

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 2014 *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. The Proposed Actions are, by design, intended to facilitate change in East Harlem. The objective of the CEQR analysis is to disclose whether any of these changes would have result in significant impacts when compared with what could happen in the future without the Proposed Actions.

The *CEQR Technical Manual* guidelines recommend examination of five ways in which a project could alter socioeconomic conditions: (1) direct residential displacement; (2) direct business displacement; (3) indirect residential displacement; (4) indirect business displacement; and (5) adverse effects on specific industries. The *CEQR Technical Manual* defines thresholds for analysis for each of the five categories. According to the *CEQR Technical Manual*, direct displacement of less than 500 residents would not typically be expected to substantially alter the socioeconomic character of a neighborhood and, thus, would not warrant a direct residential displacement analysis. For direct business displacement, the *CEQR Technical Manual* notes that direct displacement of more than 100 employees, or displacement of any business that is unusually important because its products or services are uniquely dependent on its location, are subject of policies or plans aimed at its preservation, or that serves a population uniquely dependent on its services in its present location could potentially alter the socioeconomic character of a neighborhood and would warrant a preliminary analysis of direct business displacement. According to the *CEQR Technical Manual*, residential development of 200 units or less or commercial development of 200,000 square feet or less would typically not result in significant socioeconomic impacts and would not trigger the need for indirect residential or indirect business displacement analyses. Finally, if the project is expected to affect conditions within a specific industry, a preliminary assessment of adverse impacts on a specific industry would be warranted.

As detailed in Section B, “Methodology,” the Proposed Actions could directly displace an estimated 27 residents, well below the 500-person threshold warranting assessment. However, the Proposed Actions could directly displace an estimated 209 employees, which is above the threshold warranting assessment of potential significant adverse impacts due to direct business displacement. In addition, the Proposed Actions would result in residential development in excess of 200 units, and commercial development in excess of 200,000 square feet; therefore, assessments of indirect residential and business displacement are warranted. Finally, given that the Proposed Actions may directly and/or indirectly displace businesses, an assessment of potential adverse effects on specific industries is warranted.

PRINCIPAL CONCLUSIONS

DIRECT RESIDENTIAL DISPLACEMENT

A screening-level assessment finds that the Proposed Actions would not result in significant adverse socioeconomic impacts due to direct residential displacement. Under the Reasonable Worst-Case Development Scenario (RWCDS), by 2027 the Proposed Actions could directly displace an estimated 27 residents living in 11 dwelling units (DUs). Four DUs are located on Projected Development Site 11 (Block 1772, Lots 33, 34, 35, 37, 38, 39, 134, and 140) and seven DUs are located on Projected Development Site 26 (Block 1655, Lots 29 and 24). Based on the average household size of the community district in which the DUs are located,¹ an estimated 27 residents live in the 11 affected DUs.

It should be noted that the estimate of potential direct displacement associated with the RWCDS assumes that approximately 160 DUs could be displaced from Projected Development Sites in the future without the Proposed Actions (the No Action Condition). The residents that are assumed to be potentially displaced in the No Action Condition are not considered displaced in the future with the Proposed Actions (the With Action Condition). For the purposes of the CEQR analysis displacement that could be expected to occur absent the Proposed Actions is not attributed to the Proposed Actions.

According to the *CEQR Technical Manual*, direct displacement of fewer than 500 residents would not typically be expected to substantially alter the socioeconomic character of a neighborhood. The potentially displaced residents represent less than one-half of one percent of the estimated 181,236 residents within the socioeconomic study area,² and therefore this potential direct displacement would not substantially alter the socioeconomic character of the neighborhood.

DIRECT BUSINESS DISPLACEMENT

A preliminary assessment finds that the Proposed Actions would not result in significant adverse impacts due to direct business displacement. According to the *CEQR Technical Manual*, displacement of more than 100 employees warrants a preliminary assessment. Projected development generated by the Proposed Actions and the associated RWCDS by the 2027 Analysis, or “Build Year,” could directly displace 14 businesses and an estimated 209 jobs associated with those businesses. These 14 businesses are located on eight Projected Development Sites.³

¹ The estimated number of residents who could be directly displaced is based on the U.S. Census Bureau’s 2010–2014 ACS estimates of the average household size of renter-occupied homes within the Manhattan Community District 11 (2.41 people per DU).

² The socioeconomic study area is the area within which the Proposed Actions could directly or indirectly affect socioeconomic conditions. As detailed under “Study Area Definition” in **Section B** below, the socioeconomic study area captures an approximately ½-mile area surrounding the Project Area, including portions of the Upper East Side, East Harlem, and Central Harlem (see **Figure 3-1**).

³ There are a number of businesses that could be displaced in the No Action Condition because of development projects unrelated to the Proposed Actions; the businesses displaced in the No Action Condition are not considered displaced by the Proposed Actions in the With Action Condition because displacement could occur regardless of the Proposed Actions.

The 14 businesses that could be directly displaced under the RWCDs include one Construction sector business, six Retail Trade sector businesses, one Educational Services sector business, two Accommodation and Food Services businesses, and four “Other Services (except Public Administration)” businesses. The 14 businesses do not represent a majority of study area businesses or employment for any given industry sector. While all businesses contribute to neighborhood character and provide value to the City’s economy, because there are alternative sources of goods, services, and employment provided within the socioeconomic study area, the potentially displaced businesses are not of critical value to the socioeconomic conditions of the area as defined by CEQR. 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. The Proposed Actions and associated RWCDs would result in the incremental development over the No Action Condition of 164,955 square feet (sf) of commercial space, 132,394 sf of manufacturing space, and 105,042 sf of community facility space. Comparable services and employment opportunities to those provided by directly displaced commercial businesses could be provided as part of the Proposed Actions.

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 and associated RWCDs would result in an increment of 3,488 DUs above the No Action Condition and a net increase of approximately 8,371 residents.⁴ In aggregate, the residents of the affordable and market-rate units resulting from the Proposed Actions could have an average household income that would be above the average household income of the existing study area populations.

While the Proposed Actions could add new population with a higher average household income as compared with existing study area households, there is already a readily observable trend toward higher incomes and new market-rate residential development in the study area. According to U.S. Census data, the average and median gross rents in the study area have increased by approximately 38 and 34 percent, respectively, between 2000 and the 2011–2015 American Community Survey (ACS). Further, the Proposed Actions would be expected to introduce more affordable housing than conditions in the future without the Proposed Actions. In this respect, the Proposed Actions could serve to maintain a more diverse demographic within the study area as compared with the future without the Proposed Actions, in which projects will continue the trend towards rising residential rents, as well as incomes in the study area.

INDIRECT BUSINESS DISPLACEMENT

A preliminary assessment finds that the Proposed Actions would not result in significant adverse impacts due to indirect business displacement. The concern under CEQR is whether the Proposed Actions could lead to changes in local market conditions that could, in turn, lead to increases in commercial property values and rents within the study area, making it difficult for some categories of businesses to remain in the area. Another concern under CEQR is whether the Proposed Actions could lead to displacement of a use type that directly supports businesses in the study area or brings people to the area that forms a customer base for local businesses.

⁴ The estimated number of incremental residents is based on the U.S. Census Bureau’s 2010–2014 ACS estimates of the average household size of renter-occupied homes within the Manhattan Community District 11 (2.41 people per DU).

East Harlem Rezoning

Both the Project Area and study area have well-established residential, retail, office and manufacturing uses and markets such that the Proposed Actions would not add a new economic activity or add to a concentration of a particular sector of the local economy enough to significantly alter or accelerate existing economic patterns. The Proposed Actions would add an increment above the No Action Condition of 3,488 DUs, including a substantial amount of permanently affordable units, which would help to ensure there is a range of household incomes maintained within the study area. Ensuring a range of household incomes would help to preserve the existing range of price points and variety in retail offerings because people of different income levels would create the varied demands for goods at different price points. The Proposed Actions and associated RWCDs would also result in an increment of 133,426 sf of commercial (grocery, restaurant, and destination retail) space. The retail space resulting from the Proposed Actions would be less than what would be added in the No Action Condition, and would not exceed the threshold to potentially alter or accelerate existing trends. The office space (an increment of 143,212 sf) and manufacturing space (an increment of 132,394 sf) resulting from the Proposed Actions and associated RWCDs would create opportunities for companies to locate in East Harlem, providing quality jobs to residents, and helping maintain the mixed-use character of the study area.

The Proposed Actions would not directly displace uses that provide substantial direct support for businesses in the area (such as a transfer station for a waste management firm) or that bring people into the area that form a substantial portion of the customer base for local businesses. The Proposed Actions would result in increasing economic activity in an area where commercial corridors are currently fragmented. Further, the Proposed Actions' estimated 8,371 residents and 1,544 employee populations generated by the Proposed Actions on the Projected Development Sites would become new customers at many of the existing retail businesses in the Project Area and study area, and the mix of market-rate and affordable DUs resulting from the Proposed Actions RWCDs would maintain a diverse customer base to shop at retail stores offering products at a range of price points.

ADVERSE EFFECTS ON SPECIFIC INDUSTRIES

A preliminary assessment finds that the Proposed Actions would not result in significant adverse impacts due to adverse effects on specific industries. An analysis is warranted if a substantial number of residents or workers depend on the goods or services provided by the affected businesses or if it would result in the loss or substantial diminishment of a particularly important product or service within the industry. The Proposed Actions would not significantly affect the business conditions in any industry or any category of business within or outside the study area. By 2027, the Proposed Actions and associated RWCDs could directly displace an estimated 14 businesses and 209 employees. The businesses that could be displaced do not represent a critical mass of businesses within any City industry, category of business, or category of employment. Although these businesses are valuable individually and collectively to the City's economy, the goods and services offered by potentially displaced uses can be found elsewhere within the socioeconomic study area, within a broader trade area, and within the City as a whole. The products and services offered by the potentially displaced businesses are not expected to be essential to the viability of other businesses within or outside the study area. The Proposed Actions would not result in significant indirect business displacement, and therefore would not indirectly substantially reduce employment or have an impact on the economic viability in any specific industry or category of business.

B. METHODOLOGY

The objective of a socioeconomic conditions analysis is to disclose whether any changes resulting from a project would have a significant adverse impact compared with what would happen in the future if the project was not completed. Even when socioeconomic changes would 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.

