Chapter 3: Socioeconomic Conditions

A. INTRODUCTION

The proposed project would consist of a mixed-use development that would include a 481,425-gross-square-foot (gsf) building with 342 residential units, 4,420 gsf of medical office space, 10,340 gsf of ground-floor retail space, and 200 parking spaces, of which 121 would be accessory parking spaces and 79 would be public parking spaces. However, the proposed action could result in additional development within the rezoning area. Therefore, for purposes of providing a conservative analysis, the following analysis assumes a reasonable worst-case development scenario for the rezoning area that consists of 559 residential units on the project site and an additional 253 units within the rezoning area (for a total of 812 dwelling units); the same parking, medical office, and retail elements as described above; and a 100,000-gsf middle school.

This chapter analyzes whether the introduction of these uses at the scale assumed under the reasonable worst-case scenario would result in significant adverse impacts by directly or indirectly changing population, housing stock, or economic activities in the surrounding area. According to the 2001 *City Environmental Quality Review (CEQR) Technical Manual*, significant adverse socioeconomic impacts can occur when an action meets one or more of the following tests: (1) it leads to the direct displacement of residents such that the socioeconomic profile of the neighborhood is substantially altered; (2) it leads to the displacement of substantial numbers of businesses or employees, or displaces a business that plays a critical role in the community; (3) it results in substantial new development that is markedly different from existing uses in a neighborhood; (4) it affects conditions in the real estate market not only on the site anticipated to be developed, but in a larger area; or (5) it adversely affects economic conditions in a specific industry.

The analysis below finds that the proposed action would not result in significant adverse socioeconomic impacts due to direct or indirect changes in residential and economic activity. The proposed action would not result in the direct displacement of any residents, nor would it result in the direct displacement of any businesses on the project site (as discussed in Chapter 1, "Project Description," absent the proposed action, the site will be remediated under the Brownfields Cleanup Program; therefore, the project site will be vacant in the future without the proposed action). Within the rezoning area, an auto repair business located on Lot 58 would be directly displaced; this business does not have a substantial economic value to the City or regional area and would not have great difficulty in relocating. The proposed action would not result in the indirect displacement of residents, businesses, or institutions. The study area already has a well-established residential and retail presence, and the proposed action would result in development that reflects, rather than alters, existing economic trends in the study area.

B. METHODOLOGY

The *CEQR Technical Manual* sets forth guidelines to help determine if a socioeconomic impact analysis is appropriate. The *CEQR Technical Manual* suggests that residential development in excess of 200 units or commercial development in excess of 200,000 square feet should be assessed for their potential to cause significant adverse socioeconomic impacts. Since the reasonable worst-case development scenario assumes that 812 residential units would be developed, a preliminary assessment was undertaken. The goal of a preliminary assessment is to discern the effects of the proposed action for the purposes of either eliminating the potential for significant impacts or determining that a more detailed analysis is necessary to answer the question regarding potential impacts.

In accordance with the guidelines presented in the *CEQR Technical Manual*, the preliminary assessment evaluates five specific factors that could create significant socioeconomic impacts in an area: (1) direct displacement of residential population on the project site; (2) direct displacement of existing businesses or institutions on the project site; (3) indirect displacement of residential population in the study area; (4) indirect displacement of businesses or institutions in the study area; and (5) adverse effects on specific industries not necessarily tied to the project site or to the study area.

Information used in the preliminary assessment was gathered from demographic and housing data from the U.S. Census Bureau's 1990 and 2000 Census, field visits to the study area, online real estate brokerage companies, and discussions with real estate brokers familiar with the area. The study area used for the various components of the socioeconomic preliminary assessment roughly mirrors the ¼-mile study area used in Chapter 2, "Land Use, Zoning, and Public Policy." However, the exact boundaries of the socioeconomic study area were modified to match the block group boundaries that most closely delineate a ¼-mile radius surrounding the project site and rezoning area (see Figure 3-1). By conforming to block group boundaries, the socioeconomic analysis is able to more accurately apply Census data in depicting the demographic characteristics of the surrounding area.

