A. INTRODUCTION

Full development of the Proposed Project would introduce substantial new development to Governors Island, as well as new residential and worker populations associated with that development. Increased visitation to the Island with the Proposed Project also would generate increased foot traffic in the areas around the off-Island ferry landings ("Off-Island Study Areas"). Therefore, this chapter analyzes whether the Proposed Project would result in significant adverse impacts by directly or indirectly changing population, housing stock, or economic activities on Governors Island and in the areas surrounding the off-Island ferry landings at Pier 6 in Brooklyn and at the Battery Maritime Building (BMB) in Manhattan. In accordance with 2010 *City Environmental Quality Review (CEQR) Technical Manual* guidelines, the socioeconomic assessment considers five specific factors that could create significant adverse socioeconomic impacts in an area: (1) direct displacement of residential population on a project site; (2) direct displacement of existing businesses or institutions on a project site; (3) indirect displacement of residential population in a study area; (4) indirect displacement of businesses or institutions in a study area; and (5) adverse effects on specific industries. This chapter describes the methodology used in assessing potential socioeconomic impacts and provides preliminary assessments of direct and indirect displacement and potential adverse effects on specific industries.

B. PRINCIPAL CONCLUSIONS

The analysis below finds that the Proposed Project would not result in significant adverse socioeconomic impacts due to direct or indirect changes in residential and economic activity.

PHASE 1

Phase 1 would include park and public space enhancements on Governors Island and construction of one or both of the two new water mains from Brooklyn to provide potable water to the Island. No direct residential, business, or institutional displacement would occur as a result of Phase 1. Since Phase 1 would not result in residential or commercial development, there would be no significant adverse impacts due to indirect residential or business displacement. Finally, Phase 1 would not result in direct displacement or any regulatory changes with the potential to affect conditions within a specific industry. Therefore, Phase 1 would not affect any of the socioeconomic issues of concern, and would not result in any significant adverse socioeconomic impacts.

LATER PHASES

DIRECT RESIDENTIAL DISPLACEMENT

The full development of the Proposed Project would not directly displace any residential units. Therefore, there would be no significant adverse impacts from the full development of the Proposed Project due to direct residential displacement.

DIRECT BUSINESS AND INSTITUTIONAL DISPLACEMENT

Existing institutional uses on the Island include the offices of The Trust; the Lower Manhattan Cultural Council's (LMCC) artist studios and exhibit space; and the Harbor School, a New York City high school. Seasonal concessions accessory to the park and public space include the Water Taxi Beach entertainment and food concession, two bicycle rental concessions, and a kayak facility. None of these existing uses would be directly displaced by the Proposed Project. Therefore, there would be no significant adverse impacts from the full development of the Proposed Project due to direct business and institutional displacement.

INDIRECT RESIDENTIAL DISPLACEMENT

Later Phases-Island Redevelopment would introduce more than 200 housing units (i.e., faculty housing), which would exceed the CEQR threshold for analysis of indirect residential displacement. The objective of the indirect residential displacement analysis is to determine whether the Proposed Project may either introduce a trend or accelerate a trend of changing socioeconomic conditions that may potentially displace a vulnerable population to the extent that the socioeconomic character of the neighborhood would change. Because the Island is not currently developed with residential uses, development resulting from the full development of the Proposed Project would not have the potential to cause indirect residential displacement on the Island. In addition, academic housing on the Island would not affect rents in existing off-Island residential areas since the Island is physically separated from other existing residential neighborhoods. Therefore, full development of the Proposed Project would not result in any significant adverse impacts due to indirect residential displacement.

INDIRECT BUSINESS AND INSTITUTIONAL DISPLACEMENT

Later Phases-Island Redevelopment would introduce more than more than 200,000 square feet of commercial development, which would exceed the CEQR threshold for analysis. The objective of the indirect business displacement analysis is to determine whether the proposed project may introduce trends that make it difficult for some categories of businesses to remain in the area.

The introduction of commercial development, and the users associated with that development, would not substantially alter the existing economic activities on the Island. The Proposed Project would bring residents, employees, students, and visitors to the Island. These new populations would likely result in higher demand for the types of seasonal concessions accessory to the park and public space (entertainment and food concession, and a kayak facility) currently offered, and any increases in rent would be offset by additional revenues generated by the new populations demand for these seasonal uses. Therefore, there would be no significant adverse indirect impacts to On-Island businesses as a result of the Proposed Project.

The arts have been an important part of the Island's redevelopment. In 2008, the Lower Manhattan Cultural Council was selected to run artist studios and exhibition space on the Island. LMCC does not currently pay rent for their space; and it is expected that this lease arrangement with The Trust will continue in the future. Also, the Harbor School would not experience indirect displacement pressure because the New York City Department of Education signed a 40 year lease for their current space in 2008. Therefore, there would be no significant adverse indirect impacts to On-Island institutions as a result of the Proposed Project.