Changes to an area's socioeconomic character may occur directly or indirectly as a result of a project. Direct (or primary) displacement is defined by CEQR as the involuntary displacement of residents or businesses from a site or sites directly affected by a proposed project. Examples of direct displacement include a proposed redevelopment of a currently occupied parcel for a new use or structure, or a proposed easement or right-of-way that would take a portion of a parcel, rendering it unfit for its current use.

Indirect (or secondary) displacement is defined by CEQR as the involuntary displacement of residents, businesses, or employees that results from a change in socioeconomic conditions created by a proposed action. Examples of indirect displacement include lower-income residents forced out due to rising rents caused by a new concentration of higher-income housing introduced by a project, or a similar turnover of industrial uses being forced out in favor of higher-paying commercial tenants attracted to an area because of a successful office project.

If a project does not affect an area's socioeconomic characteristics directly or indirectly, it may still affect the operation of a major industry or commercial operation in the City. An example would be the implementation of new regulations that restrict a certain process that is vital to a particular industry. In these cases, the effect of a proposed action on a particular industry is analyzed.

For a project covering a large geographic area, such as an area-wide rezoning, the precise location and type of potential future development may not be known because it is not possible to determine with certainty the actions of private property owners, whose future development plans are tied to the terms of private contracts and leases. In such cases (including for this analysis), sites are analyzed under a RWCDs to illustrate a conservative assessment of potential effects of a proposed action on sites considered likely to be redeveloped. While socioeconomic conditions can change (i.e., populations decreasing or businesses turning over), the socioeconomic conditions analysis is a density-based technical analysis and anticipated development on projected development sites form the bases for the impact assessment.

The analysis of the Proposed Actions is based on a RWCDs that includes development projected to be completed within the 10-year analysis window (by the 2027 Build Year) on Projected Development Sites. By the 2027 Build Year, under the RWCDs used for this analysis, the Proposed Actions would result in the incremental development within the Project Area of: 3,488 DUs including affordable DUs; 164,955 sf of commercial space; 105,042 sf of community facility space; and 132,394 sf of manufacturing space. The following sections describe how the Proposed Actions are analyzed.

DETERMINING WHETHER A SOCIOECONOMIC ASSESSMENT IS APPROPRIATE

Based on *CEQR Technical Manual* guidelines, a socioeconomic assessment should be conducted if a project may be reasonably expected to spur socioeconomic changes within an area that

would not have experienced such changes if the project did not occur. This section presents the *CEQR Technical Manual* threshold circumstances that can lead to socioeconomic changes warranting further analysis, and compares those thresholds (numbered in bold italics below) to the Proposed Actions' RWCDS.

1. Direct Residential Displacement: Would the project directly displace population to the extent that the socioeconomic character of the neighborhood would be substantially altered? Displacement of less than 500 residents would not typically be expected to alter the socioeconomic character of a neighborhood.

Under the RWCDS, by 2027 the Proposed Actions could directly displace an estimated 27 residents living in 11 DUs. There are currently a total of 583 DUs on the projected development sites within the Project Area. As a result of development projected to occur on development sites in the future without the Proposed Actions, residents of 160 of those DUs could be displaced in the No Action Condition. The residents displaced in the No Action Condition are not considered displaced by the Proposed Actions. Of the remaining 423 DUs, the RWCDS development could displace residents living in 11 DUs on two projected development sites, with 412 DUs remaining (i.e., not displaced) on Projected Development Site 4. Four out of the 11 DUs are located on Projected Development Site 11, located on Third Avenue between East 123rd and East 124th Streets (Block 1772, Lots 33, 34, 35, 37, 38, 39, 134, and 140) and seven DUs are located on Projected Development Site 26, located at the southwest corner of Second Avenue and East 106th Street (Block 1655, Lots 29 and 24). Based on the average household size of the community district in which the DUs are located,⁵ an estimated 27 residents live in the 11 DUs.

According to the *CEQR Technical Manual*, direct displacement of less than 500 residents would not typically be expected to alter the socioeconomic character of a neighborhood. The 27 potentially displaced residents represent less than one-tenth of one percent of the socioeconomic study area population (181,236 residents), and less than one-half of a percent of the Mid-East Harlem subarea⁶ population (38,057 residents); therefore, the displacement does not have the potential alter the socioeconomic character of the neighborhood. No further assessment of direct residential displacement is warranted.

2. Direct Business Displacement: Would the project directly displace more than 100 employees, or would it displace any business that is unusually important because its products or services are uniquely dependent on its location, are subject of policies or plans aimed at its preservation, or that serves a population uniquely dependent on its services in its present location?

By 2027, the Proposed Actions and associated RWCDS could directly displace up to 14 businesses located on the Projected Development Sites. The 14 businesses include a one Construction sector business, six Retail Trade sector businesses, one Educational Services sector business, two Accommodation and Food Services sector businesses, and four "Other Services

⁵ The estimated number of residents who could be directly displaced is based on the U.S. Census Bureau's 2010–2014 ACS estimates of the average household size of renter-occupied homes within the Manhattan Community District 11 (2.41 people per DU).

⁶ For the purposes of the Indirect Residential Displacement analysis, which focuses on the effects of the Proposed Actions on the local area residential markets, in addition to the Socioeconomic Study Area, the analysis examines the potential for indirect displacement effects within the three subareas: East Harlem North, Mid-East Harlem, and East Harlem South (see **Figure 3-1**).

(except Public Administration)” sector businesses. Based on employment density ratios widely used in CEQR analyses, there are an estimated 209 employees associated with the 14 potentially displaced businesses. The number of potentially displaced employees exceeds the 100-employee threshold and, as such, further analysis of direct business displacement is warranted and is included in Section C, “Preliminary Assessment.”

3. Indirect Residential and Business Displacement due to increased rents: Would the project result in substantial new development that is markedly different from existing uses, development, and activities within the neighborhood? Residential development of 200 units or less or commercial development of 200,000 square feet or less would typically not result in significant socioeconomic impacts.

The Proposed Actions and associated RWCDS would result in the incremental development of 3,488 DUs, well over the 200-unit threshold warranting assessment of potential indirect residential displacement. While there would be a reduction in hotel, storage, and automotive commercial uses, there would be an increase in retail and office uses that would exceed the 200,000 sf threshold. As such, an analysis of potential indirect business displacement is also warranted. Both indirect displacement analyses are included in Section C, “Preliminary Assessment.”

4. Indirect Business Displacement due to market saturation: Would the project add to, or create, a retail concentration that may draw a substantial amount of sales from existing businesses within the study area to the extent that certain categories of business close and vacancies in the area increase, thus resulting in a potential for disinvestment on local retail streets? Projects resulting in less than 200,000 square feet of retail on a single development site would not typically result in socioeconomic impacts.

Based on *CEQR Technical Manual* guidelines, an assessment of potential business displacement due to retail market saturation (i.e., competition) is not warranted. The Proposed Actions and associated RWCDS would introduce an increment of up to approximately 133,426 sf of commercial (grocery, restaurant, destination retail) uses, which is below the *CEQR Technical Manual* 200,000 sf threshold for assessment. In addition, the commercial space would not be concentrated on a single site, but would be distributed among the projected development sites within the Project Area. The 133,426 sf of commercial space is intended to fill in the gaps between existing retail and service establishments along commercial corridors in the study area, and add complementary retail and services for the exiting population as well as the population introduced by the Proposed Actions. The Proposed Actions are not expected to add to, or create, a retail concentration that may draw a substantial amount of sales from existing businesses within the study area to the extent that certain categories of business close and vacancies in the area increase. Therefore, the Proposed Actions would not have the potential to result in disinvestment on local retail streets due to retail market saturation and associated competitive effects.

5. Adverse Impacts on Specific Industries: Is the project expected to affect conditions within a specific industry? An analysis is warranted if a substantial number of residents or workers depend on the goods or services provided by the affected businesses or if it would result in the loss or substantial diminishment of a particularly important product or service within the industry.

As noted in the responses to screening questions 2 and 3 above, the Proposed Actions could result in direct and indirect business displacement. As such, an assessment is warranted in order

to understand whether a substantial number of residents or workers depend on the goods or services provided by the affected businesses. Section C, “Preliminary Assessment” addresses whether the Proposed Actions could significantly affect business conditions in any industry or category of business within or outside the study area, or whether they could substantially reduce employment or impair viability in a specific industry or category of business.

Based on the above screening assessment, the Proposed Actions warrant further assessment of direct business displacement, indirect residential displacement, indirect business displacement due to increased rents, and adverse effects on specific industries.

ANALYSIS FORMAT

Following *CEQR Technical Manual* guidelines, the socioeconomic analysis begins with a screening assessment that determines the need for a preliminary assessment. As described above, for one of the five areas of concern—direct residential displacement—the potential effects of the Proposed Actions did not warrant a preliminary assessment. For the four other areas of socioeconomic concern—direct business displacement, indirect residential displacement, indirect business displacement, and adverse effects on specific industries—preliminary assessments were conducted.