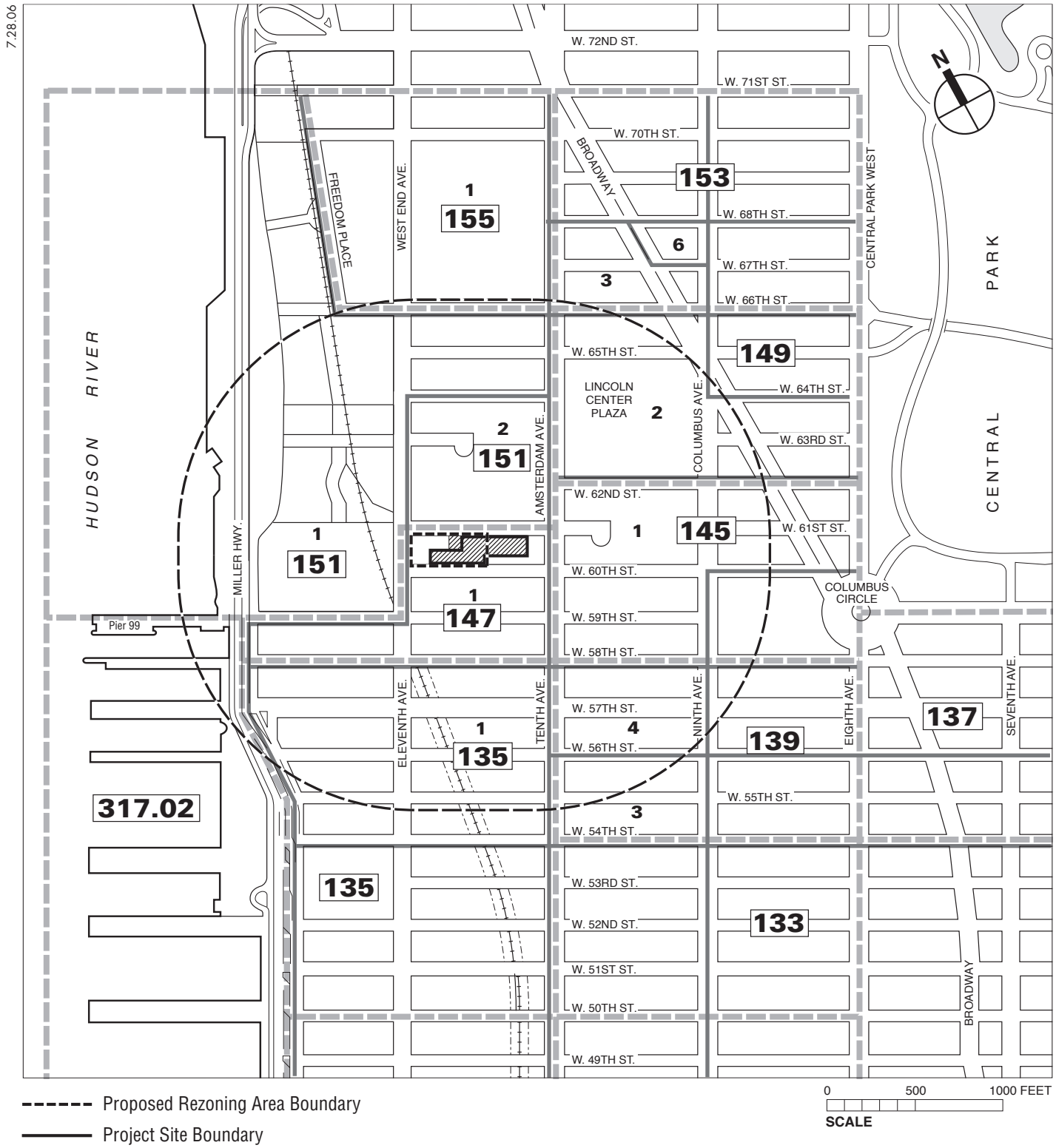
C. PRELIMINARY ASSESSMENT

DIRECT RESIDENTIAL DISPLACEMENT

The reasonable worst-case development scenario would not result in the displacement of any existing residential uses. Therefore, the proposed action would not directly displace any residential population, and no further analysis of this issue is necessary.

DIRECT BUSINESS AND INSTITUTIONAL DISPLACEMENT

The preliminary assessment of direct business and institutional displacement examines the employment and business value characteristics of the affected businesses to determine the significance of the potential impact. As part of the CEQR preliminary assessment, the following circumstances (listed in italics below) are considered to determine the potential for significant adverse impacts:



Proposed Rezoning Area Boundary

Project Site Boundary

Zoning Lot/Proposed General Large-Scale Development

1/4-Mile Radius from Rezoning and Project Site

Census Tract Boundary

129 Census Tract Number

Block Group Boundary

1 Block Group Number

West 61st Street Rezoning
Project and Citywide GLSD Text Amendment

Socioeconomic Conditions Study Area

Figure 3-1

1. If the businesses in question have a substantial economic value to the City or regional area and it can only be relocated with great difficulty or not at all.

