary Housing (MIH) Option 1, 201,838-gross-square-feet (gsf) of private school space, 28,505 gsf of local retail space, and net decreases of approximately 40,250 gsf of medical office space, 5,000 gsf of house of worship, 17,969 gsf of office space, 11,400 gsf of warehouse space, and 100 parking spaces.

In accordance with 2025 *CEQR Technical Manual* guidance, this socioeconomic assessment considers whether the Proposed Actions and associated RWCDS could result in significant adverse socioeconomic impacts due to: (1) direct residential displacement; (2) direct business displacement; (3) indirect residential displacement; (4) indirect business displacement; and (5) adverse effects on specific industries.

B. PRINCIPAL CONCLUSIONS

An assessment was conducted based on the methodology set forth in the 2025 *CEQR Technical Manual* and determined that the Proposed Actions would not result in a significant adverse impact related to socioeconomic conditions. The following summarizes the findings for each of the five socioeconomic areas studied under CEQR.

Direct Residential Displacement

A screening level assessment determined that the Proposed Actions would not result in significant adverse impacts due to direct residential displacement. Under the RWCDS, the Proposed Actions could directly displace an estimated five existing residents residing in two DUs at Projected Development Site 8. According to the 2025 *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 less than 0.01 percent of the estimated 76,245 residents within the 0.5-mile study area. Therefore, the direct displacement of two DUs and approximately five 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, by 2031 the Proposed Actions could directly displace 19 existing businesses on the Projected Development Sites and approximately 145 existing employees associated with those businesses. The 19 existing businesses and their employees do not represent a substantial proportion of businesses or employment within any given industry sector within the 0.5-mile study area. While these businesses provide value for the local economy, there are alternative sources of goods, services, and employment provided within the broader study area and elsewhere in Brooklyn. In addition, none of the potentially directly displaced businesses are within a category of business that is the subject of regulations or publicly adopted plans to preserve, enhance, or other protect it. Therefore, the potential direct displacement of these businesses does not constitute a significant adverse impact on the socioeconomic conditions of the study area as defined by the 2025 *CEQR Technical Manual*. The proposed zoning changes would allow additional schools to operate within the Project Area, addressing capacity needs and meeting demand for their services in the neighborhood. Moreover, the site owners of the Projected Development Sites have expressed interests in having the existing commercial tenants return to the sites once the proposed developments have been completed.

Indirect Residential Displacement

A preliminary assessment finds that the Proposed Actions would not result in significant adverse impacts due to indirect residential displacement. The Proposed Actions would not introduce a large enough population relative to the size of the population expected to reside in the study area without the Proposed Actions to alter rental market conditions in the study area. The permanently affordable housing added by the Proposed Actions pursuant to the MIH program would help to maintain a more diverse demographic composition within the study area.

Indirect Business Displacement

A screening level assessment finds that the Proposed Actions would not result in significant adverse impacts due to indirect business displacement. Based on 2025 *CEQR Technical Manual* guidance, the Proposed Actions would not introduce substantial new development that is markedly different from existing uses, development, and activities within the neighborhood.

Adverse Effects on Specific Industries

A screening level assessment finds that the Proposed Actions would not result in significant adverse impacts to any specific industries. The Project Area does not contain any concentration of specific businesses, and the Proposed Actions would not result in any citywide regulatory changes that would adversely affect the economic and operational conditions of certain types of businesses or processes.

C. METHODOLOGY

Under CEQR, the assessment of socioeconomic conditions usually distinguishes between the socioeconomic conditions of an area's residents and businesses. However, proposed action(s) may affect either or both segments in similar 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 (or primary) 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 or action. Examples include the 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 site are usually known, the disclosure of direct displacement focuses on specific businesses and employment and an identifiable number of residents and workers at the site.

Indirect (or secondary) displacement is defined as the involuntary displacement of residents, businesses, or employees in an area adjacent to, or close to, a project or development site(s) that results from changes in socioeconomic conditions created by a proposed project or action. Examples include rising residential 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 Class A office project in an area; or the flight from a neighborhood that can occur if a proposed project or action creates conditions that break down the community (such as a highway dividing the area). Unlike direct displacement, the exact occupants to be indirectly displaced are not known. Therefore, an assessment of indirect displacement usually identifies the size and type of groups of residents, businesses, or employees potentially affected.

Even if projects do not directly or indirectly displace businesses, they may affect the operation and viability of a major industry or commercial operation in the city. An example would be new regulations that prohibit or restrict the use of certain processes that are critical to certain industries. In these cases, the CEQR review may involve the assessment of the economic impact of the project on the specific industry in question.

Determining Whether a Socioeconomic Assessment Is Appropriate

According to the 2025 *CEQR Technical Manual*, a socioeconomic assessment should be conducted if an action may be reasonably expected to create socioeconomic changes within the area affected by the action that would not be expected to occur without the action. The following initial screening assessment considers threshold circumstances identified in the *CEQR Technical*

Manual (bulleted in bold below) that can lead to socioeconomic changes warranting further assessment.

As noted previously, the Proposed Actions and associated RWCDS would introduce to the 12 Projected Development Sites a net increase of approximately 481 DUs, including 124 affordable units (assuming the Applicant's proposed Option 1), 201,838 gsf of school space, 28,505 gsf of local retail space; and a net decrease of approximately 40,250 gsf of medical office space, 5,000 gsf of house of worship, 17,969 gsf of office space, 11,400 gsf of warehouse space, and 100 parking spaces.