In addition to the commercial development that would be introduced by the Later Phases-Island Redevelopment, 32 acres of open space would be introduced by the Later Phases-Park and Public Spaces. The Later Phases-Island Redevelopment and Later Phases-Park and Public Spaces would result in increased visitation to the Island and an introduction of new residential and worker populations, resulting in increased foot traffic in the Off-Island Study Areas. Since there would be substantial foot traffic in these Off-Island Study Areas in the future without the Proposed Project, the Later Phases would not introduce a new economic activity to the Off-Island Study Areas, and full development of the Proposed Project would not result in indirect business and institutional displacement impacts. Therefore, full development of the Proposed Project would not have the potential to cause significant adverse impacts due to indirect business displacement.

ADVERSE EFFECTS ON SPECIFIC INDUSTRIES

Full development of the Proposed Project would not result in direct displacement and it is not expected to include any regulatory changes with the potential to adversely affect conditions within a specific industry.

C. METHODOLOGY

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

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

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

proposed project creates conditions that break down the community (such as a highway dividing the area).

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

DETERMINING WHETHER A SOCIOECONOMIC ASSESSMENT IS APPROPRIATE

Under CEQR, a socioeconomic assessment should be conducted if a project may be reasonably expected to create substantial socioeconomic changes within the area affected by the project that would not be expected to occur without the project. According to the 2010 *CEQR Technical Manual*, the following circumstances would typically require a socioeconomic assessment:

- If the project would directly displace residential populations so that the socioeconomic character of the neighborhood would be substantially altered.
- If the project would directly displace more than 100 employees, or if it would directly displace a business that is unusually important as follows:
  - its products or services are uniquely dependent on its location;
  - it is of a type or in a location that makes it the subject of other regulations or publicly adopted plans aimed at its preservation; or
  - it serves a population uniquely dependent on its services in its present location.

  If any of these possibilities cannot be ruled out, an assessment should be undertaken.
- If the project would result in substantial new development that is markedly different from existing uses, development, or activities within the neighborhood. Such a project could lead to indirect displacement. Typically, projects that are small to moderate in size would not have significant socioeconomic effects unless they are likely to generate socioeconomic conditions that are very different from existing conditions in the area. Residential development of 200 units or less or commercial development of 200,000 square feet (sf) or less would typically not result in significant socioeconomic impacts.
- The project would 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 sf of regional-serving retail in the study area or less than 200,000 sf of local-serving or regional-serving retail on a single development site would not typically result in socioeconomic impacts. Retail that is regional-serving draws primarily from a customer base located in the immediate neighborhood. For projects exceeding these thresholds, an assessment of the indirect business displacement due to market saturation is appropriate.
- If the project may adversely affect economic conditions in a specific industry.

If a project would exceed any of these thresholds, an assessment of socioeconomic conditions is generally appropriate. Of these criteria, the Later Phases-Island Redevelopment component of the Proposed Project would introduce more than 200,000 sf of commercial development and more than 200 housing units, warranting a socioeconomic analysis.

ANALYSIS FORMAT

Following *CEQR Technical Manual* guidelines, the socioeconomic analysis begins with a preliminary assessment. The purpose of the preliminary assessment is to learn enough about the effects of the proposed project to either rule out the possibility of significant adverse impacts, or determine that a more detailed analysis is required to resolve the issue. For all five areas of socioeconomic concern, a preliminary assessment was sufficient to conclude that the Proposed Project would not result in any significant adverse socioeconomic impacts.

STUDY AREA DELINEATION

Socioeconomic changes may occur when a project directly or indirectly changes population, housing, and economic activity. Because of the absence of residential and commercial uses on the Island under existing and future No Build conditions, the Proposed Project would not have the potential to directly or indirectly cause changes to existing population, housing, or economic activity on the Island. Therefore, the potential for project-generated socioeconomic change is limited to off-Island areas surrounding the ferry landings.

Business displacement impacts are considered to be significant if changes are large enough to adversely affect the character of the neighborhood. Therefore, this analysis compares the levels and types of economic activities that would be generated by the Proposed Project to those of a broader study area to determine whether potential displacement could result in substantial changes to the overall socioeconomic conditions within the study area.

It is expected that the Proposed Project would have the greatest potential to generate socioeconomic changes in the areas closest to the off-Island ferry landings. Therefore, the analysis considers areas within ¼-mile of the ferry landings at Pier 6 in Brooklyn and at the BMB in Manhattan. The Off-Island Study Areas include the census block groups that most closely represent the ¼-mile area around the two ferry landings. The Manhattan Off-Island Study Area includes Block Groups 1 and 2 of Census Tract 9. The Brooklyn Off-Island Study Area includes Block Group 1 of Census Tract 47, Block Group 1 of Census Tract 49, Block Group 3 of Census Tract 3.01, Block Group 1 of Census Tract 3.02, and Block Groups 2 and 3 of Census Tract 7 (see **Figure 4-1**).