Under the reasonable worst-case development scenario, the proposed action would directly displace a motor vehicle repair shop located on West 61st Street between Amsterdam and West End Avenues (Lot 58) and the 5 employees associated with that business. However, the auto repair shop does not have a substantial economic value to the City or the regional area. As shown in Table 3-4, the zip code area most closely approximating the ¼-mile study area (zip code 10023) had approximately 38,000 workers in 2000, of which less than a tenth of 1 percent were employed by the auto repair shop. In addition, there are approximately 10 other auto repair businesses within the ¼-mile study area as well as another 20 auto repair shops just outside of the study area between West 46th and West 55th Streets between Ninth and Twelfth Avenues. Therefore, local area residents and businesses would not be significantly affected by the loss of the services currently provided by the displaced business.

While there is a limited supply of suitable sites to relocate an auto repair business in Manhattan, the displaced business would not have great difficulty relocating to an alternate site within New York City. According to Cushman and Wakefield Real Estate firm, there is approximately 165 million square feet of industrial space in New York City of which 4 percent (or 6.6 million square feet) is vacant. Within the borough of Manhattan, total industrial space is about 16.3 million square feet and approximately 6 percent of that (or approximately 680,000 square feet) is vacant.

2. If a category of businesses is the subject of other regulations or publicly adopted plans to preserve, enhance, or otherwise protect it.

The auto repair shop that would be directly displaced is not subject to regulations or publicly adopted plans to preserve, enhance, or protect it.

3. If the businesses define or contribute substantially to a defining element of neighborhood character (or a substantial number of businesses or employees would be displaced that collectively define the character of the neighborhood).

The one-story auto repair shop that would be displaced by the proposed action does not define or substantially contribute to defining the neighborhood. There are many institutional and residential uses within the ¼-mile study area that make more of an imprint on neighborhood character. For example, Lincoln Center located northeast of the project site, Fordham University immediately east of the project site, and the John Jay College of Criminal Justice all contribute more to defining the character of the study area than the auto repair shop located on the project site. No significant impact would result from the loss of the existing business, and no further analysis of direct business displacement is necessary.

INDIRECT RESIDENTIAL DISPLACEMENT

The issue of indirect residential displacement is typically associated with the potential for a proposed action to increase property values and subsequently rents in an area, making it difficult for some existing residents to afford their homes. According to Section 322.1 of the *CEQR Technical Manual*, the direct effects of an action that can lead to such indirect changes include the following (listed in italics below):

1. It would add substantial new population with different socioeconomic characteristics compared to the size and character of the existing population.

As shown in Table 3-1, the ¼-mile study area had approximately 21,300 residents and roughly 11,300 households in 2000. Between 1990 and 2000, total population within the study area increased by about 41 percent, compared to only a 3 percent increase for Manhattan and New York City. Similarly, the number of total households in the study area increased by almost 40 percent whereas Manhattan and New York City increased by only 3 and 7 percent, respectively. The average household size in the study area (1.79 persons per household) was smaller compared to household size in Manhattan (2.00 persons per household) and New York City (2.59 persons per household). Between 1990 and 2000, the average household size in the study area decreased, while it increased in Manhattan and New York City.

Table 3-1
Demographic Characteristics of the ¼-Mile Study Area

Area	Total Population			Total Households			Avg. Household Size	
	1990	2000	% Change	1990	2000	% Change	1990	2000
¼-Mile Study Area	15,078	21,307	41.3	8,131	11,310	39.1	1.83	1.76
Manhattan	1,487,536	1,537,195	3.3	716,422	738,644	3.1	1.99	2.00
New York City	7,322,564	8,008,278	9.4	2,819,401	3,021,588	7.2	2.54	2.59

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

As shown in Table 3-2, the median household income within the ¼-mile study area in 1999 was just over $72,000 per year, well above the median household incomes for Manhattan ($47,000) and New York City ($38,300). Between 1989 and 1999, the median household income in the study area increased in real terms (1999 dollars) by over 16 percent, a faster rate of growth than in Manhattan (7.6 percent increase) and New York City (5.3 percent decrease) over the same period.

Table 3-2
Economic Characteristics of the ¼-Mile Study Area

Area	Median Household Income			Poverty Level (%)	
	1989	1999	% Change	1989	1999
¼-Mile Study Area	$62,110	$72,243	16.3	16.6	13.0
Manhattan	$43,724	$47,030	7.6	20.0	19.4
New York City	$40,419	$38,293	-5.3	18.9	20.8

Note: 1989 median household income is shown in constant 1999 dollars.
Source: US Department of Commerce, Bureau of the Census, 1990 and 2000 Census, Summary File 1 and 3.