- ***Would the proposed actions directly displace existing residential population to the extent that the socioeconomic character of the neighborhood would be substantially altered? Displacement of fewer than 500 residents would not typically be expected to alter the socioeconomic character of a neighborhood. For projects exceeding this threshold, assessments of the direct residential displacement, indirect residential displacement, and indirect business displacement are appropriate.***

One of the 12 Projected Development Sites (Projected Development Site 8) includes an existing legally non-conforming two-family residential building at 86 Walworth Street (Block 1735, Lot 13), which houses an estimated five existing residents.[1] As of August 2024, the two-story mixed-use building at 537 Park Avenue (Block 1716, 59) that had included a single DU on Projected Development Site 7 has been demolished.

According to 2025 *CEQR Technical Manual* guidance, significant adverse impacts would not be expected to occur unless the number of low-income residents to be directly displaced exceeds five percent of the study area's population. The entire potentially directly displaced residential population—including but not exclusive to potential low-income residents—equates to less than 0.01 percent of all residents in the study area. The total number of directly displaced residents, approximately five residents, would not exceed the 500-person 2025 *CEQR Technical Manual* threshold warranting full assessment, and thus would not alter socioeconomic character.

- ***Would the proposed actions directly displace more than 100 existing employees, or directly displace a business whose products or services are uniquely dependent on its location, are the subject of policies or plans aimed at its preservation, or serve a population uniquely dependent on its services in its present location? If so, assessments of direct business displacement and indirect business displacement are appropriate.***

By 2031, under the RWCDS, the Proposed Actions could directly displace up to 19 existing businesses employing an estimated 145 workers from the Projected Development Sites. The number of potentially directly displaced existing employees exceeds the 100-employee CEQR threshold and, as such, further analysis of direct business displacement is warranted (see **Section D, "Preliminary Assessment"**).

- ***Would the proposed actions result in substantial new residential development? Typically, residential development of 250 units or less would not have significant***

[1] Estimated residents assumes 100 percent occupancy and 2.56 persons per DU (based on the 2020 Census average household size for Brooklyn Community District (CD) 3).

socioeconomic effects. For projects exceeding this threshold, an assessment of indirect residential displacement is appropriate.

The Proposed Actions and associated RWCDS would introduce approximately 481 incremental DUs as compared to the No-Action condition, which exceeds the 250-unit 2025 *CEQR Technical Manual* threshold. Therefore, a preliminary assessment of potential indirect residential displacement is warranted, and is provided in **Section D, "Preliminary Assessment**."

- ***Would the proposed actions result in substantial new commercial development that is markedly different from existing uses, development, and activities within the neighborhood? Typically, commercial development of 200,000 square feet or less would not have significant socioeconomic effects. For projects exceeding this threshold, an assessment of indirect business displacement is appropriate.***

The Proposed Actions and associated RWCDS would also introduce a net increase of 28,505 gsf of local retail space and a net decrease of 17,969 gsf of office space, which would not exceed the 200,000 gsf 2025 *CEQR Technical Manual* threshold for commercial development. Therefore, an assessment of potential indirect business displacement is not warranted.

- ***Would the proposed actions result in a total of 200,000 square feet (sf) or more of retail on a single development site or 200,000 sf or more of regional-serving retail across multiple sites? This type of development may have the potential to draw a substantial amount of sales from existing businesses within the study area, resulting in indirect business displacement due to market saturation.***

The Proposed Actions and associated RWCDS would introduce 28,505 gsf of local retail space compared to No-Action conditions. The Proposed Actions would not result in 200,000 sf or more of retail on a single development site nor 200,000 sf or more of region-serving retail across multiple sites. Therefore, an assessment of indirect business displacement due to retail market saturation is not warranted.

- ***Is the project expected to affect conditions within a specific industry? This 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 project would result in the loss or substantial diminishment of a particularly important product or service within the city.***

The Project Area does not contain any concentration of specific businesses. In addition, the Proposed Actions would not result in any citywide regulatory changes that would adversely affect the economic and operational conditions of certain types of businesses or processes. Therefore, the Proposed Actions would not adversely affect conditions within a specific industry and further analysis is not warranted.

Based on the screening assessment above, the Proposed Actions warrant preliminary assessments of indirect residential displacement and direct business displacement.

Analysis Format

Following 2025 *CEQR Technical Manual* guidance, the socioeconomic analysis of direct business and indirect residential displacement 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 Actions and the future with the Proposed Actions by the analysis year of 2031.

Study Area Definition

A socioeconomic study area is the area within which the Proposed Actions have the greatest potential to directly or indirectly affect population, housing, and economic activities. A study area typically encompasses a project or development site(s) and adjacent areas within an approximately 400-foot, 0.25-mile, or 0.5-mile radius, depending upon the project size and surrounding area characteristics. According to the 2025 *CEQR Technical Manual*, the larger 0.5-mile study area is appropriate for projects that would potentially increase the 0.25-mile area population by more than five percent. The incremental population introduced by the Proposed Actions and associated RWCDS (1,231 people[2]) would result in an increase in the 0.25-mile study area residential population of more than five percent. As such, in accordance with 2025 *CEQR Technical Manual* methodology, a 0.5-mile study area is the appropriate study area for assessing the potential for indirect residential displacement.