Within these study areas, the analysis focuses on economic conditions within 400 feet of the ferry landings. Since data limitations do not allow for accurate demographic representations of the 400-foot areas in isolation, the discussion of economic conditions within the 400-foot area is based on field surveys.

DATA SOURCES

Information used in this analysis is from ESRI, Inc. (a commercial data provider) and site visits to the Off-Island Study Areas in April 2011.

D. PRELIMINARY ASSESSMENT

This section examines the five areas of socioeconomic concern in relation to Phase 1 and full development of the Proposed Project. For all five issue areas, the preliminary assessment rules out the possibility that the Proposed Project would have a significant adverse impact as defined in the *CEQR Technical Manual*.

4.25.11

Project Area

400-Foot Perimeter of Ferry Landing

1/4-Mile Perimeter of Ferry Landing

Ferry Landing

Manhattan Off-Island Study Area

Brooklyn Off-Island Study Area

59 Census Tract

2 Census Block Group

0 800 1600 FEET

SCALE

PROPOSED PHASED REDEVELOPMENT OF
GOVERNORS ISLAND

Socioeconomic Conditions

Figure 4-1

DIRECT RESIDENTIAL DISPLACEMENT

The *CEQR Technical Manual* defines direct residential displacement as the involuntary displacement of residents from the site of a proposed project. No residential units would be directly displaced by the Proposed Project. Therefore, there would be no significant adverse impacts from the Proposed Project due to direct residential displacement, and no further analysis of this issue is required.

DIRECT BUSINESS AND INSTITUTIONAL DISPLACEMENT

The *CEQR Technical Manual* defines direct business and institutional displacement as the involuntary displacement of businesses or institutions from the site of a proposed project. Existing institutional uses on the Island include the offices of The Trust; the Lower Manhattan Cultural Council's artist studios and exhibit space; and the Harbor School, a New York City high school. Seasonal concessions accessory to the park and public space include the Water Taxi Beach entertainment and food concession, two bicycle rental concessions, and a kayak facility. None of these existing uses would be directly displaced by the Proposed Project. Therefore, there would be no significant adverse impacts from the Proposed Project due to direct business and institutional displacement. No further analysis of this issue is required.

INDIRECT RESIDENTIAL DISPLACEMENT

According to Section 322.1 of the *CEQR Technical Manual*, the objective of the indirect residential displacement analysis is to determine whether the proposed project may either introduce a trend or accelerate a trend of changing socioeconomic conditions that may potentially displace a vulnerable population to the extent that the socioeconomic character of the neighborhood would change.

PHASE 1

No residential units would be introduced by Phase 1. Therefore, there would be no significant adverse impacts due to indirect residential displacement from Phase 1.

LATER PHASES

The Later Phases-Island Redevelopment would introduce more than 200 residential units (i.e., faculty housing), which would exceed the CEQR threshold for analysis of indirect residential displacement. Because the Island is not currently developed with residential uses, full development of the Proposed Project would not have the potential to indirectly cause changes to existing population or housing on the Island.

Full development of the Proposed Project would not result in significant adverse indirect residential displacement impacts in the existing off-Island residential areas since the Island is physically separated from other existing residential neighborhoods. Also, since any new academic housing on the Island would not have the potential to affect rents in existing off-Island residential areas, there would be no significant adverse impacts from the Proposed Project due to indirect residential displacement.

INDIRECT BUSINESS AND INSTITUTIONAL DISPLACEMENT

According to Section 322.2 of the *CEQR Technical Manual*, in most cases the issue for indirect displacement of businesses or institutions is that a project would increase property values and

thus rents throughout a study area, making it difficult for some categories of businesses to remain in the area.

PHASE 1

No commercial development would be introduced by Phase 1. Therefore, Phase 1 would not result in significant adverse impacts due to indirect business and institutional displacement.

LATER PHASES

Effects to Governors Island

Later Phases-Island Redevelopment would introduce more than 200,000 sf of commercial development, which would exceed the CEQR threshold for analysis.

The introduction of commercial development, and the users associated with that development, would not substantially alter the existing economic activities on the Island. The Proposed Project would bring residents, employees, students, and visitors to the Island. These new populations would likely result in higher demand for the types of seasonal concessions accessory to the park and public space currently offered, and any increases in rent would be offset by additional revenues generated by the new populations' demand for these seasonal uses. Therefore, there would be no significant adverse indirect impacts to On-Island businesses as a result of the Proposed Project.