The study area also has a lower percentage of population living below the poverty level (see Table 3-2). In 1999, 13 percent of study area residents were living in poverty, compared to 19.4 percent in Manhattan as a whole, and 20.8 percent in New York City. Between 1990 and 2000, the number of individuals living in poverty in the ¼-mile study area decreased by 3.3 percentage

points. In contrast, people living below the poverty level in Manhattan decreased by only 0.6 percentage points while New York City experienced a 1.9 percentage point increase in individuals living in poverty. Of the 17,797 residents within the ¼-mile study area, 2,165 are low-income residents. Of these residents, 1,044 live within the Block Group that contains the Amsterdam Houses.

Based on RPAD (2003) estimates approximately 38 percent (3,798 units) of a total of 9,919 units in the study area are unprotected rental units. Of the 3,798 unprotected units at least 2,000 units are classified as luxury rentals, according to RPAD, and would not likely contain a population vulnerable to displacement. The 62 percent of units that are protected in the study area are either ownership units, public housing, or rent controlled or rent stabilized.

Under the reasonable worst-case development scenario, the proposed action would introduce 812 residential units in the ¼-mile study area. Approximately 559 of those units would be located on the project site (of which 41 units would be for-sale condominium units and 518 units would be available as rental apartments). The remaining 253 units would be located elsewhere within the rezoning area. Including the project site and the non-project site units, the proposed action would create a combined total of 812 dwelling units. Assuming that those units would be fully occupied and would have the same average household size as the study area in 2000 (1.76 persons per household), the 812 dwelling units would house an estimated 1,429 new residents. This new population would increase the study area's residential population by 7 percent, based on Census 2000 estimates. The percentage increase over the current population would be less, given the amount of new residential development in the study area since 2000.

While the proposed action would introduce a substantial new population, that population would have similar socioeconomic characteristics compared to large segments of the existing population. The 812 units introduced by the proposed action would be offered at rents or sales prices above the 2000 median contract rent for the study area, but they would be comparable to residential rents and sales prices for other modern, newly-constructed market-rate units in the surrounding area (as discussed below). Similar to the existing study area population, the population occupying the proposed market-rate units would be expected to have household incomes above the median for Manhattan. Given the already high median household incomes in the study area, interested buyers purchasing the condominium units and renters of the market-rate rentals are more likely to reflect similar socioeconomic characteristics as existing residents.

2. It would directly displace uses or properties that have had a "blighting" effect on property values in the area.

Under the reasonable worst-case development scenario, the proposed action would consist of the proposed project on a vacant site and additional development on Lots 56, 57, 58, and 61. The zoning lot contains two 5-story pre-war residential buildings, and the remainder of the rezoning area contains a 1-story auto repair shop, a 4-story auto dealership, and a 6-story school building within its boundaries. The 6-story school building on the corner of West 60th Street and West End Avenue is new. The other buildings within the rezoning area are in fair condition and do not appear to be blighted. In addition to the fair physical condition of the above mentioned buildings and the distance between them and retail businesses located along the avenues, the office uses located south of West 58th Street are far enough away such that blight, were it to exist, would not affect these commercial property values.

As shown in Table 3-3, the median home value in the ¼-mile study area was approximately $487,000 in 2000. Although the 1990 median home value in the study area ($346,680) was 29

percent less than the median home value in Manhattan ($487,300), by 2000 median home values in the study area were about 35 percent higher than the median home value for Manhattan ($361,100) and 120 percent higher than the median home value for New York City ($221,200). Rental rates were similarly high. The median contract rent in the study area was approximately $1,344 per month in 2000—significantly higher than the median for Manhattan ($740 per month) and New York City ($646).[1]

Table 3-3
Housing Characteristics in the ¼-Mile Study Area

Area	Total Housing Units			Median Contract Rent			Median House Value *	
	1990	2000	% Change	1990	2000	% Change	1990	2000
¼-Mile Study Area	9,139	12,585	37.7	$834	$1,344	61.2	$346,680	$486,392
Manhattan	785,127	798,144	1.7	$630	$740	17.5	$487,300	$361,100
New York City	2,992,169	3,200,912	7.0	$590	$646	9.5	$189,600	$221,200

Notes:
1990 median contract rent is shown in constant 2000 dollars.
* Although 1990 and 2000 median house values are not comparable, 1990 data were still presented to show comparison to Manhattan and New York City.
Source: US Department of Commerce, Bureau of the Census, 1990 and 2000 Census, Summary File 1 and 3.

With median home values and contract rent in the study area being much higher than Manhattan and New York City, and with median contract rents increasing by 61 percent between 1990 and 2000, the existence of the auto repair shop and the three vacant buildings have not had a "blighting" effect on residential property values in the study area.