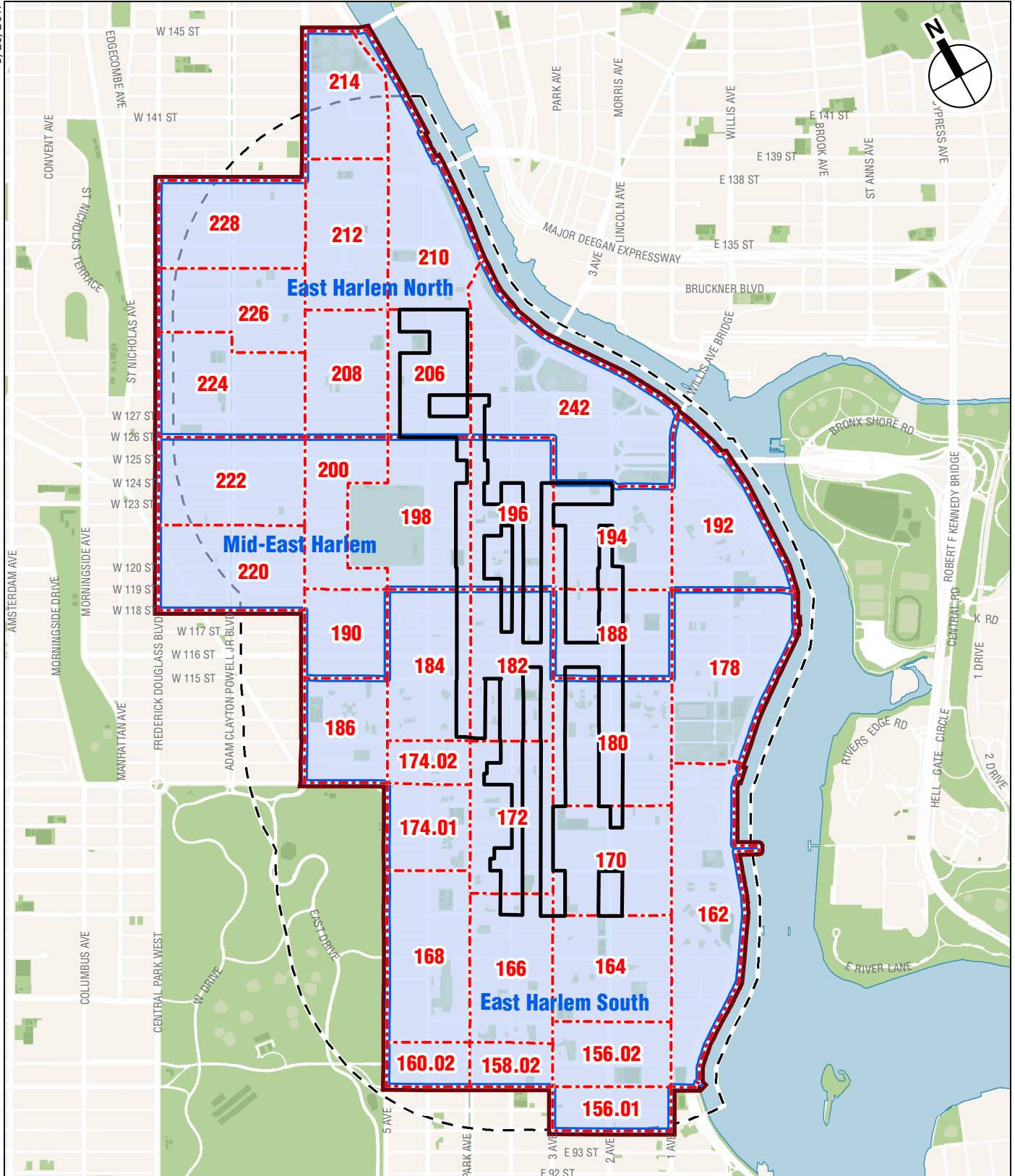
The preliminary assessments are conducted to learn enough about the potential effects of the Proposed Actions to either rule out the possibility of significant adverse impacts or determine that a more detailed analysis is required to fully determine the extent of the impacts. A detailed analysis is designed to examine existing conditions and then evaluate the changes to those conditions in the With Action Condition as compared with the changes that would be expected in the No Action Condition. For all four areas of concern—direct business displacement, indirect residential displacement, indirect business displacement, and adverse effects on specific industries—a preliminary assessment was sufficient to conclude that the Proposed Actions would not result in any significant adverse socioeconomic impacts.

STUDY AREA DEFINITION

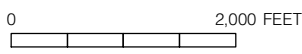
A socioeconomic study area is the area within which the Proposed Actions could directly or indirectly affect population, housing, and economic activities. A study area typically encompasses a project area and adjacent areas within approximately 400 feet, ¼ mile, or ½ mile, depending upon the project size and area characteristics. According to the *CEQR Technical Manual*, the larger ½-mile study area is appropriate for projects that would potentially increase the ¼-mile area population by more than five percent. Under the RWCDs, the Proposed Actions would increase the ¼-mile area population by approximately 8,406 people (6.19 percent), warranting a larger study area.

Because 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 ½-mile radius surrounding the Project Area). For this analysis, the census tracts that comprise the “socioeconomic study area,” or “study area,” are shown in **Figure 3-1**. The adjusted study area captures an approximately ½-mile area surrounding the Project Area, including portions of Central Harlem, East Harlem, and the Upper East Side.

The approximately 96-block Project Area, shown in **Figure 3-1**, lies at the center of the socioeconomic study area and is the focus of analysis. The Project Area is generally bounded by East 104th Street to the south, East 132nd Street to the north, Park Avenue to the west and



- Project Area
- 1/2-mile boundary
- Census Tracts >50% within 1/2-mile Boundary
- Socioeconomic Study Area
- Socioeconomic Study Area Sub-Areas



Second Avenue to the east. The Project Area is occupied with 68 projected development sites, and 34 potential development sites. The projected development sites are the sites most likely to experience redevelopment under the Proposed Actions within the 10-year analysis period. The 34 potential development sites are less likely to be redeveloped by 2027. Therefore, the program associated with these sites is not included in the assessment of the 2027 With Action Conditions.

For area-wide rezoning projects that cover multiple neighborhoods and distinct residential markets, according to the *CEQR Technical Manual* it is appropriate to also consider subareas within the study area. Therefore, for the purposes of the “Indirect Residential Displacement analysis,” which focuses on the effects of the Proposed Actions on the local area residential markets, in addition to the study area, the analysis examines the potential for indirect displacement effects within the following subareas (identified in **Figure 3-1**):

- **East Harlem South:** The East Harlem South subarea is roughly bounded by 115th and 119th Streets to the north; the East River to the east; East 94th and East 96th Streets to the south; and Fifth Avenue to the west.
- **Mid-East Harlem:** The Mid-East Harlem subarea is roughly bounded by 126th Street to the north; the East River to the east; 115th and 119th Streets to the south, and Frederick Douglas Boulevard to the west; and
- **East Harlem North:** This subarea is roughly bounded by West 145th Street to the north, the East River to the east, 126th Street to the south, and Frederick Douglas Boulevard to the west.

DATA SOURCES

Information used in the analyses of direct and indirect residential displacement—including population, housing, rents, and incomes—were gathered from the U.S. Census Bureau’s 2000 Census and 2011–2015 Census American Community Survey (ACS) using Social Explorer. Social Explorer is a demographic data visualization and research website that agglomerates a variety of data including data from the U.S. Census and ACS. Study area market-rate asking rents were researched using online real estate listing sites, including StreetEasy. StreetEasy is a searchable online database that uses web data extraction to compile an aggregated list of residential property listings from most of New York City’s largest brokerage firm and hundreds of small-scale brokers. Rent regulated housing units in the study area were identified using the Furman Center’s CoreData database of subsidized housing, the New York City Housing Authority (NYCHA) interactive map online, and 2016 MapPLUTO data. Information on the prevalence of rent regulated housing in East Harlem was provided by New York City Department of Housing Preservation & Development (HPD) Division of Research and Evaluation, 2016.

The assessments of business and potential effects on specific industries consider business and employment trends in the study area, compared with those in New York County (Manhattan) and New York City (NYC). The data for the study area that were used to estimate the total number and types of businesses and jobs were based on the New York State (NYS) Department of Labor (DOL) Quarterly Census of Employment and Wages (QCEW) for the third quarter of 2014. QCEW Data on New York County and New York City were gathered by AKRF, Inc. for the third quarter of 2014. The QCEW data for the socioeconomic study area were compiled at the census-tract level by the New York City DCP Housing, Economics, and Infrastructure Planning (HEIP) Division in September 2016. QCEW Data were augmented by tenant information available through the DOF property search tool and by 2016 MapPLUTO Data.

The above-described data were supplemented by numerous field surveys conducted by AKRF staff during the fall of 2016. During the field surveys, AKRF staff characterized land uses and economic activities. Further, AKRF staff identified businesses that could be directly displaced by projected development. AKRF staff field surveys were supplemented by on-line information including websites of businesses that would be directly displaced under the RWCDs as well as Google Street View. Employment estimates are based on AKRF field observations and standard industry employment density ratios commonly used for CEQR analysis. Employment density ratio calculations are based partly on the size of the building in which the business is located. Building square footage data was obtained from MapPLUTO.

C. PRELIMINARY ASSESSMENT

DIRECT BUSINESS DISPLACEMENT

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

As detailed below, under the RWCDs, projected development generated by the Proposed Actions could directly displace 14 businesses and an estimated 209 jobs associated with those businesses. As such, a preliminary assessment of direct business displacement was conducted, examining the employment and business value characteristics of the potentially affected businesses. The analysis begins with a description of overall business activities within the study area. It then describes the businesses and employment that could be directly displaced by the Proposed Actions and associated RWCDs. CEQR assessment criteria are used to determine whether such displacement could result in significant adverse impacts.

PROFILE OF PRIVATE EMPLOYMENT IN THE SOCIOECONOMIC STUDY AREA

As of 2014, there were an estimated 50,503 employees in the socioeconomic study area (see **Table 3-1**). These employees represented 2.4 percent of Manhattan's total private employment, and approximately 1.5 percent of New York City's total private employment.

The economic sector with the highest employment in the socioeconomic study area was Health Care and Social Assistance, representing approximately 45 percent of total employment. This is a much higher percentage of total employment as compared with Manhattan and New York City, where 10.9 and 18.5 percent, respectively, are employed in the Health Care and Social Assistance sector. In the study area, 5,617 Health Care and Social Assistance employees work in Social Assistance and with another 2,465 working in Ambulatory Health Care Services. Several of the Health Care and Social Assistance employers located throughout the study area include Harlem United, Settlement Health Services, East Harlem Life Plan, Boriken Neighborhood Health Center, East Harlem Health Center, Helen B. Atkinson Health Center, The Ralph Lauren Center for Cancer Care and Prevention, Institute for Family Health, VA Harlem Community Clinic, and Mount Sinai Hospital.