As socioeconomic analyses depend on demographic data, it is appropriate to adjust the study area boundary to conform to the census tract delineation that most closely approximates the desired radius (in this case, a 0.5-mile radius surrounding the boundary of the Project Area). For this analysis, 17 census tracts (Census Tracts 191, 235, 241, 253, 255, 257, 259.01, 259.02, 261, 507, 509, 531.01, 531.02, 533, 537, 539, and 1237) comprise the 0.5-mile socioeconomic study area; the 0.5-mile study area is shown in **Figure 3-1**.[3] As shown in **Figure 3-1**, the 0.5-mile socioeconomic study area is in North Brooklyn and is roughly bound by Division Avenue to the north, Throop Avenue to the east, Lafayette Avenue to the south, and Clinton Avenue to the east.

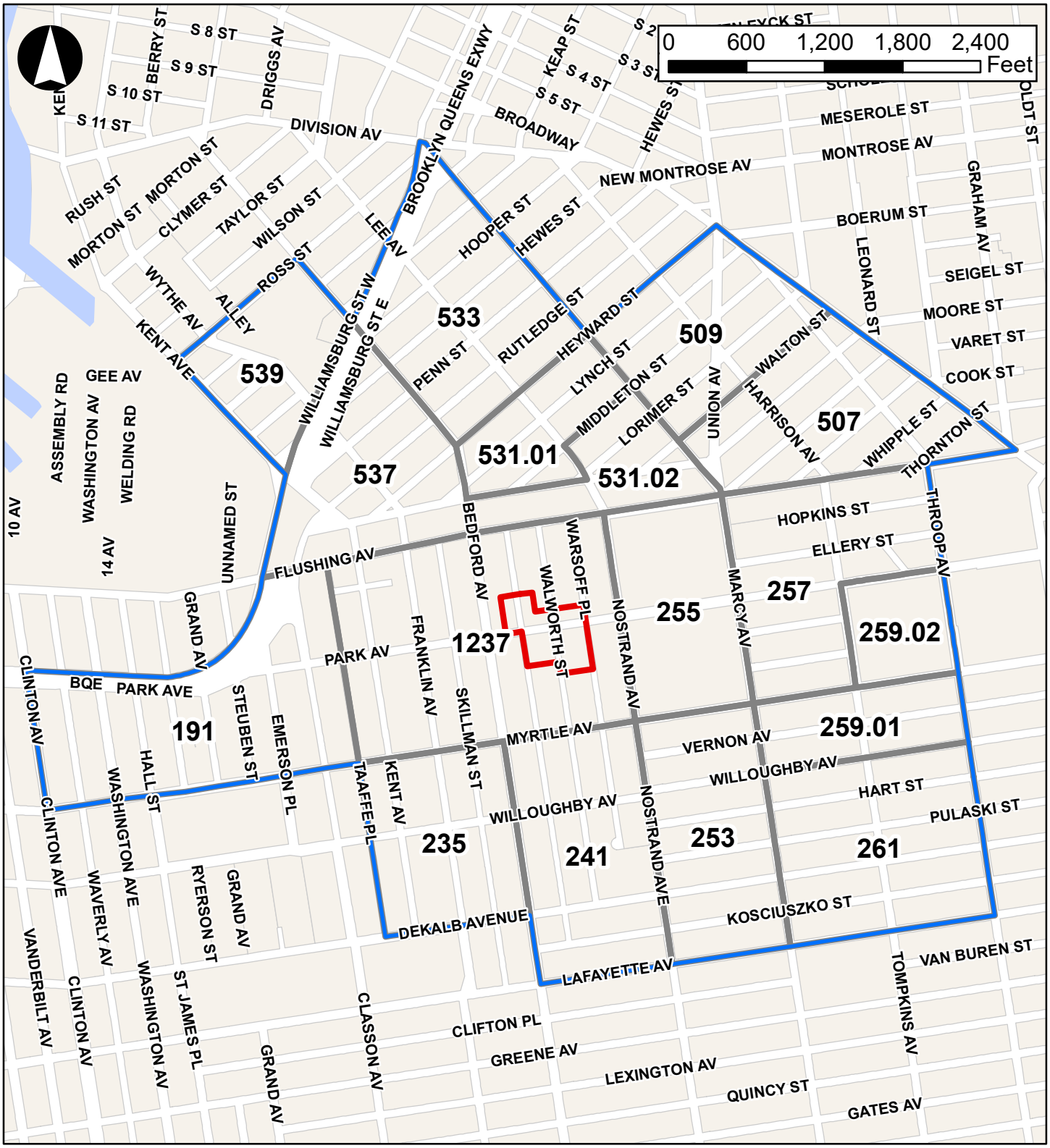
Data Sources

The assessment of direct business displacement considers business and employment trends in the study area, compared with those in Kings County (Brooklyn) and New York City. Employment estimates are based on standard industry employment density ratios commonly used for CEQR analysis. Estimates of employment in the study area, Brooklyn, and New York City were derived from the U.S. Census Bureau's Longitudinal Employer Household (LEHD) Survey via OntheMap and the Quarterly Census of Employment and Wages (QCEW) via the New York State Department of Labor (NYSDOL).

Information used in the analysis of indirect residential displacement (including population and housing estimates) were obtained from U.S. Census Bureau's 2020 Census. The New York City Department of City Planning's (DCP's) Housing and Population Projections Workbook was used to identify new DUs built since 2020 and anticipated or known residential projects in the study area in the future without the Proposed Actions. Data on the study area were compared to Brooklyn and New York City. Land use and parcel data were collected from the City's Primary

[2] Estimate of incremental population resulting from the Proposed Actions and associated RWCDS assumes 100 percent occupancy and 2.56 persons per DU, which is based on the average household size for Brooklyn CD 3 according to the 2020 Census. As of 2020 Census, the population in the 0.25-mile study area included 22,272, and therefore, the RWCDS has the potential to increase the residential population by more than five percent.