3. It would directly displace enough of one or more components of the population to alter the socioeconomic composition of the study area.

As stated above, the proposed action would not directly displace any residential population, and therefore would not alter the socioeconomic composition of the study area by means of direct displacement.

4. It would introduce a substantial amount of a more costly type of housing compared to existing housing and housing expected to be built in the study area by the time the action is implemented.

As previously discussed, the reasonable worst-case development scenario would introduce a total of 812 market-rate residential units into the ¼-mile study area, which represents less then 9 percent of the total housing units in 2000. Given the number of new residential developments that have been constructed within the study area since 2000, the percentage increase over the current housing stock would be less. According to Census data, median contract rent in the study area increased in real terms (year 2000 dollars) from $834 per month in 1990 to $1,344 per month in 2000—an increase of 61 percent (see Table 3-2). In comparison, median contract rents in Manhattan and New York City only increased by 18 and 10 percent, respectively.

[1] Contract rent is defined by the US Census Bureau as "the monthly rent agreed to or contracted for, regardless of any furnishings, utilities, fees, meals, or services that may be included."

Recent on-line listings from the Corcoran Group and Prudential Douglas Elliman websites showed a total of 250 listings for residential properties available for rent and for sale for the Upper West Side and Lincoln Square area. Out of the 250, 11 properties were listed that were located within the ¼-mile study area. The real estate listing showed that residential rental rates within the ¼-mile study area are now higher than what was reflected in the 2000 Census. For example, along West End Avenue is a 1-bedroom 1-bath apartment for about $2,300 per month, a 1-bedroom 1.5-bath condo unit located on 161 West 61st Street between Columbus and Amsterdam Avenues renting for approximately $3,400 per month, and one block south on West 60th Street are two residential buildings that have 2-bedroom, 2-bath units renting for $3,695 and $4,575 per month. Further east is 3 Lincoln Square, which has one bedroom 1.5 bath units for $3,700 and $4,000 per month.

Property listings for residential sales indicate a similar trend. A 2 bedroom 1 bath unit in a co-op building on 400 West 58th Street between Columbus and Amsterdam Avenues is selling for $895,000. A studio apartment on 142 West End Avenue is selling for approximately $400,000. A new residential building located on West 58th Street between Columbus and Amsterdam Avenues featured 16 two and three bedroom condominium units that sold for $1.4 million to a high of $5 million for a penthouse unit. High end apartments in existing buildings on West End Avenue include 2-bedroom 2-bath apartment for roughly $965,000, a 2-bedroom 2.5-bath condo unit located at 2 Columbus Avenue for almost $1.6 million, and a 4-bedroom 5-bath condo on 161 West 61st Street for approximately $12.8 million.

Overall, the reasonable worst-case scenario would not introduce a substantial amount of a more costly type of housing compared to existing housing and housing expected to be built in the study area by the time the proposed action is implemented. There is an existing trend toward increases in rents and sales prices in the neighborhood that would continue without or with the proposed project.

5. It would introduce a "critical mass" of non-residential uses such that the surrounding area becomes more attractive as a residential neighborhood complex.

In addition to the residential program, the reasonable worst-case development scenario would add a 100,000-gsf middle school, 10,340 gsf of retail space, and 4,420-gsf of medical office space. While these uses would benefit the existing residents of the study area, they would not make the area noticeably more attractive as a residential neighborhood complex because the study area is already part of an extremely desirably residential neighborhood, as evidenced by the high residential rents and sales prices.

The study area already has five elementary, middle and high schools with over 1 million gsf of space that serve existing residents; the addition of a 100,000 gsf middle school would not make the area a more attractive residential neighborhood.

The addition of 10,340 gsf of retail space is not significant enough to be considered a "critical mass" such that the area becomes more attractive as a residential neighborhood. Given the existence of approximately 1.5 million gsf of commercial and retail space within the study area, the new retail space would represent less than 1 percent of the total commercial and retail space, and therefore would not influence the desirability of the area's residential units. Similarly, the 4,420 gsf of medical offices would not be a critical mass of a non-residential use that would influence the desirability of a residential neighborhood. With St. Luke's-Roosevelt Hospital just southeast of the project site, the study area has several medical offices and health facilities.

The Lincoln Square area is already an attractive neighborhood that offers a variety of amenities that make it a desirable location. Lincoln Center for the Performing Arts (which houses the Metropolitan Opera House, Avery Fisher Hall, New York State Theater, and the Vivian Beaumont Theater), Fordham University, John Jay College of Criminal Justice, and Roosevelt Hospital are all located within the ¼-mile study area. Just outside of the ¼-mile study area other residential attractions, such as the Time Warner Center, Central Park, Riverside Park along the Hudson River and Lincoln Plaza Cinemas, and a selection of great restaurants all contribute to making the study area an attractive location. Furthermore, as discussed above, home values and rents in the study area are substantially higher than the medians for Manhattan and New York City, indicating that the area is already a desirable place to live.