**Table 3-1
2014 Private Employment in Socioeconomic Study Area,
Manhattan, and New York City**

	Socioeconomic Study Area		Manhattan		New York City	
	Employees	%	Employees	%	Employees	%
Agriculture, Forestry, Fishing and Hunting	0	0	124	0.01	220	0.01
Mining	0	0	30	>0.01	70	>0.01
Utilities	0	0	5,695	0.3	14,993	0.4
Construction	1,311	2.6	35,691	1.7	128,756	3.8
Manufacturing	223	0.4	25,345	1.2	75,731	2.2
Wholesale Trade	120	0.2	74,764	3.6	134,289	3.9
Retail Trade	4,595	9.1	164,836	8.0	346,998	10.0
Transportation and Warehousing	D ³	D	15,915	0.8	108,035	3.0
Information	123	0.2	150,919	7.3	170,849	5.0
Finance and Insurance	455	0.9	284,629	13.8	332,752	9.4
Real Estate, Rental & Leasing	1,766	3.5	80,028	3.9	122,484	3.6
Professional, Scientific, & Tech. Services	786	1.6	327,699	15.9	367,461	10.7
Management of Companies and Enterprises	249	0.5	61,097	3.0	67,894	2.0
Administrative & Support & Waste Management & Remediation	639	1.3	137,352	6.7	207,537	6.0
Educational Services	8,957	17.7	93,525	4.5	149,791	4.4
Health Care & Social Assistance	22,757	45.1	224,074	10.9	635,338	18.5
Arts, Entertainment, and Recreation	577	1.1	59,857	2.9	80,465	2.3
Accommodation & Food Services	3,264	6.5	215,683	10.5	326,663	9.5
Other Services (except Public Administration)	2,369	4.7	98,265	4.8	161,803	4.7
Unclassified	D	D	6,901	0.3	20,605	0.6
Total	50,503	100	2,062,430	100	3,436,792	100

Notes:

- Private employee counts for the socioeconomic study area are based on an aggregate of values from the QCEW, 3Q 2014 for the following 2010 Census Tracts: 156.01, 156.02, 158.02, 160.02, 162, 164, 166, 168, 170, 172, 174.01, 174.02, 178, 180, 182, 184, 186, 188, 190, 192, 194, 196, 198, 200, 206, 208, 210, 212, 214, 220, 222, 224, 226, 228, and 242.
- The number of the private sector employees in Manhattan and New York City is equal to the average number of employees in the first three months of 3Q 2014.
- To avoid disclosing data for individual employees, the following sectors were considered non-disclosable and were symbolized with a 'D': Transportation and Warehousing; and Unclassified and Non-Disclosable. The number of non-disclosable employees is included in the total employee count to provide an accurate representation of the number of employees.

Sources:
 NYSDOL QCEW, 3Q 2014; NYSDOL QCEW, 3Q 2014 data was provided at the census tract-level for the socioeconomic study area by DCP HEIP Division (September 2016).

The next largest economic sector is Educational Services, with approximately 18 percent of employment in the study area. In Manhattan and New York City, the Educational Services sector represented 4 percent of employees each. Within the study area, educational services such as the Silberman School of Social Work, Harlem Academy, New York College of Podiatric Medicine, CUNY School of Public Health, Success Academy Harlem East, and East Harlem Tutorial Program are concentrated between Fifth Avenue and Third Avenue.

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The third and fourth largest economic sectors in the study area are Retail Trade and Accommodation and Food Services with approximately 9 and 7 percent of study area employment, respectively. In Manhattan and New York City, the Retail Trade sector represented 8 and 10 percent of employees, respectively; and the Accommodation and Food Services sector represented 11 and 10 percent, respectively.

Two industry sectors—Finance and Insurance; and Professional, Scientific, and Technical Services—represent significantly lower levels of employment in the study area as compared with Manhattan or New York City. The Finance and Insurance industry represents 0.9 percent of total study area employment, whereas in Manhattan and New York City, the industry represents 13.8 and 9.4 percent of employment, respectively. The Professional, Scientific, and Technical Services sector represents 1.6 percent of total study area employment, whereas in Manhattan and New York City, the industry represents 15.9 and 10.7 percent of employment, respectively.

PROFILE OF PRIVATE BUSINESSES IN THE SOCIOECONOMIC STUDY AREA

As of 2014, there were an estimated 2,934 private sector businesses within the socioeconomic study area (see **Table 3-2**). While Healthcare and Social Assistance accounted for the largest share of private employment in the study area, the Retail Trade industry sector accounted for the largest number of businesses (531 businesses, which is approximately 18 percent of all businesses in the study area). Locally serving retail businesses in the study area are concentrated along 125th Street, 116th Street, and Third Avenue and include small convenience stores such as BG Market, pharmacies such as the East End Pharmacy, hardware stores such as SMA Garden Hardware Inc., and furniture stores such as Schmuck Brothers. There is a concentration of destination retail businesses known as East River Plaza located east of Pleasant Avenue between East 116th and East 119th Streets. Retail businesses include Costco Wholesale, Target, PetSmart, Old Navy, Marshalls, Burlington Coat Factory, Best Buy, and Bob's Discount Furniture.

The second- and third-most prevalent private business sectors in the study area were “Other Services (except Public Administration),” and Health Care and Social Assistance, representing approximately 16 and 13 percent of study area businesses, respectively. The “Other Services (except Public Administration)” similarly represented approximately 16 percent of businesses in Manhattan and approximately 14 percent of businesses in New York City. Health Care and Social Assistance sector businesses are less represented in Manhattan (6 percent) and New York City (9 percent).

Table 3-2
2014 Private Businesses in Socioeconomic Study Area,
Manhattan, and New York City

	Socioeconomic Study Area		Manhattan		New York City	
	Firms	%	Firms	%	Firms	%
Agriculture, Forestry, Fishing, and Hunting	0	0	18	0.01	44	0.02
Mining	0	0	7	>0.01	11	>0.01
Utilities	0	0	18	0.01	64	0.02
Construction	144	3.9	2,178	1.7	12,656	4.9
Manufacturing	30	1.0	2,210	1.8	5,722	2.2
Wholesale Trade	38	1.3	8,431	6.7	15,238	5.9
Retail Trade	531	18.1	11,163	8.9	32,035	12.5
Transportation and Warehousing	D ³	D	773	0.6	4,715	1.8
Information	29	1.0	4,742	3.8	6,173	2.4
Finance and Insurance	66	2.2	8,202	6.6	11,949	4.7
Real Estate, Rental, and Leasing	329	11.2	10,832	8.7	20,715	8.1
Professional, Scientific, and Tech. Services	140	4.8	19,766	15.8	28,664	11.2
Management of Companies and Enterprises	15	0.5	1,194	1.0	1,501	0.6
Administrative and Support and Waste Management and Remediation	94	3.2	5,598	4.5	10,218	4.0
Educational Services	90	3.1	1,810	1.5	3,865	1.5
Health Care and Social Assistance	369	12.6	7,862	6.3	22,196	8.7
Arts, Entertainment, and Recreation	44	1.5	4,009	3.2	5,437	2.1
Accommodation and Food Services	319	10.9	9,506	7.6	20,848	8.1
Other Services (except Public Administration)	482	16.4	19,953	15.9	34,571	13.5
Unclassified and Non-Disclosable	D	D	6,875	5.5	19,794	7.7
Total	2,934	100	125,147	100	256,416	100

Notes:

1. Private firm counts for the socioeconomic study area are based on an aggregate of values from the QCEW, 3Q 2014 for the following 2010 Census Tracts: 156.01, 156.02, 158.02, 160.02, 162, 164, 166, 168, 170, 172, 174.01, 174.02, 178, 180, 182, 184, 186, 188, 190, 192, 194, 196, 198, 200, 206, 208, 210, 212, 214, 220, 222, 224, 226, 228, and 242.
2. The number of the private sector firms in Manhattan and New York City are based on aggregate values from 3Q 2014.
3. To avoid disclosing data for individual firms, the following sectors were considered non-disclosable and were symbolized with a 'D': Transportation and Warehousing; and Unclassified and Non-Disclosable. The number of non-disclosable firms is included in the total firm count to provide an accurate representation of the number of firms.

Sources:

NYS DOL QCEW, 3Q 2014; NYS DOL QCEW, 3Q 2014 data was provided at the census tract-level for the socioeconomic study area by DCP HEIP Division (September 2016).

PROFILE OF POTENTIALLY DISPLACED PRIVATE BUSINESSES

New York City’s commercial streets are dynamic, with businesses regularly opening and closing in response to changes in the economy, local demographics, and consumer trends. Therefore, within the period up to 2027, it is possible that a number of the potentially displaced businesses identified below would close or relocate for reasons independent of the Proposed Actions. Further, there are a number of businesses that could be displaced in the No Action Condition because of development projects unrelated to the Proposed Actions. The businesses displaced in the No Action Condition are not considered displaced by the Proposed Actions in the With Action Condition because displacement could occur regardless of the Proposed Actions. The following estimates are based on current businesses, and the conservative assumption that these businesses would remain in the No Action Condition.

As shown in **Table 3-3**, under the RWCDs an estimated 209 employees in 14 private businesses could be directly displaced by the Proposed Actions. These businesses, located on the Projected Development Sites, span a range of industry sectors. The industry sector with the largest number of potentially displaced employees is Retail Trade, with an estimated 149 potentially displaced employees. The industry sector with the largest number of potentially displaced firms is also Retail Trade, with six potentially displaced firms. The potentially displaced Retail Trade businesses under the RWCDs are: Goodwill (Projected Development Site 13); V.I.M. apparel and accessories store (Projected Development Site 13); Harlem Food Variety Discount store (Projected Development Site 11); iShop Surgicals (Projected Development Site 111); U-Drive Auto Rental and Sales (Projected Development Site 4); and Regine’s apparel and accessories store (Projected Development Site 49). Four of the six retail stores are located on Third Avenue, between East 121st Street and East 124th Street.

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

	Firms	Percent of Displaced Businesses	Estimated Employment Displaced¹	Percent of Displaced Employment
Construction	1	7.1	3	1.6
Retail Trade	6	42.9	149	71.3
Educational Services	1	7.1	15	7.2
Accommodation & Food Services	2	14.3	30	14.4
Other Services (except Public Administration)	4	28.6	11	5.4
Total	14	100	209	100

Note:
1. Employment estimates are based on AKRF field observations and standard industry employment density ratios commonly used for CEQR analysis.
Sources: AKRF, Inc.; DCP MapPLUTO 2016 data.

The sectors with the second-largest number of potentially displaced employees and firms are Accommodation and Food Services, and “Other Services (except Public Administration),” respectively. The Proposed Actions, under the RWCDs, could directly displace two businesses and approximately 30 employees of the Accommodation and Food Services sector. The two Accommodation and Food Services sector businesses are: Andy’s Restaurant (Projected Development Site 11); and Hang Chou Restaurant (Projected Development Site 11). Four firms and 11 employees in the “Other Services (except Public Administration)” sector could be directly displaced. The four “Other Services (except Public Administration)” sector firms are: two iPark Imperial Parking garages (Projected Development Sites 6 and 7); Elizabeth Beauty Salon (Projected Development Site 11); and a laundromat (Projected Development Site 26). The

two remaining potentially displaced businesses are: a Construction sector business, Crown Plumbing (Projected Development Site 11); and an Educational Services sector business, East Harlem Tutorial Program (Projected Development Site 26).