[3] In accordance with 2025 *CEQR Technical Manual* guidance, the socioeconomic study area includes all census tracts with at least 50 percent of their associated area within a 0.5-mile of the Project Area.



Legend

Project Area | 1/2-mile Radius | Census Tracts | Study Area

Land Use Tax Lot Output (PLUTO™) data files and online Geographic Information Systems (GIS) databases, and NYCityMap.[4]

D. PRELIMINARY ASSESSMENT

Under 2025 *CEQR Technical Manual* guidance, the first step in a socioeconomic impact analysis is a preliminary assessment. A preliminary assessment is warranted for direct business displacement and indirect residential displacement. Preliminary assessments are conducted to learn enough about the potential effects of the Proposed Actions and associated RWCDS 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 potential effects of a project. 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. As detailed below, preliminary assessments were sufficient to determine that the Proposed Actions and associated RWCDS would not result in any significant adverse direct business and indirect residential displacement impacts.

Direct Business Displacement

As described in the 2025 *CEQR Technical Manual*, direct business displacement is defined as the involuntary displacement of existing 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 2025 *CEQR Technical Manual* specifies consideration of the following two factors in determining the potential for significant adverse impacts: (1) whether the existing businesses to be directly displaced provide products or services essential to the local economy that would no longer be available in its "trade area" to local residents or businesses due to the difficulty of either relocating the businesses or establishing new, comparable businesses[5]; and (2) whether a category of businesses is the subject of other regulations or publicly adopted plans to preserve, enhance, or otherwise protect it.

By 2031, the RWCDS has the potential to directly displace up to 19 existing businesses and an estimated 145 jobs associated with those establishments. As such, a preliminary assessment of direct business displacement was conducted, examining the employment and businesses characteristics of the potentially directly displaced businesses/firms. The analysis begins with a description of overall business activities within the study area, then describes the existing businesses and employment that could be directly displaced by the RWCDS. This direct displacement analysis identifies and evaluates all potentially displaced businesses, even though certain businesses 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 Sector Employment in the Study Area

As shown in **Table 3-1**, there were an estimated 25,103 private sector employees in the study area in 2022. These employees represented approximately 3.4 percent of total private sector

[4] http://gis.nyc.gov/doitt/nycitymap/

[5] The trade area is defined as the specific geographic area from which most customers or client of the business area drawn and where the business can attract the majority of their sales.

employment in Brooklyn and approximately 0.6 percent of New York City's total private sector employment.

TABLE 3-1
Private Sector Employment in Study Area, Brooklyn, and New York City (2022)

	Study Area		Brooklyn		New York City	
	Employees	**%**	**Employees**	**%**	**Employees**	**%**
Agriculture, Forestry, Fishing & Hunting	62	0.2%	378	0.1%	591	0.0%
Mining, Quarrying, and Oil & Gas Extraction	52	0.2%	4	0.0%	62	0.0%
Utilities	0	0.0%	3,370	0.5%	14,734	0.4%
Construction	1,417	5.6%	31,060	4.2%	140,619	3.6%
Manufacturing	1,548	6.2%	17,651	2.4%	57,629	1.5%
Wholesale Trade	1,253	5.0%	21,570	2.9%	122,561	3.1%
Retail Trade	2,406	9.6%	74,923	10.2%	309,479	7.9%
Transportation & Warehousing	328	1.3%	20,244	2.8%	134,833	3.5%
Information	195	0.8%	14,414	2.0%	229,642	5.9%
Finance & Insurance	314	1.3%	14,496	2.0%	345,104	8.8%
Real Estate & Rental & Leasing	918	3.7%	18,866	2.6%	131,264	3.4%
Professional, Scientific, & Technical Services	1,371	5.5%	29,984	4.1%	440,785	11.3%
Management of Companies & Enterprises	170	0.7%	2,606	0.4%	67,678	1.7%
Admin. & Support, Waste Management & Remediation	2,901	11.6%	35,518	4.8%	238,417	6.1%
Educational Services	1,595	6.4%	36,692	5.0%	196,204	5.0%
Health Care & Social Assistance	8,980	35.8%	309,177	42.1%	862,229	22.1%
Arts, Entertainment, & Recreation	16	0.1%	9,829	1.3%	81,717	2.1%
Accommodation & Food Services	795	3.2%	56,370	7.7%	339,695	8.7%
Other Services (excl. Public Admin.)	782	3.1%	28,582	3.9%	163,482	4.2%
Unclassified	N/A	N/A	7,870	1.1%	24,924	0.6%
Total	**25,103**	**100.0%**	**733,605**	**100.0%**	**3,901,650**	**100.0%**

Source:
U.S. Census, OnTheMap Application and LEHD Origin-Destination Employment Statistics, 2022 for the study area, and Quarterly QCEW data obtained from the NYSDOL's tableau public for Brooklyn (Kings County) and New York City (Labor Market Area), fourth quarter of 2022.

The economic sector with the highest private sector employment in the study area is the Health Care and Social Assistance sector, which is also the largest private economic sector in Brooklyn and in New York City. In the study area, the Health Care and Social Assistance sector accounts for nearly 36 percent of all private sector jobs, which is in part due to the presence of major health care employers such as Woodhull Hospital (part of the New York City Health and Hospitals Corporation) and the Bedford Center for Nursing and Rehabilitation.