6. It would introduce a land use that could have a similar indirect effect if it is large enough or prominent enough or combines with other like uses to create a critical mass large enough to offset positive trends in the study area, to impede efforts to attract investment to the area, or to create a climate for disinvestment.

Development resulting from the proposed action would not offset positive trends in the study area, impede efforts to attract investment, or create a climate for disinvestment. To the contrary, the proposed action—through the creation of 812 residential units, a 100,000 gsf middle school, 4,420 gsf of medical office space, and 10,340 gsf of ground-floor retail would create new employment opportunities and economic and fiscal benefits to the City in the form of economic revitalization and tax revenue. The proposed retail, middle school and medical office would draw new customers to the study area, many of whom would shop at existing commercial stores. The addition of 1,393 new residents into the study area would further benefit existing businesses in the ¼-mile study area.

Finally, the proposed action adds much needed housing in an area with high residential demand. As described in Chapter 2, "Land Use, Zoning, and Public Policy," the southern part of the study area is part of the Clinton Urban Renewal Area, which supports residential development, including a mix of other uses such as commercial, light manufacturing, cultural, and retail. Overall, the study area has experienced several zoning amendments that have encouraged new residential developments, such as the West End Towers on West End Avenue between West 61st and 64th Streets and River Center, a new residential, retail, and community facility development located on a block bounded by West 58th and 59th Streets between Tenth and Eleventh Avenues. The proposed development and the reasonable worst-case development scenario for the rezoning area would reflect and be compatible with the mixed-use land pattern of the study area. Therefore, the proposed action would continue the existing trend in the area from light manufacturing and auto-related uses to a neighborhood that is more oriented toward residential development. The proposed action would be consistent with the existing mix of commercial and residential uses in the study area, which has contributed to a climate for investment in the study area.

INDIRECT BUSINESS AND INSTITUTIONAL DISPLACEMENT

According to the Section 322.2 of the *CEQR Technical Manual*, in most cases the issue for indirect displacement of businesses or institutions is that an action would increase property values and thus rents throughout the study area, making it difficult for some categories of businesses to remain in the area. An action can lead to such indirect changes if (identified in italics below):

1. It introduces enough of a new economic activity to alter existing economic patterns.

Conditions and trends in employment and business in the study area show significant changes between 1990 and 2000. As of 2000, the zip code area most closely approximating the ¼-mile study area (zip code 10023) contained approximately 38,000 private-sector employees compared to almost 29,000 in 1990—an increase of approximately 31 percent (see Table 3-4). In comparison, over the same 10-year period, total private-sector employment in Manhattan increased by 4.0 percent and by 5.4 percent in New York City as a whole. Within the study area, the service sector had the highest number of employees in 2000 with almost 17,600 workers, followed by roughly 7,600 employees in the retail trade sector and roughly 6,000 employees in transportation and public utilities (TCPU). The construction and TCPU sectors had the largest gains in total employment between 1990 and 2000 with increases of 165 and 546 percents, respectively. In contrast, the manufacturing industry experienced the only decrease in total employment from 1,293 employees in 1990 to only 291 employees in 2000—a decrease of almost 78 percent.

Table 3-4
Private Sector Employment: 1990-2000

	¼-Mile Study Area			Manhattan			New York City		
	Employment		Percent Change	Employment		Percent Change	Employment		Percent Change
	1990	2000	1990-2000	1990	2000	1990-2000	1990	2000	1990-2000
Manufacturing	1,293	291	-77.5	186,600	139,500	-25.2	335,200	239,400	-28.6
Construction	185	491	165.4	35,000	34,500	-1.4	109,00	117,000	6.9
TCPU	925	5,975	545.9	109,100	89,500	-18.0	219,900	206,100	-6.3
Wholesale Trade	280	407	45.4	138,600	111,100	-19..8	208,300	181,300	-13.0
Retail Trade	5,506	7,553	37.2	196,600	233,400	18.7	382,200	424,600	11.1
FIRE	3,266	3,534	8.2	449,800	415,600	-7.6	512,000	483,900	-5.5
Services	15,371	17,595	14.5	736,000	898,900	22.1	1,124,000	1,388,600	23.5
All Other	121	127	5.0	6,000	8,900	48.3	11,900	18,500	55.5
Total Industry	28,937	37,973	31.2	1,857,700	1,931,400	4.0	2,902,900	3,059,400	5.4

Note: Employment numbers for some categories may be low due to suppression of data.
Source: New York State Department of Labor.