There is one public facility, a New York City Department of Homeless Services (DHS) HomeBase facility (Projected Development Site 11: Block 1772, Lot 39), that could be displaced by the Proposed Actions under the RWCDs. HomeBase is operated by a non-profit organization, Services for the UnderServed (SUS). HomeBase provides homeless prevention services such as assistance obtaining public benefits, emergency rental assistance, education and job placement assistance, and financial counselling and money management. While in the future With Action Condition the facility could be displaced, government funding would be available for relocation, and the City of New York would be expected to provide this service in or within close proximity to the study area.

CEQR PRELIMINARY ASSESSMENT CRITERIA

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

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

The following details the industry sectors within which displacement could occur, and the potential effects on socioeconomic conditions in the study area.

Construction

There is one potentially displaced Construction sector business, Crown Plumbing, employing an estimated three people. While Crown Plumbing provides an important home repair and maintenance service, there are several alternative, comparable businesses within the study area. Examples include Express Plumbing, Heating, and Gas; J. Barone and Co.; Practical Plumbing and Heating; Cosume Plumbing and Heating Corporation; Lexington Plumbing Company; and Central Plumbing Specialties.

Within the broader study area, there are an estimated 114 construction businesses. The potentially displaced business represents 0.9 percent of Construction businesses and 0.2 percent of Construction employment in the study area.

Retail Trade

There are six potentially displaced Retail Trade sector businesses employing an estimated 149 employees. The retail businesses include Regine’s apparel and accessories store, Harlem Food Variety Discount, iShop Surgicals, Goodwill, U-Drive Auto Rental and Sales, and V.I.M. apparel and accessories store. The potentially displaced businesses represent 1.1 percent of businesses and 3.2 percent of employment within the Retail Trade sector in the study area.

The potentially displaced businesses and associated employment do not represent a majority of study area retail businesses or employment. Comparable products and employment opportunities would still be available within the study area. For example, medical supplies are offered at American Medical Products and Gramercy Drugs, Inc., both of which are in the study area. Another example includes the variety of thrift and consignment stores in the study area,

East Harlem Rezoning

including Second Time Around, The Salvation Army, and an alternative Goodwill location. Further, as noted in Section A, “Introduction,” if the Proposed Actions are approved, there would be an incremental increase of new commercial (retail) space. Displacement would occur over a long time period and it is expected that the commercial space provided as part of the Proposed Actions would include retail stores.

Educational Services

There is within the study area one potentially displaced Educational Services sector business employing an estimated 15 employees. The existing Educational Services business is the East Harlem Tutorial Program. The potentially displaced business represents 1.1 percent of sector businesses and 0.17 percent of sector employment in the study area. The potentially displaced business and associated employment do not represent a majority of study area educational services businesses or employment. Comparable products and employment opportunities would still be available within the study area. For example, tutoring services are offered at Ivy League Tutors Network, Success Academy of Harlem East, Manhattan Tutors, and an alternative East Harlem Tutorial Program location.

Accommodation and Food Services

There are two potentially displaced Accommodation and Food Service sector businesses within the study area employing an estimated 30 employees. The existing Accommodation and Food Service businesses are Andy’s Restaurant and Hang Chou restaurant. The potentially displaced businesses represent approximately 0.6 percent of sector businesses and 0.9 percent of sector employment in the study area. As noted in Section A, “Introduction,” if the Proposed Actions are approved, there would be an increment of 54,371 sf of restaurant space where potentially displaced firms could relocate or where new businesses and employment opportunities locate.

Other Services (except Public Administration)

There are four “Other Services (except Public Administration)” businesses within the study area, including two parking garages, one laundromat, and one beauty salon. Together, these businesses employ an estimated 11 employees. Of the 2,522 “Other Services” employees and 635 “Other Services” businesses in the study area, the potentially displaced businesses represent 0.4 percent and 0.6 percent of existing sector employees and businesses, respectively. There are a significant number of alternative and comparable parking garages, laundromats, and salons within the study area, as well as alternative places for employment for potentially displaced employees working in the sector. Parking garages, laundromats and beauty salons are not a defining characteristic of the study area.

The DHS public facility, HomeBase (Projected Development Site 11: Block 1772, Lot 39), that could be displaced by the Proposed Actions and associated RWCDs provides homeless prevention services such as assistance obtaining public benefits, emergency rental assistance, education and job placement assistance, and financial counselling and money management. If this facility were to be displaced, in order to continue to meet the needs of residents, government funding would be available for relocation of the facility, and the City of New York would be expected to provide the same type and level of services in or within close proximity to the study area. In summary, the 14 potentially displaced businesses and 209 potentially directly displaced employees do not represent a majority of study area businesses or employment for any given sector. While all businesses contribute to neighborhood character and provide value to the City’s economy, because there are alternative sources of goods, services, and employment provided

within the socioeconomic study area, potentially displaced business are not of critical value to the socioeconomic conditions of the area as defined by CEQR.

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?

Under the RWCDS, the Proposed Actions could directly displace 14 businesses, which consist mainly of Retail Trade and Other Services, all of which are abundant within the study area, Manhattan, and New York City. None of the potentially displaced businesses are within a category of business that is subject of regulations or publicly adopted plans to preserve, enhance, or otherwise protect it.

Based on the above analysis, according to *CEQR Technical Manual* impact thresholds, the Proposed Actions would not result in significant adverse impacts due to direct business displacement. The businesses directly displaced by the Proposed Actions do not provide products or services essential to the local economy that would no longer be available in the study area. 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 *CEQR Technical Manual*, indirect residential displacement usually results from substantial new development that is markedly different from existing uses and activity in an area, which can lead to increased property values in the area. Increased property values can lead to increased rents, which can make it difficult for some existing residents to remain in their homes.

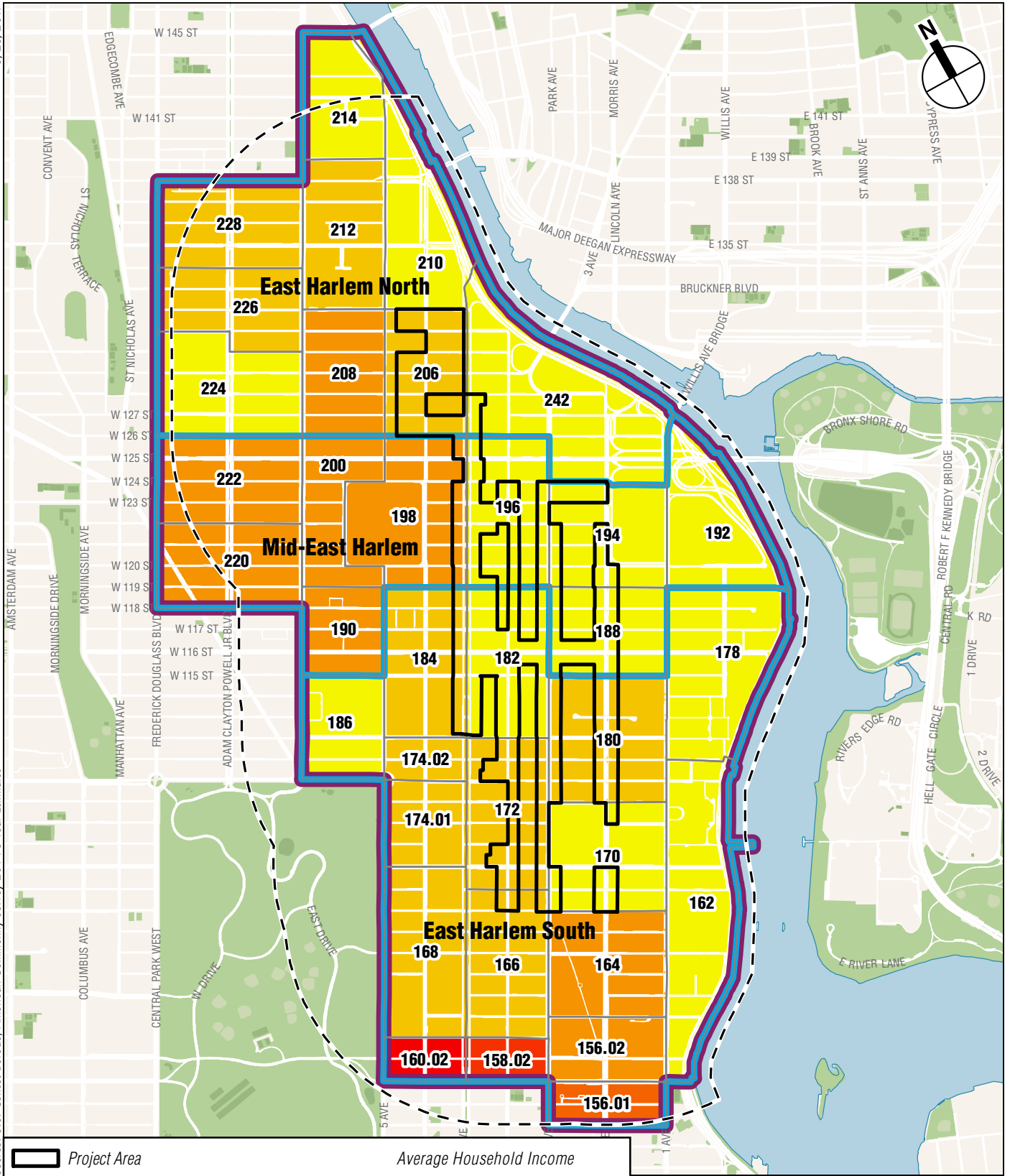
Generally, an indirect residential displacement analysis is conducted only in cases in which the potential impact may be experienced by renters living in privately held units unprotected by rent control, rent stabilization, or other government regulations restricting rents, and whose incomes or poverty status indicate that they may not support substantial rent increases. Residents who are homeowners, or who are renters living in rent-restricted units would not be vulnerable to rent pressures. The *CEQR Technical Manual's* step-by-step guide for a preliminary assessment of indirect residential displacement is presented in bold italics below.

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

EXISTING CONDITIONS AND TRENDS

Household income characteristics for the study area population are described using the average and median household incomes. The average household income is calculated by dividing the aggregate income by the total number of households in the study areas. The presence of high-income households raises the average income, sometimes substantially higher than the median household incomes in the study area. The median household income represents the mid-point of all household incomes in the study area.