The next largest economic sector in the study area is Administration and Support, Waste Management, and Remediation sector, which accounts for 11.6 percent of private sector employment in the study area, accounting for a larger share of employment than in Brooklyn (4.8 percent) and in New York City (6.1 percent). This sector includes office administration, hiring and placing of personnel, clerical services, security and surveillance services, cleaning, and waste disposal services. The third largest economic sector in the study area is Retail Trade, which

accounts for 9.6 percent of private sector employment, on par with this sector's share of private sector employment in Brooklyn (10.2 percent), but larger than the sector's share citywide (7.9 percent).

Profile of the Potentially Directly Displaced Businesses and Institutions

This section describes the characteristics of existing businesses on the Projected Development Sites that could be directly displaced by 2031 as a result of the Proposed Actions. As New York City's commercial streets are dynamic, with businesses regularly opening and closing in response to changes in the local economy, local demographics, as well as consumer trends, it is possible that the potentially directly displaced businesses identified could close or relocate for reasons independent of the Proposed Actions. The following estimates are based on current businesses and the assumption that these businesses and their associated employment would remain in the No-Action condition. Employment locations and worker estimates were based on-site fieldwork observations, and standard industry employment density ratios commonly used in *CEQR* analysis.

As shown in **Table 3-2,** in the future with the Proposed Actions, under the RWCDS an estimated 19 existing businesses and 145 associated employees could be directly displaced from the Projected Development Sites by 2031. An existing private school or yeshiva[6], the Central United Talmudic Academy, with an estimated 36 employees, which occupies a sizable portion of Projected Development Site 6, including Lots 18, and 61 to 63 on Brooklyn Block 1736, would not be displaced as a result of the Proposed Actions. The Proposed Actions would allow the private religious school (Central United Talmudic Academy) to expand across two new buildings within the Project Area.

TABLE 3-2
Businesses and Employment Potentially Directly Displaced by the Proposed Actions

Industry Sector	Existing Firms	% of Displaced Businesses	Estimated Existing Employment Displaced [1]	% of Displaced Employment
Construction	1	5.3%	5	3.4%
Manufacturing	1	5.3%	8	5.5%
Wholesale Trade	1	5.3%	4	2.7%
Retail Trade	9	47.4%	63	43.4%
Transportation and Warehousing	1	5.3%	6	4.1%
Real Estate and Rental & Leasing	2	10.5%	22	15.2%
Health Care and Social Assistance	1	5.3%	25	17.2%
Arts, Entertainment and Recreation	1	5.3%	4	2.7%
Accommodation and Food Service	1	5.3%	6	4.1%
Other Services (excluding Public Administration)	1	5.3%	2	1.4%
Total	**19**	**100%**	**145**	**100%**

Note:
Standard industry employment density ratios commonly used in *CEQR* analysis were used to estimate employment figures.

While the directly displaced existing businesses at the Projected Development Sites represent ten different industry sectors, 47 percent of these businesses (nine firms) are in the Retail Trade sector. The Retail Trade sector also accounts for more than 43 percent of directly displaced employees. The Health Care and Social Assistance sector accounts for the next largest

[6] A yeshiva is a Jewish education school providing secular and religious instruction.

percentage of directly displaced employees, at 17.2 percent, followed by the Real Estate and Rental and Leasing sector which accounts for 15.2 percent of displaced employees.

CEQR Preliminary Assessment Criteria

According to the 2025 *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 existing 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?***

As noted above, it is possible that a number of the directly displaced existing businesses could close or relocate for reasons independent of the Proposed Actions. It is also possible that not all businesses projected to be directly 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 needs 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 likely find it easier to relocate than a business that needs a larger 50,000-sf space. The following section details the industry sectors within which direct displacement could occur and the potential effects on socioeconomic conditions in the study area.

Retail Trade

Within the study area, Retail Trade sector businesses employ more than 2,400 employees. The Proposed Actions may lead to the direct displacement of nine existing business establishments with an associated 63 employees, which represent less than three percent of the study area's Retail Trade sector employees. The nine existing businesses that face potential direct displacement consist of a range of retail stores including a pharmacy, a medical supplies store, two clothing stores, a bedding store, an appliance store, an auto parts/tire shop, a shoe store, and a fabric supplies store. All the retail establishments individually occupy less than 3,500 gsf of space. There are at least three tire shops, several clothing and/or accessory and housewares stores in the study area, including located on Flushing, Park, and Myrtle Avenues, and nearby neighborhoods in Brooklyn. Further, the proposed zoning changes would allow for new mixed-use development along Park Avenue that would permit new retail businesses that serve local residents and other businesses. Moreover, the site owner of Projected Development Site 9 has expressed an interest in having the five existing commercial tenants,[7] including three retail establishments employing an estimated 18 retail workers, within the building at 520 Park Avenue return to the site once the proposed development has been completed. These 18 workers account for nearly 29 percent of the potentially directly displaced retail employees.

Construction

One Construction sector firm, an HVAC supplier and contractor, Lion HVAC Supplies Inc., with an estimated five workers could be directly displaced from Projected Development Site 9 in the With Action condition. Construction sector businesses generally serve large, regional trade areas. This firm, which serves the entire metropolitan area, does not provide essential goods or services

[7] The existing commercial tenants at 520 Park Avenue on Projected Development Site 9 include Solid Shoes Kids (retail), Black and White Bakery (food service), Better Letter Addressing Service (transportation/mail service), Lulu (retail), and Splendid Trims (retail).

that cannot be found elsewhere in the trade area. Lion HVAC Supplies has four other locations in Brooklyn. Within Brooklyn, there are more than 31,000 employees in the Construction sector. The five employees associated with this business account for 0.3 percent of the total employment in this industry sector within the study area and less than 0.02 percent of the total employment in this sector in Brooklyn.