Similar to the study area, the largest employment sector in Manhattan was the service sector with almost 900,000 employees in 2000, followed by FIRE with roughly 416,000 employees and retail with about 230,000 employees. Sectors with employment losses in Manhattan between 1990 and 2000 included manufacturing (25 percent), wholesale trade (20 percent) and TCPU (18 percent). Similar to Manhattan, New York City's service sector had the highest number of employees in 2000 with almost 1.4 million workers, followed by FIRE (484,000 employees) and retail (425,000 employees).

Much of the study area's service-sector employment is attributable to educational services provided by institutional uses, such as Fordham University and John Jay College of Criminal Justice, as well as five public schools located throughout the study area. According to the Real Property Assessment Data (RPAD), there are over 2 million square feet of institutional uses within the ¼-mile study area.

Under the reasonable worst-case development scenario, the proposed action would introduce 812 residential units, a 100,000-gsf middle school, 4,420 gsf of medical office space and 10,340 gsf of ground-floor retail use. The ¼-mile study area currently has approximately 9,308 residential units, almost a million square feet of ground-floor retail, roughly 1.4 million square feet of office space, and about 2.4 million square feet of educational facilities. Therefore, the

uses to be introduced by the proposed action already exist within the area and would not be considered new economic activities.

The addition of a 100,000 gsf middle school would not be considered enough of a new economic activity to alter the existing economic pattern. With almost 1.5 million gsf of existing office space and approximately 1 million gsf of existing ground-floor retail—representing less than 1 percent of total office space and 1 percent of total retail—the addition of 4,420 gsf of medical office and 10,340 gsf of retail would not represent enough of a new economic activity that would alter the existing economic patterns within the ¼-mile study area.

Under the reasonable worst-case development scenario, the proposed action would also introduce a residential use to the study area. As described above, the ¼-mile study area already contains over 9,300 residential units. The 812 residential units that would be introduced by the proposed action would not represent enough of a new economic activity that would alter existing economic patterns.

2. It adds to the concentration of a particular sector of the local economy enough to alter or accelerate an ongoing trend to alter existing economic patterns.

Under the reasonable worst-case development scenario, the proposed action would introduce 812 residential units, a 100,000-gsf middle school, 4,420 gsf of medical office and 10,340 gsf of ground-floor retail. The study area is a mixed-use area with residential, retail, institutional and commercial office uses scattered throughout. The area east of the rezoning area is predominately institutional and cultural with Lincoln Center and Fordham University having a large presence in addition to John Jay College and St. Luke's-Roosevelt Hospital. The area north of the project site and west of Broadway is mostly residential with new residential buildings that have been constructed within the last five years. As discussed in Chapter 2, "Land Use, Zoning, and Public Policy," several past zoning amendments in the study area have encouraged the trend toward increased residential use. Continuing this trend, in the future without the proposed action 10 of the 11 No Build projects in the study area are residential developments (see Table 2-1 for further detail). Therefore, the 812 additional residential units resulting from the worst-case development scenario would not accelerate an ongoing trend; it would reflect the existing trend of residential and retail development in the area.

Although the study area does not have much office space, the majority of what exists is located south of West 59th Street. With the exception of two office buildings—one with just under 1 million gsf and the other with less than 200,000 gsf—most of the office buildings within the ¼-mile study area are less than 55,000 gsf and less than 9-stories in height. As discussed above, the addition of 4,420 gsf of medical office in the study area represents less than 1 percent of what already exists and would therefore not be significant enough to alter or accelerate an ongoing trend to alter existing economic patterns.

Similarly, the addition of 10,340 gsf of neighborhood retail into an area with a heavy presence of retail (almost 1 million gsf) would not generate enough economic activity to alter existing economic patterns.

Under the reasonable worst-case development scenario, the proposed action would introduce a 100,000 gsf middle school to the study area. The study area currently has a strong institutional presence with Fordham University, John Jay College of Criminal Justice and the five primary and secondary schools. Therefore, the development of a middle school would not indirectly displace any businesses within the study area.

3. It directly displaces uses or properties that have had a "blighting" effect on commercial property values in the area, leading to rises in commercial rents.