As shown in **Table 3-4** and **Figure 3-2**, according to 2011–2015 ACS data, the average annual household income in the socioeconomic study area was \$63,013 in 2015. In comparison, the average household income was \$137,149 in Manhattan, and \$86,627 in New York City as a whole. The average household incomes for all geographies are higher than the respective median



Project Area	Average Household Income
Socioeconomic Study Area (1/2-mile boundary)	\$25,000.00 - \$50,000.00
Socioeconomic Study Area	\$50,000.01 - \$75,000.00
Socioeconomic Study Area Subareas	\$75,000.01 - \$100,000.00
	\$100,000.01 - \$125,000.00
	\$125,000.01 - \$150,000.00
	\$150,000 or more



EAST HARLEM REZONING

Average Household Income
Figure 3-2

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household incomes, indicating that each study area contains a population that is earning significantly more than the median household income. As shown in **Table 3-4** and **Figure 3-3**, based on ACS 2011–2015 data, the median household income for the study area was \$35,064 annually, compared with \$73,656 and \$54,232 for Manhattan and New York City, respectively. Since 2000, the average and median household incomes in the socioeconomic study area have increased by approximately 14.5 and 9.3 percent, respectively. In comparison, over the same period the average and median household incomes for Manhattan increased by 5.1 and 5.8 percent, respectively, while the average and median household income for New York City remained the same and decreased by 4.4 percent, respectively (see **Table 3-4**). The relatively large change in median income for the study area was due primarily to the substantial growth in household income within the Mid-East Harlem subarea.

Table 3-4
Household Income Characteristics (2000, 2011–2015 ACS)

Area	Average Household Income			Median Household Income		
	2000	2011–2015	Percent Change	2000	2011–2015	Percent Change
Socioeconomic Study Area	\$55,045	\$63,013	14.5	\$32,073	\$35,064	9.3
East Harlem South Subarea	\$62,004	\$67,647	9.1	\$35,431	\$34,863	-1.6
Mid-East Harlem Subarea	\$45,267	\$61,901	36.7	\$23,994	\$36,267	51.2
East Harlem North Subarea	\$48,196	\$54,745	13.6	\$32,358	\$34,576	6.9
Manhattan	\$130,538	\$137,149	5.1	\$69,639	\$73,656	5.8
New York City	\$86,630	\$86,627	0.0	\$56,702	\$54,232	-4.4

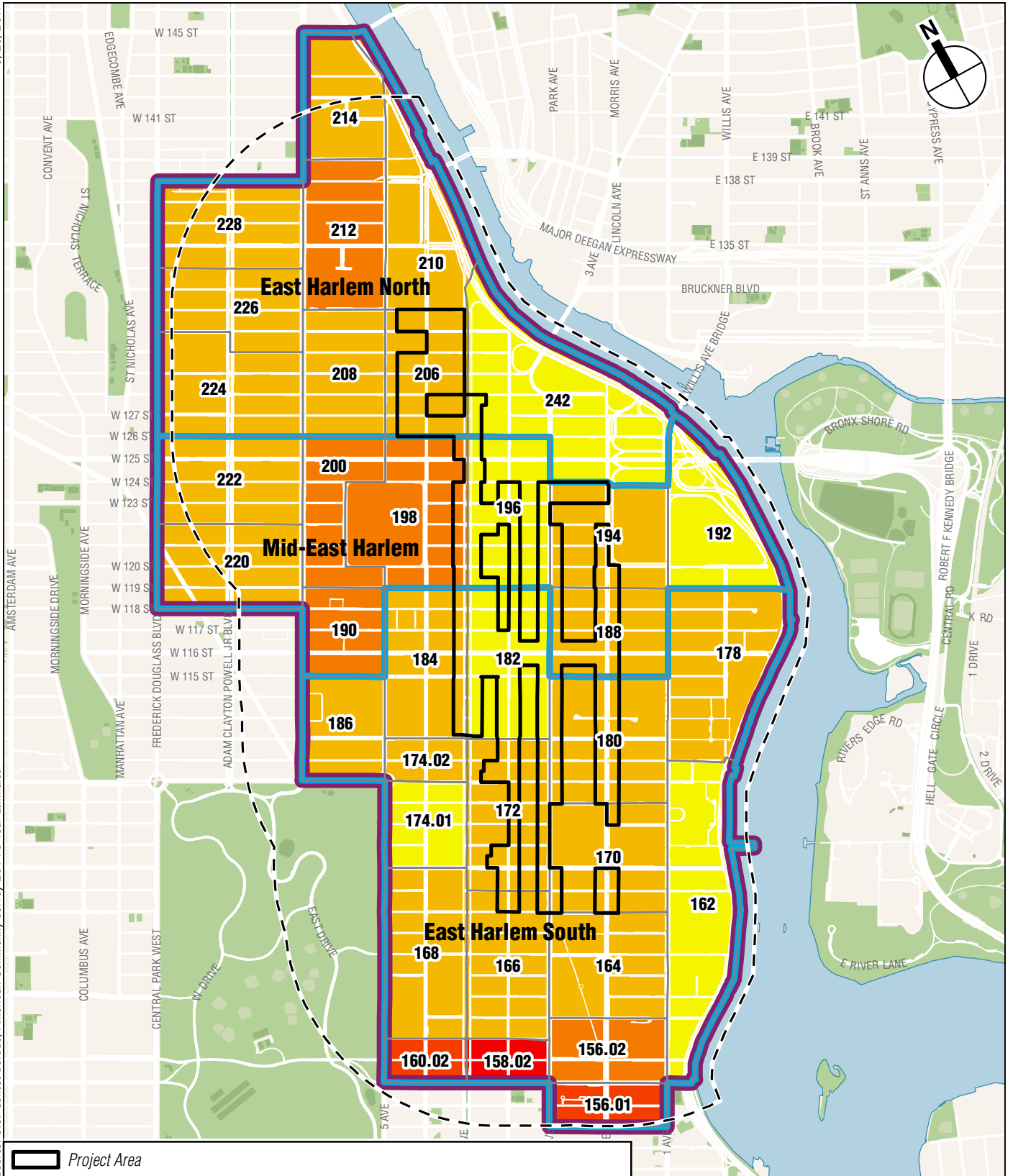
Note: ¹ All dollar figures have been adjusted to 2016 dollars based on the U.S. Department of Labor, Consumer Price Index, 2016.

Sources: U.S. Census Bureau 2000, 2011–2015 ACS.

Average and median household incomes within the socioeconomic study area vary considerably by location. The average household income in the East Harlem North subarea (north of 125th Street) is \$54,745, while the average in the East Harlem South subarea (generally south of 116th Street) is \$67,647. There are even greater differences by location within subareas; as shown in **Figures 3-2 and 3-3**, the lowest average household incomes in the study area (\$31,357) is found in Census Tract 194, located between East 199th Street, Third Avenue, East 124th Street, and First Avenue; the highest average household income within the study area (\$220,123) is found in Census Tract 160.02, located between East 96th Street, Fifth Avenue, East 98th Street, and Park Avenue.

The variation in household income partly attributable to the study area’s combination of market-rate residential units and rent regulated housing. Most low- and moderate-income households in the study area live in housing that is protected by rent control, rent stabilization, or other government regulations limiting rent increases. According to HPD Research and Evaluation, 2016, of the total existing homes within Community District 11, 30 percent of homes are government assisted, 15 percent of homes are rent stabilized, and 30 percent of homes are owned and managed by NYCHA. NYCHA developments are publicly owned and operated, which differs from other rent-regulated units that are privately owned and/or publicly subsidized.

Of the 80,629 total DUs in the study area, 47,463 DUs (59 percent) were identified by the Furman Center as located in a building with one or more dwelling units that have received some form of government subsidy from the City, state, or federal government. The DUs identified by the Furman Center include the large number of public housing units available through NYCHA.



Project Area

Socioeconomic Study Area (1/2-mile boundary) Median Household Income

Socioeconomic Study Area

Socioeconomic Study Area Subareas

below \$25,000.00

\$25,000.01 - \$50,000.00

\$50,000.01 - \$75,000.00

\$75,000.01 - \$100,000.00

\$100,000 or more

0 2,000 FEET

Median Household Income
Figure 3-3

EAST HARLEM REZONING

NYCHA owns and operates 18,451 DUs within 24 apartment complexes located throughout the socioeconomic study area (see **Table 3-5** and **Figure 3-4**).⁷ In addition to publicly subsidized housing as identified by the Furman Center, there are DUs within the study area that are rent stabilized because they are in buildings with six or more units that were built before 1974. According to MapPLUTO, there are 26,972 DUs within buildings that have six units or less and that were built prior to 1974. In aggregate, there are an estimated total of 74,435 DUs within the study area that are in buildings where one or more units are rent regulated. There are means by which these units could or have already come out of rent protection; however this data is not readily available.

**Table 3-5
NYCHA Developments in the Study Area**

Development	Address
Washington	1773 Third Avenue
Lexington	1773 Third Avenue
Carver	1475 Madison Avenue
Metro North Plaza	405 East 105th Street
East River	418 East 105th Street
Wilson	405 East 105th Street
White	405 East 105th Street
Clinton	1744 Lexington Avenue
Lehman Village	1605 Madison Avenue
Johnson	1844 Lexington Avenue
Jefferson	300 East 115th Street
335 East 111th Street	300 East 115th Street
Corsi Houses	300 East 115th Street
Wagner	2396 1st Avenue
Taft	1740 Madison Avenue
King Towers	90 Lenox Avenue
Saint Nicholas	Frederick Douglass Blvd and West 127th Street
Park Avenue East 122 and East 123 Streets	120 East 123rd Street
UPACA Site 5	1980 Lexington Avenue
UPACA Site 6	1940 Lexington Avenue
Morris Park	17 East 124th Street
Lincoln	2142 Madison Avenue
Grampion	182 St Nicholas Ave,
Robinson	2120 Lexington Avenue
Taft Rehab Program	95 West 119th Street
Source:	https://www1.nyc.gov/assets/nycha/downloads/pdf/officialmap.pdf accessed in November 2016.

In terms of existing residential rents and trends, residential rents have increased in the study area since 2000 (see **Table 3-6**). According to U.S. Census data, the average and median gross rents in the study area have increased between approximately 38 and 34 percent, respectively. The comparative geographies of Manhattan and New York City experienced smaller increases in rent over the same period of time, but had higher absolute rents. Average and median gross rents vary widely when looking at the data at the census tract level, with relatively high average and median gross rents in the southernmost census tracts, which increases the overall average and

⁷ Source: <https://www1.nyc.gov/assets/nycha/downloads/pdf/officialmap.pdf> accessed in November 2016.