Manufacturing

In the With Action condition, one Manufacturing sector firm with eight employees could be displaced from Projected Development Site 5. ABC Pallets Inc, a wood pallet supplier/manufacturer, has an estimated eight workers at Projected Development Site 5. The eight employees associated with this business account for less than 1.0 percent of the total employment in this industry within the study area and less than 0.08 percent of the total employment in this sector in Brooklyn.

While manufacturing represents a use that may be more challenging to relocate due to suitable zoning and space demands as well as operating expense constraints for manufacturers, there are alternative businesses that could provide similar manufacturing services should this business be displaced. Manufacturers' trade areas typically involve larger geographic reach and serve a regional market, such as the borough and greater city. For example, other pallet manufacturers in Brooklyn include Percival Pallet Corp. and Tony's American Pallets. Therefore, businesses offering comparable services and employment opportunities would still be available within the study area and/or Brooklyn that serve New York City.

Wholesale Trade

One Wholesale Trade sector firm, a distributor of plumbing and heating supplies, called Kevin and Richard Plumbing and Heating Supplies, with an estimated four employees, could be directly displaced from Projected Development Site 3 in the With Action condition. The four employees associated with this business account for 0.3 percent of the total employment in this industry sector within the study area and less than 0.02 percent of the total employment in this sector in Brooklyn. Wholesale establishments typically serve a wider geographic area focused on servicing businesses, tradesman, and other wholesalers, rather than individual consumers. This wholesale distributor does not provide an essential service to the study area that cannot be found elsewhere in the trade area. Similar wholesale businesses in Brooklyn include Brooklyn Plumbing and Heat Supply, Cypress Plumbing and Heating Supplies, and Y & S Plumbing and Heating. Therefore, businesses offering comparable services and employment opportunities would still be available within the study area and/or Brooklyn that serve New York City.

Transportation and Warehousing

One Transportation and Warehousing sector firm, a mail services establishment, called Better Letter Addressing Service, with an estimated six employees, could be directly displaced from Projected Development Site 9 in the With Action condition. This firm is a contract postal unit, which is a supplier-owned or supplier-leased site operated by the supplier, under contract to the U.S. Postal Services to provide postal products and services to the public at U.S. Postal Service prices. It offers professional services for mailing, including calligraphy, addressing envelopes, data entry, and other mailing needs, and does not provide essential goods or services that cannot be found elsewhere in the trade area. For example, a United States Postal Service (USPS) store is located in the study area along Myrtle Avenue. The six employees associated with this business account for less than two percent of the total employment in this industry sector within the study area and less than 0.03 percent of the total employment in this sector in Brooklyn. Moreover, the site owner of Projected Development Site 9 has expressed an interest in having the five existing

commercial tenants,[8] including this Transportation and Warehousing sector firm employing an estimated six workers, within the building at 520 Park Avenue return to the site once the proposed development has been completed.

Accommodation and Food Service

One business in the Accommodation and Food Service sector, a bakery and café called Black and White Bakery employees an estimated six workers, could be directly displaced at Projected Development Site 9. The six employees associated with this business account for less than 1.0 percent of the total employment in this industry within the study area and approximately 0.01 percent of the total employment in this sector in Brooklyn.

Although bakeries serve a more local market, there are several bakeries in the surrounding area, including Green's Bakery, Gshmak Bakery and Café, and Biscotti. Therefore, businesses offering comparable services and employment opportunities would still be available within the study area and/or Brooklyn that serve New York City. Moreover, the site owner of Projected Development Site 9 has expressed an interest in having the five existing commercial tenants,[9] including this Accommodation and Food Service sector business employing an estimated six workers, within the building at 520 Park Avenue return to the site once the proposed development has been completed.

Arts, Entertainment, and Recreation

One existing business in the Arts, Entertainment, and Recreation sector, a gym/fitness center called Breindy Active, with an estimated four employees, could be directly displaced from Projected Development Site 1 in the With Action condition. This gym does not provide an essential service to the study area that cannot be found elsewhere in the trade area. There are several gyms in the surrounding area, including Williamsburg Fitness, BK Fit Studios-Clinton Hill, and VITAL Fitness and Wellness. The Arts, Entertainment, and Recreation sector is not a large employment sector in the study area, comprising 0.1 percent of total employment.

Health Care and Social Assistance

One existing business in the Health Care and Social Assistance sector, a medical office known as ODA Park Avenue Primary Health Care Center, with an estimated 25 employees, could be directly displaced from Projected Development Site 1 in the With Action condition. ODA Primary Health Care provides primary and dental care to a network of locations with five locations in Williamsburg, including is main facility at 74 Wallabout Street. ODA is affiliated with Mt. Sinai Beth Isreal Medical Center. At ODA Park Avenue, health services include pediatrics, internal medicine, family medicine, gastroenterology, wound care, and nutrition. This health care center does not provide an essential service to the study area that cannot be found elsewhere in the trade area. Within the study area, the Health Care and Social Assistance sector employs 8,980 workers. The 25 employees associated with this business account for less than 0. 3 percent of the total employment in this industry sector within the study area and less than 0. 01 percent of the total employment in this sector in Brooklyn. In addition, the site owner of Projected Development Site

[8] The existing commercial tenants at 520 Park Avenue on Projected Development Site 9 include Solid Shoes Kids (retail), Black and White Bakery (food service), Better Letter Addressing Service (transportation/mail service), Lulu (retail), and Splendid Trims (retail).