Under the reasonable worst-case development scenario, the proposed action would consist of the proposed project on a vacant site and additional development on Lots 56, 57, 58, and 61. The zoning lot contains two 5-story pre-war residential buildings, and the remainder of the rezoning area contains a 1-story auto repair shop, a 4-story auto dealership, and a 6-story school building within its boundaries. With the exception of the new 6-story school building on the corner of West 60th Street and West End Avenue, the remaining buildings within the rezoning area are in fair condition and do not appear to be blighted. In addition, the fair physical condition of the above mentioned buildings and the distance between them and retail businesses located along the avenues and office uses located south of West 58th Street are far enough away such that blight, were it to exist, would not affect these commercial property values.

Most of the retail establishments in the study area are located along Columbus, Amsterdam Avenues and West End Avenues. According to real estate firm IGDNYC, Inc., the average asking rents for retail businesses in the Upper West Side range from $80 to $150 per square foot as of May 2005. Within the study area, the average asking rent for typical ground-floor retail establishments along Columbus and Amsterdam Avenues is approximately $110 per square foot. This is comparable to rents along First, Second, and Third Avenues in the Upper East Side and Midtown as well as retail rents along Sixth Avenue in Midtown.

The study area does not have much office space with the exception of a few buildings south of West 59th Street. Nevertheless, although the weighted average asking rent for office space in Midtown decreased from $53.56 per square foot in 1Q 2004 to $51.26 per square foot in 1Q 2005, they increased in the West Side district (which includes the ¼-mile study area) from $47.69 in 1Q 2004 to $50.18 per square foot by 1Q 2005.[1] According to Newmark Realty, the midtown office market is expected to grow throughout 2005.

4. It directly displaces 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

Although the reasonable worst-case development scenario is expected to directly displace an auto repair shop, the repair shop does not directly support any businesses in the ¼-mile study area or create a customer base for the local businesses. As already mentioned, the ¼-mile study area is a mixed-use area with residential, commercial and institutional uses. The existing local retail and office businesses in the study area do not directly depend on the auto repair shop for bringing their customer base. Other uses in the area include a Con Edison facility, CBS studio and educational facilities which also do not directly depend on the auto repair shop for support.

5. It directly or indirectly displaces residents, workers, or visitors who form the customer base of existing businesses in the area.

The proposed action would directly displace approximately 5 workers from the auto repair shop located in the rezoning area. This is an insignificant number of potential customers when considering that the proposed action would generate an estimated 137 new permanent jobs in the study area through the introduction of a 100,000 gsf middle school, 4,420 gsf of medical office, and 10,340 gsf of ground-floor retail. In addition, the new retail, institutional, and medical office uses would draw new customers to the study area, which would benefit existing businesses

[1] Newmark Office Market Report, Manhattan 1Q 2005.

within the ¼-mile study area. Finally, the 1,393 new residents expected to be generated by the reasonable worst-case development scenario would also serve as an additional new customer base for existing businesses in the ¼-mile study area.

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

Development resulting from the proposed action would not offset positive trends in the study area, impede efforts to attract investment, or create a climate for disinvestment. To the contrary, the proposed action would create new employment opportunities and economic and fiscal benefits to the City in the form of economic revitalization and tax revenue. The retail and medical offices would draw new customers to the study area, some of whom would shop at existing commercial stores. The addition of 1,393 new residents into the study area would further benefit existing businesses in the ¼-mile study area.

Finally, the proposed action would add much needed housing in an area with high residential demand. As described in Chapter 2, "Land Use, Zoning, and Public Policy," the southern part of the study area is part of the Clinton Urban Renewal Area, which supports residential development, including a mix of other uses such as commercial, light manufacturing, cultural, and retail. In addition, the study area has experienced several zoning amendments that have encouraged new residential developments such as the West End Towers on West End Avenue between West 61st and 64th Streets and River Center, a new residential, retail, community facility development located on a block bounded by West 58th and 59th Streets between Tenth and Eleventh Avenues. The proposed action would reflect and be compatible with the mixed-use land pattern of the study area. Therefore, the proposed action would continue the existing trend in the area from light manufacturing and auto-related uses to a neighborhood that is more oriented toward residential development. The proposed action would be consistent with the existing mix of commercial and residential uses in the study area, which has contributed to a climate for investment in the study area.

ADVERSE EFFECTS ON SPECIFIC INDUSTRIES

The proposed action would not have an adverse effect on a specific industry. According to Section 323 of the *CEQR Technical Manual*, an adverse impact may occur when an action significantly affects business conditions in any industry or category of businesses within or outside the study area, or it indirectly substantially reduces employment or impairs the economic viability in the industry or category of business. The proposed action would have neither of these effects. The displaced auto repair shop is not critical to any industry or category of business. The study area contains a well-established retail presence that would be complemented by the proposed project's additional retail space. The project's residential and retail components would attract new customers to the study area, some of whom would shop at existing commercial stores. ✷