East Harlem Rezoning

median gross rents for the study area. Census Tracts 156.01 and 158.02 have relatively high average gross rents and Census Tracts 160.02, 174.02, and 212 have comparatively high median gross rents.

Table 3-6
Average and Median Gross Rent (2000, 2011–2015 ACS)¹

	Average Gross Rent		Median Gross Rent		Percent Change	
	2000	2011–2015	2000	2011–2015	Average Gross Rent	Median Gross Rent
Socioeconomic Study Area	\$785	\$1,082	\$703	\$944	37.8	34.3
East Harlem South Subarea	\$672	\$1,133	\$664	\$958	68.6	44.3
Mid-East Harlem Subarea	\$583	\$1,005	\$466	\$578	72.4	24.0
East Harlem North Subarea	\$703	\$1,108	\$703	\$1,124	57.6	59.9
Manhattan	\$1,423	\$1,685	\$1,149	\$1,535	18.4	33.6
New York City	\$1,105	\$1,345	\$1,017	\$1,269	21.7	24.8

Notes: ¹ All dollar figures have been adjusted to 2016 dollars based on the U.S. Department of Labor, Consumer Price Index, 2016.
Sources: U.S. Census Bureau 2000, 2011–2015 ACS. Accessed through Social Explorer in March 2017.

U.S. Census and ACS data do not provide specific rent information according to regulation status or unit size, but instead can paint a general picture about the rate at which housing costs are changing in a neighborhood. Market comparables are therefore used (below) to provide a fuller understanding of where the market is today. **Table 3-7** summarizes online listings for apartments for the study area as a whole and by subarea. The average rents presented in the table were calculated based on market-rate rental units, and in general are two to three times higher than the data presented by the 2000 Census and the 2010–2014 ACS.

Table 3-7
Average Asking Rents in the Study Area

	Studio	1BR	2BR	3BR or more
Study Area	\$1,936	\$2,171	\$2,719	\$3,429
East Harlem South Subarea	\$2,183	\$2,294	\$2,861	\$3,377
Mid-East Harlem Subarea	\$1,712	\$2,207	\$2,666	\$3,859
East Harlem North Subarea	\$1,770	\$1,974	\$2,534	\$3,175

Source: StreetEasy (<http://streeteasy.com>) accessed in March 2017.

NO ACTION CONDITIONS

The future No Action Condition would add new population with higher average incomes than the average incomes of the existing populations. In the No Action Condition, the Mandatory Inclusionary Housing (MIH) program would not be mapped, and there would be a net increase of 2,472 market-rate DUs above the existing condition without any assurances of affordability. As identified in **Table 3-4**, there is an existing trend of increasing average and median household incomes in the study area. As shown in **Table 3-6**, there is a concurrent existing trend in the study area of increasing average and median gross rents. Given the prevailing trends toward increased rents and higher cost for market rate units, maintenance of the mixed-income demographic as it currently exists within the study area depends in large part on the introduction and preservation of affordable housing. In the absence of MIH and based on the future No Action Condition development of 2,472 market-rate DUs—and with no additional affordable

DUs projected under this scenario—it is expected that these existing trends would continue into the future, leading to even higher incomes and rents in the future No Action Condition as compared to the existing populations. In comparison, while in the With Action Condition additional market-rate DUs would likely be developed, a share of the future With Action Condition DUs would be permanently affordable, thus counterbalancing the existing trend. The residents of the affordable units in the With Action Condition would likely bring down the average income as compared to the No Action Condition. As such, there would likely be considerably less indirect residential displacement in the future With Action Condition than the future No Action Condition, thanks to the introduction of MIH and other measures designed to combat existing trends toward increased incomes and rent.

WITH ACTION CONDITIONS

Under the RWCDs, by 2027 the Proposed Actions would result in an incremental increase in the number of market rate and affordable DUs, due in large part to the application of the MIH program to the study area. The MIH program sets forth two primary options that are characterized by different affordability levels, which promote a range of affordable development.

- Option 1: 25 percent of the total number of DUs would be set aside for households making up to 60 percent of the area median income (AMI) on average, with 10 percent of that number set aside for households making up to 40 percent AMI.
- Option 2: 30 percent of the total number of DUs would be set aside for households making up to 80 percent AMI.

The incomes of households who would reside in the market-rate and affordable DUs cannot be estimated at this time, because the amount of affordable DUs produced and resulting range of affordability presented would ultimately depend on the extent to which each Option is utilized. Additionally, the levels of affordability are based on percentages of the AMI for the region; the 2016 AMI levels by family size for the New York City region are presented in **Table 3-8** below, while **Table 3-9** presents the monthly rents by unit size for the same levels of AMI, or “AMI bands.” These levels will change over time but their future levels cannot conclusively be established at this time.

Table 3-8
2016 New York City Area Median Income (AMI)

Family Size	30% of AMI	40% of AMI	50% of AMI	60% of AMI	80% of AMI	100% of AMI	130% of AMI	165% of AMI
1	\$19,050	\$25,400	\$31,750	\$38,100	\$50,750	\$63,500	\$82,550	\$104,775
2	\$21,800	\$29,000	\$36,250	\$43,500	\$58,000	\$72,500	\$94,250	\$119,625
3	\$24,500	\$32,640	\$40,800	\$48,960	\$65,250	\$81,600	\$106,080	\$134,640
4	\$27,200	\$36,240	\$45,300	\$54,360	\$72,500	\$90,600	\$117,780	\$149,490
5	\$29,400	\$36,160	\$48,950	\$58,740	\$78,300	\$97,900	\$127,270	\$161,535

Source: U.S. Department of Housing and Urban Development (HUD)

Table 3-9

2016 New York City Affordable Monthly Rents by Area Median Income (AMI)

Unit Size	30% of AMI	40% of AMI	50% of AMI	60% of AMI	80% of AMI	100% of AMI	130% of AMI	165% of AMI
Studio	\$328	\$464	\$600	\$736	\$1,049	\$1,321	\$1,729	\$2,205
1 BR	\$419	\$589	\$759	\$929	\$1,320	\$1,660	\$2,170	\$2,765
2 BR	\$509	\$713	\$917	\$1,121	\$1,591	\$1,999	\$2,611	\$3,325
3 BR	\$582	\$817	\$1,053	\$1,289	\$1,831	\$2,302	\$3,009	\$3,833

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

Source: New York City Department of Housing Preservation & Development (HPD) website: <http://www1.nyc.gov/site/hpd/about/what-is-affordable-housing.page>

Although the number of affordable DUs and the AMI bands for the proposed project’s affordable housing units have not yet been determined, based on the average household income of the study area (\$63,013), and the existing trends of increasing household incomes and increasing gross rent (see **Table 3-4** and **Table 3-6**, respectively), the proposed project’s overall population would be expected to have a higher average household income than the existing study area population, irrespective levels of affordability that occur as a result of MIH. However, this increase would be much more pronounced in the No Action Condition, since in the absence of MIH, the development of affordable DUs is unlikely. Per the *CEQR Technical Manual* guidelines, if the expected average incomes of the new population would exceed the average incomes of the study area populations, Step 2 of the preliminary assessment should be conducted. Accordingly, Step 2 is appropriate in the present instance.

2. 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.

According to the ACS data, in 2011–2015 the study area had a population of 181,236, which is an approximate 9.7 percent increase from the population in 2000 (see **Table 3-10**). In comparison, over the same time period the population of Manhattan increased by approximately 6.0 percent, and the population of New York City increased by 5.2 percent. The subareas have had population increases ranging between 5.9 percent for East Harlem South and 17.5 percent East Harlem North.

Table 3-10

Study Area Population Estimates and Projections

	2000 Census	2011–2015 ACS	Percent Change 2000 to 2010–2014	2027 Population Projections in the Future without the Proposed Actions
Study Area	165,136	181,236	9.7	202,058
East Harlem South	92,933	98,424	5.9	104,678
Mid-East Harlem	34,113	38,057	11.6	43,065
East Harlem North	38,090	44,755	17.5	54,316
Manhattan	1,537,195	1,629,507	6.0	N/A
New York City	8,008,278	8,426,743	5.2	N/A

Sources: U.S. Census Bureau 2000, 2010–2014 ACS. Year 2027 population projection based on no build projects and an average household size of 2.41 persons per DU.

As detailed in Chapter 2, “Land Use, Zoning, and Public Policy,” multiple development projects are expected in the future without the Proposed Actions. Based on information about these planned projects, absent the Proposed Actions, 8,640 DUs are projected to be built within the study area by the 2027 Build Year. Assuming an average household size of 2.41 persons per DU and 100 percent occupancy rates, these planned developments projects would add an estimated 20,822 people to the socioeconomic study area in the future without the Proposed Actions, including 6,254 people to the East Harlem South subarea; 5,008 to the Mid-East Harlem subarea; and 9,561 people to the East Harlem North subarea. **Table 3-10** presents the total projections in the future without the Proposed Actions by adding the population from the no build projects to the 2011–2015 population estimates.

Under the Proposed Actions and associated RWCDs, by 2027 there would be a total of 3,488 incremental DUs within the Project Area. These 3,488 DUs represent the net increase in DUs resulting from the Proposed Actions. With an average household size of 2.41 persons per DU, the added population would be of approximately 8,406. **Table 3-11** shows the breakdown of this new population by subarea, and its size relative to the population in the future without the Proposed Actions.

Table 3-11
Projected Incremental Population by 2027 under RWCD

	2027 Population Projections in the Future without the Proposed Actions	Number of Incremental DUs	Projected Population Increase from With Action Dwelling Units	Percent Change from 2027 Future without the Proposed Actions Condition
Study Area	202,058	3,488	8,406	4.2
East Harlem South	104,678	1,480	3,567	3.4
Mid-East Harlem	43,065	1,460	3,519	8.2
East Harlem North	54,316	548	1,321	2.4

By adding an 8,406-person increment to the study area, the Proposed Actions would increase the population by approximately 4.2 percent. As shown in **Table 3-11**, within the East Harlem North and East Harlem South subareas, the Proposed Actions’ population increment would be even smaller. However, within the Mid-East Harlem subarea the incremental population introduced by the Proposed Actions would represent approximately 8.2 percent of the subarea population in the future without the Proposed Actions. According to *CEQR Technical Manual* analysis thresholds, if the population increase is greater than 5.0 percent in a study area or identified subareas, the incremental population may be large enough to affect real estate market conditions, and Step 3 of the preliminary assessment is warranted. In light of projections for Mid-East Harlem, Step 3 is appropriate.