[9] The existing commercial tenants at 520 Park Avenue on Projected Development Site 9 include Solid Shoes Kids (retail), Black and White Bakery (food service), Better Letter Addressing Service (transportation/mail service), Lulu (retail), and Splendid Trims (retail).

1 has expressed an interest in having the existing medical office within the building at 517 Park Avenue return to the site once the proposed development has been completed.

Real Estate and Rental and Leasing

In the With Action condition, two existing Real Estate and Rental and Leasing sector firms with 22 employees could be directly displaced from the Projected Development Sites. The largest employer in this sector is a party rental equipment supply company, Eventier Party and Rentals, which has an estimated 18 workers. It serves the larger tri-state area. The other Real Estate and Rental and Leasing sector establishment is a car rental agency, EZRental, with an estimated four workers, which occupies portions of two Projected Development Sites, including the 10,775-sf paved lot at 547 Park Avenue (Projected Development Sites 4) and the two low-rise warehouses at 75 and 77 Spencer Street (Projected Development Site 11). EZ Rental has two other locations in Brooklyn, including Bay Ridge and Boro Park. Neither of these firms provides an essential service to the study area that cannot be found elsewhere in the trade area. Within the study area, Real Estate and Rental and Leasing businesses employ 918 employees. The 22 estimated employees associated with this business account for less than three percent of the total employment in this industry sector within the study area and less than 0.12 percent of the total employment in this sector in Brooklyn.

Other Services (except Public Administration)

The Other Services (except Public Administration) sector employs approximately 782 people in the study area. The two existing employees that could potentially be directly displaced as a result of the Proposed Actions represent less than 0.3 percent of the study area's total employment in the sector. The Other Services businesses and employees represent a religious organization/house of worship. While the Proposed Actions may directly displace a synagogue,[10] there are several clusters of synagogues along Flushing Avenue and Myrtle Avenue, as well as to the north of the study area.

Summary

The 19 potentially displaced existing businesses and 145 associated jobs do not represent a majority of study area businesses or employment for any given sector. While the study area businesses contribute to neighborhood character and provide value to the local economy, there are alternative sources of goods, services, and employment provided within the study area or nearby areas of Brooklyn. Moreover, the site owner of Projected Development Site 9 has expressed an interest in having the five existing commercial tenants, employing a total of 30 workers, including three retail establishments (18 workers), one food service establishment (six workers), and a mail service operation (six workers), within the building at 520 Park Avenue return to the site once the proposed development has been completed. These five firms account for 26 percent of potentially displaced existing businesses and nearly 21 percent of potentially displaced existing workers.

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

The Proposed Actions could directly displace up to 19 existing businesses occupying portions of 7 of the 12 Projected Development Sites. As discussed above, these businesses do not represent a majority of businesses or employment for any given sector in the study area and there are

[10] The synagogue at 88 Walworth Street is being directly displaced to facilitate the development of a yeshiva operated by the synagogue, Yeshivas Ahavas Israel.

alternative sources for their associated goods and services within the study area, Brooklyn, and New York City. In addition, the Proposed Actions would facilitate the growth and expansion of the Educational Services sector, in the Project Area and larger study area. None of the potentially directly displaced businesses are within a category of business that is the subject of regulations or publicly adopted plans to preserve, enhance, or other protect it.

Based on the above analysis, according to the 2025 *CEQR Technical Manual* impact thresholds, the Proposed Actions would not result in significant adverse impacts due to direct business displacement. The existing 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. Further, there is no category of business that may be directly displaced, that is the subject of regulations or plans to preserve, enhance, or otherwise protect it.

Indirect Residential Displacement

As described in the 2025 *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 in non-regulated rental housing units, which can make it difficult for some existing residents to afford to stay in their homes. Pursuant to 2025 *CEQR Technical Manual* guidance, the indirect residential displacement assessment aims to determine whether the Proposed Actions and associated RWCDS would either introduce a trend or accelerate an existing trend of changing real estate market conditions that may have the potential to displace a vulnerable residential population and substantially change the socioeconomic character of the neighborhood. To quantify the reasonably anticipated effects of the Proposed Actions, the vulnerable population is defined in the 2025 *CEQR Technical Manual* to include 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 regulated[11] or subsidized housing units would not be vulnerable to rent pressures according to 2025 *CEQR Technical Manual* guidance.

This preliminary assessment follows the step-by-step preliminary assessment guidance described in Section 332.1 of the 2025 *CEQR Technical Manual*. As described below and in keeping with 2025 *CEQR Technical Manual* guidance, Step 1 of the preliminary assessment was sufficient to determine that the Proposed Actions would not result in significant adverse impacts due to indirect residential displacement.

Step 1: Determine if the project's increase in population is large enough relative to the size of the population expected to reside in the study area without the project to affect real estate market conditions in the study area.

According to 2025 *CEQR Technical Manual* analysis thresholds, if the population increase is greater than five percent in the study area, the incremental population may be large enough to affect real estate market conditions, and Step 2 of the preliminary indirect residential assessment would be warranted. If the population increase is more than 10 percent in the study area, a detailed indirect residential analysis is warranted.

[11] Rent regulated housing includes both rent controlled and rent stabilized apartments that are protected from steep rent increases and offer tenants greater legal protections than those residing in market-rate housing.

EXISTING RESIDENTIAL POPULATION

Based on 2020 Census, the 0.5-mile study area has an estimated population of 76,245 (see **Table 3-3**). Since the 2020 Census, the socioeconomic study area has continued to experience an increase in housing supply, which has introduced new residents. In accordance with 2025 *CEQR Technical Manual* guidance provided in Chapter 5 Section 320, the existing population for the study area is estimated based on the most recent decennial census (2020 Census) and accounts for the net change of completed New York City Department of Buildings (DOB) construction projects (including new buildings, demolitions, and major alterations), which were completed between April 1, 2020, and the second quarter of 2025, in the study area. The estimated residential population accounts for the 0.5-mile study area's vacancy rate (3.69 percent), as of the 2020 Census. Based on the completed DOB construction projects, the 0.5-mile socioeconomic study area is estimated to have a residential population of 82,368, an increase of 6,123 residents (eight percent) from 2020 Census. Some of the larger recently completed projects that introduced new residential units included: 270 Nostrand Avenue (210 DUs); 88 Throop Avenue (140 DUs); 386 Flushing Avenue (122 DUs); 11 Gerry Street (120 DUs); and 126 Sandford Street (120 DUs); and 77 Kosciuszko Street (110 DUs).

TABLE 3-3
0.5-Mile Study Area Residential Population Estimates

	2020 Census		Completed Projects between 4/1/2020 and 2nd Quarter 2025			Estimated 2025 Population
	DUs	Residents	Net New DUs	Estimated Occupied DUs	Estimated New Population	
Study Area	23,082	76,245	2,545	2,449	6,123	82,368

Source: US Census Bureau, 2020 Census and DCP Population Projections Workbook, as of Quarter 2 2025

FUTURE WITHOUT THE PROPOSED ACTIONS (NO ACTION CONDITION)

No new DUs would be introduced to the Projected Development Sites in the absence of the Proposed Actions. The 0.5-mile study area would continue to experience residential growth in the absence of the Proposed Actions. As shown in **Table 3-4**, known No-Action developments (including new buildings, demolitions, and major alterations that would introduce residential DUs), including projects under construction, and active DOB filings would introduce a net increase of 855 DUs to the 0.5-mile study area. After accounting for a vacancy rate of 3.69 percent (i.e., 823 DUs), these planned developments would add more than 2,000 residents to the 0.5-mile study area in the No-Action condition. Some of the larger known planned developments that either have approved DOB applications or are permitted for construction, which would introduce additional residential DUs, include: 32 Skillman Street (53 DUs); 667 Flushing Avenue (49 DUs); 652 Dekalb Avenue (45 DUs); 322 Wallabout Street (38 DUs); and 639 Dekalb Avenue (37 DUs).

FUTURE WITH THE PROPOSED ACTIONS (WITH ACTION CONDITION)

In the future with the Proposed Actions, the proposed zoning map and text changes would expand the allowable uses, including permitting residential uses, and would increase the allowable density in the Project Area. Under the RWCDS, the Proposed Actions would result in an incremental (net) increase of 481 total DUs, which would include market-rate and income-restricted DUs on nine of the 12 Projected Development Sites as compared to the No Action. In the future with the Proposed Actions, every Projected Development Site that accommodates new residential development would include permanently income-restricted units.

TABLE 3-4
Planned No-Action Residential Developments and Estimated Residential Population to be introduced to the Study Area by 2031

0.5-Mile Study Area	Net New DUs	Estimated Occupied DUs	Estimated New Residents
Active DOB Permits as of 2nd Quarter of 2025	588	566	1,410
Active DOB Filings as of 2nd Quarter of 2025	267	257	639
Total No-Action Residential Development	***855***	***823***	***2,040***

Source: DCP Population Projections Workbook, as of Quarter 2, 2025

As described in **Chapter 1, "Project Description,"** in the future with the Proposed Actions, portions of the Project Area would be zoned M1-4/R7D and M1-4/R6-1 Special Mixed-Use District MX-4 (Flushing/Bedford) zoning districts. The Project Area would also be designated an MIH Area, which would set mandatory income-restricted housing requirements pursuant to the MIH program and require a share of new housing be set aside as permanently income-restricted. The production of permanently income-restricted housing would be a condition for any future residential development in the Project Area, which is expected to help preserve income-restricted housing in the surrounding area. There would be no expiration to the affordability requirements of housing units created through the MIH program, making them a long-term stable reservoir of income-restricted housing in the surrounding area. The Proposed Actions would expand housing opportunities in an area of the city where a strong demand for income-restricted and market-rate housing exists. The MIH program would provide assurance that new residential development would address the needs of residents at lower income levels even if local housing market conditions change.

With an average household size of 2.56 people per DU and assuming 100 percent occupancy of the 481 DUs, the RWCDS would add approximately 1,231 residents to the study area. **Table 3-5** provides a comparison of this new population and its size relative to the population of the No-Action condition. As shown in **Table 3-5**, when compared to the No-Action condition, the Proposed Actions would result in an estimated 1.46 percent population increase in the 0.5-mile study area.

TABLE 3-5
Estimated Study Area Population in the Future Without and With the Proposed Actions

Estimated 2025 Population	2031 No-Action Condition Population	2031 With-Action Condition Population	Percent Change in No-Action and With-Action Population
82,368	84,408	85,639	1.46%

Note: The estimated number of residents in the With Action conditions assumes 100 percent occupancy and 2.56 persons per DU for residential units (based on 2020 average household size for Brooklyn CD 3).

According to 2025 *CEQR Technical Manual* analysis thresholds, if the population increase is greater than five percent in a study area, the incremental population may be large enough to affect real estate market conditions, and Step 2 of the preliminary assessment is warranted. The 1.46 percent increase in the study area population as a result of the Proposed Actions would not suggest an increase large enough to substantively alter the existing real estate market trends in the 0.5-mile study area. Therefore, Step 2 of the preliminary assessment is not warranted.