3. Consider whether the study area has already experienced a readily observable trend toward increasing rents and the likely effect of the action on such trends within a half mile study area.

The study area and all subareas have experienced a readily observable trend toward increasing housing prices. As shown in **Table 3-6**, the study area’s average and median gross rents increased by 37.8 percent and 34.3 percent, respectively, between 2000 and 2011–2015. The study area’s average gross rent grew at almost twice the rate of growth of rents in Manhattan and New York City and the study area’s median gross rent grew at approximately the same rate as Manhattan and New York City. Within the Mid-East Harlem subarea, the average rent increase

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was even more pronounced, increasing by 72.4 percent; this was considerably larger than that observed for Manhattan and the City as a whole. In fact, data on the current average asking rents for unregulated housing in the study area and subareas (presented in **Table 3-7**) shows that current market-rate rents are already unaffordable to existing households earning the study area's average household income of \$63,013. In addition, planned residential development within the study area—including, for example, 318 East 112th Street (26-unit building), 324 East 112th Street (20-unit condominiums), 2211 Third Avenue (93-unit building), and 455 East 114th Street (22-unit)—is largely market-rate housing, with rents continuing to rise in response to these changes. It is therefore more than apparent that existing trends of increasing housing prices and market-rate development are well established and are expected to continue in the No Action Condition.

While the Proposed Actions would result in the introduction of new households with higher incomes as compared to the current averages throughout the study area and subareas, this would occur due to the existing trends outlined above. Indeed, the Proposed Actions are expected to introduce more affordable housing than conditions in the future without the Proposed Actions. As such, the Proposed Actions would not accelerate the existing trend toward increasing housing prices; rather, the Proposed Actions would respond to the trend by promoting a more diverse demographic within the study area as compared to the future without the Proposed Actions in which projects will continue the trend towards rising residential rents and incomes.

In accordance with *CEQR Technical Manual* guidelines, since the vast majority of the ½-mile study area has already experienced a readily observable trend toward increasing rents and new market-rate development—and since the Proposed Actions would not exacerbate this trend (and would most likely offset its effects)—further analysis is not necessary.

CONCLUSION

While Step 1 of the preliminary assessment could not rule out the possibility that the Proposed Actions would result in new populations with higher average incomes than the existing and future study area population, and Step 2 of the analysis determined that the project's increase in population could be large enough to affect real estate market conditions in portions of the study area, Step 3 found that the study area has already experienced a readily observable trend toward increasing housing prices. Therefore, based on *CEQR Technical Manual* guidelines, the Proposed Actions would not result in significant adverse impacts due to indirect residential displacement, and no further analysis is warranted.

INDIRECT BUSINESS DISPLACEMENT

Similar to the analysis of indirect residential displacement, the preliminary assessment of indirect business displacement focuses on whether the Proposed Actions could increase property values and rents within the study area, making it difficult for some categories of businesses to remain in the area. The preliminary analysis follows the methodology of the *CEQR Technical Manual* in analyzing the criteria numbered in bold, italics below.

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

The Proposed Actions would facilitate the introduction of new residential, commercial, and manufacturing uses. With the Proposed Actions and associated RWCDs the residential uses would include a combination of affordable and market-rate units, and the commercial uses

would include retail and office space. As shown in **Table 3-12**, the Project Area and broader study area have well-established residential, retail, office, and manufacturing markets such that the Proposed Actions would not be introducing new economic activities to the Projected Development Sites or to the study area.

Table 3-12
Existing Land Uses and Incremental Land Uses
under the Proposed Actions RWCDs

Use	Existing Amount on Projected Development Sites	Existing Amount in Socioeconomic Study Area	Incremental Amount Introduced Under the Proposed Actions RWCDs
Residential	585 DUs	85,061 DUs	3,488 DUs
Commercial (office)	55,526 sf	4,844,709 sf	143,212 sf
Commercial (retail)	301,933 sf	5,292,249 sf	88,206 sf
Manufacturing	33,847 sf	503,024 sf	132,394 sf
Sources: Existing use estimates for Projected Development Sites and incremental use amounts introduced under the Proposed Actions RWCDs were based on 2016 MapPLUTO Data. Existing use estimates for the socioeconomic study area based on 2016 MapPLUTO GIS data.			

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

RESIDENTIAL USES

The Proposed Actions and associated RWCDs would add to the concentration of residential uses in the study area, but not enough to alter or accelerate an ongoing trend or existing pattern. The study area is primarily residential, with concentrations of commercial land uses. According to MapPLUTO data, there were approximately 585 DUs on the proposed development sites and, approximately 85,061 DUs in the study area. In the future No Action Condition, there would be a total of 2,475 DUs, including approximately 27 affordable DUs. As evidenced by the No Action Condition and recent developments within the study area, there is an existing trend towards market rate residential development. Recent market-rate residential developments in the study area include a 26-unit building located at 318 East 112th Street, a 20-unit condominium building at 324 East 112th Street known as Seneca Terrace, a 93-unit building located at 2211 Third Avenue, and 22 luxury apartments at 455 East 114th Street. Demographics of the study area as presented in the indirect residential displacement analysis show that there is an increasing average household income. The trends of market-rate residential development and increasing average household incomes are not unique to the study area. These trends can also be seen in Manhattan at large and are factors in the City’s current housing affordability crisis.

In the future With Action Condition, there would be an increment of 3,488 DUs, including an increment of 1,761 affordable DUs in the Project Area. The substantial number of affordable DUs in the With Action Condition would reinforce the existing demographic pattern of mixed-incomes in the study area by providing housing opportunities that can be afforded by a range of households. The large number of affordable DUs would help maintain a balance of incomes and would preserve consumer demand for businesses offering goods and services at a range of price-points.

COMMERCIAL USES

Commercial uses include both retail and office uses. In terms of retail uses, there currently exists 301,933 sf of retail floor area on the Projected Development Sites and approximately 5.6 million sf of retail floor area in the study area. In the No Action Condition, there would be a total of 334,836 sf of Retail Trade space, indicating that there is currently a trend of increasing development of retail space in the study area. The Proposed Actions and associated RWCDs would add an increment of 88,206 sf of retail trade space (grocery store and destination retail), which is less than what would be added in the No Action Condition. The retail added under the RWCDs would not be enough to alter or accelerate ongoing trends.

In terms of office uses, within the wider study area, there are many businesses in industries that are often sited in office buildings, such as the Finance and Insurance sector (104 firms in the study area); Real Estate, Rental and Leasing sector (432 firms in the study area), or the Information sector (56 firms in the study area). The Proposed Actions and associated RWCDs would reinforce existing trends of office space development in the study area. According to existing land use and building data available through MapPLUTO, 55,526 sf of office floor area currently exist on the projected development sites. In the No Action Condition, there would be a total of 76,559 sf of office space, indicating a trend of office space development in the study area. In the With Action Condition, there would be an increment of 143,212 sf of office space, which is not enough to substantively alter or accelerate trends. The Proposed Actions would contribute to the existing economic trend toward increased office development within the study area, thereby creating new opportunities for companies to locate in East Harlem.

MANUFACTURING USES

As shown in **Table 3-12**, there are approximately 34,000 sf of manufacturing space on the projected development sites, and a total of over 500,000 sf of manufacturing space in the study area. In the No Action Condition, there would be a total of 22,777 sf of manufacturing space on the projected development sites, indicating a decline in manufacturing space in the study area. According to MapPLUTO land use data, the amount of manufacturing space in the study area has been increasing since 2009. Between 2009 and 2016, the amount of manufacturing floor area in the study area has more than doubled from 235,876 sf to 503,024 sf, respectively. The Proposed Actions and associated RWCDs would result in 132,394 sf of manufacturing space, which would contribute to the existing concentration of manufacturing space, but not enough to alter existing market conditions in a manner that would lead to significant indirect business displacement.

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

The Proposed Actions would not directly displace uses that offer critical support services to the remaining local businesses, or that draw a substantial customer base to the study area. As described in Section C, “Direct Business Displacement,” many of the businesses that could be directly displaced are Retail Trade businesses, including three apparel and accessories stores; “Other Services (except Public Administration),” which includes three parking garages and a beauty salon; and Accommodation and Food Services businesses, including two fast food restaurants. These businesses do not draw large volumes of customers to their locations relative to the overall consumer draw within the study area, nor are these firms relied upon exclusively for products or services by business establishments in the study area. Therefore, the potential

displacement of these businesses would not have an adverse effect on the remaining businesses or consumers in the study area.

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

The Proposed Actions would not directly or indirectly displace residents, workers, or visitors who form a substantial portion of the customer base of existing businesses in the study area. In the future with the Proposed Actions, any potential loss of existing residential customers would be more than offset by the introduction of a new residential population (increment of 3,488 DUs) within the Project Area and within the surrounding study area. Similarly, the Proposed Actions would increase the number of daytime workers and visitors relative to existing numbers in the Project Area. New employment resulting from the Proposed Actions would bring an increment of approximately 1,543 workers,⁸ greatly increasing the customer base of existing businesses in the study area. The influx of residents and employees to the study area would add to the customer base of existing study area businesses.

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

ADVERSE EFFECTS ON SPECIFIC INDUSTRIES

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

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

The Proposed Actions would not significantly affect the business conditions in any industry or any category of business within or outside the study area. As described in the direct business displacement analysis above, by 2027 the Proposed Actions and associated RWCDs could directly displace an estimated 14 businesses and 209 employees. The businesses include: U-Drive Auto Rental and Sales, two parking garages, Regine's apparel and accessories store, Crown Plumbing, Andy's Restaurant, Harlem Food Variety Discount, iShop Surgicals, Elizabeth Beauty Salon, Hang Chou Restaurant, Goodwill, V.I.M. apparel and accessories store, East Harlem Tutorial Program, and a laundromat.

⁸ Worker estimate based on employment ratios frequently utilized in CEQR analyses, and assumes a fully leased increment of warehouse, community facility, and commercial space resulting from the Proposed Actions.

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As described above, the businesses that could be displaced do not represent a critical mass of businesses within any City industry, category of business, or category of employment. Although these businesses are valuable individually and collectively to the City's economy, the goods and services offered by potentially displaced uses can be found elsewhere within the socioeconomic study area, within a broader trade area, and within the City as a whole. Furthermore, the products and services offered by potentially displaced businesses are not essential to the viability of other businesses within or outside the study area. Therefore, the proposed actions would not adversely affect business conditions in any specific industry within or outside the study area.

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

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

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