The arts have been an important part of the Island's redevelopment. In 2008, Lower Manhattan Cultural Council was selected to run artist studios and exhibition space on the Island. LMCC does not currently pay rent for their space; and it is expected that this lease arrangement with The Trust will continue in the future. Also, the Harbor School would not experience indirect displacement pressure because the New York City Department of Education signed a 40 year lease for their current space in 2008. Therefore, there would be no significant adverse indirect impacts to On-Island institutions as a result of the Proposed Project.

Effects to Off-Island Study Areas

The full development of the Proposed Project would result in increased visitation to the Island and would introduce a new population associated with the future uses in the South Island development zones and the reoccupation of North Island historic buildings, resulting in increased foot traffic in the areas around the Off-Island Study Areas. This preliminary assessment of indirect business and institutional displacement focuses on whether the full development of the Proposed Project could increase commercial property values and rents within the areas around the ferry landings such that it would become difficult for some categories of businesses to remain in the area.

Economic Profile of the Off-Island Study Areas

This section presents an economic profile of the Off-Island Study Areas in order to characterize the area that would be affected by the full development of the Proposed Project. This is followed by responses to four questions in italics that address the potential for significant adverse indirect business and institutional displacement impacts.

Manhattan Off-Island Study Area. The 400-foot-area surrounding the Manhattan ferry landing is an established, active, and dense business area that primarily consists of professional office space within the Downtown Manhattan CBD. Directly north of the Manhattan ferry landing is

One New York Plaza, a 50-story Class A office building with convenience retail that mainly serves employees in the building (i.e., shoe repair, dry cleaner, hair salon, limited service restaurants, and newsstand). North east of the Manhattan ferry landing is a 40-story Class A-office building at 125 Broad Street. West of the Manhattan ferry landing is the Staten Island Ferry Terminal. In addition to the office buildings, during an April 2011 site visit a food vendor and a street vendor selling New York City tourist memorabilia were observed on Whitehall Street.

The Manhattan Off-Island Study area, i.e., the area within ¼-mile from the Manhattan ferry landing, covers the southern portion of the Financial District and contains approximately 1,740 businesses and 47,580 employees (**see Table 4-1**). Its top economic sector is the professional, scientific, and technical services sector with 20.1 percent of its establishments and 24.7 percent of its employees. The finance and insurance sector is also prominent with 17.5 percent of the study area businesses and 29.3 percent of the study area employment.

Table 4-1

2010 Businesses and Employment in the Manhattan Off-Island ¼-Mile Study Area

Industry	Establishments		Employees	
	Number	Percent	Number	Percent
Agriculture, Forestry, Fishing and Hunting	1	0.1	5	0.0s
Utilities	1	0.1	6	0.0
Construction	45	2.6	731	1.5
Manufacturing	27	1.5	757	1.6
Wholesale Trade	52	3.0	860	1.8
Retail Trade	138	7.9	1,514	3.2
Transportation and Warehousing	45	2.6	2,674	5.6
Information	107	6.1	1,233	2.6
Finance and Insurance	305	17.5	13,917	29.3
Real Estate and Rental and Leasing	76	4.4	858	1.8
Professional, Scientific, and Technical Services	350	20.1	11,751	24.7
Management of Companies and Enterprises	8	0.5	2,530	5.3
Administrative and Support and Waste Management and Remediation Services	95	5.4	4,493	9.4
Educational Services	24	1.4	289	0.6
Health Care and Social Assistance	47	2.7	1,107	2.3
Arts, Entertainment, and Recreation	15	0.9	215	0.5
Accommodation and Food Services	90	5.2	786	1.7
Other Services (except Public Administration)	120	6.9	1,836	3.9
Public Administration	33	1.9	1,592	3.3
Unclassified	165	9.5	423	0.9
Total	1,744	100.0	47,577	100.0

Source: ESRI Business Analyst, Inc, Business Summary Report, April 2011.

Brooklyn Off-Island Study Area. The 400-foot area surrounding the Brooklyn ferry landing is part of Brooklyn Bridge Park's Pier 6, which is a 1.6-acre playground with water play, swings, slides and other play equipment. While some employment is generated to maintain this open space, most of the employment in the 400-foot study area is generated by the beer distributor that occupies Pier 7, which is directly south of the Ferry Landing.

The Brooklyn Off-Island Study area, i.e. the ¼-mile area around the Brooklyn ferry landing, contains approximately 150 businesses and 4,600 jobs (see **Table 4-2**). Employment in this area is driven by the Long Island College Hospital at 339 Hicks Street. The top sector is the health care and social assistance sector, which has about 4,140 employees representing 90.1 percent of employment in the Brooklyn Ferry Landing Study Area.

Table 4-2
2010 Businesses and Employment in theBrooklyn Off-Island ¼-Mile Study Area

Industry	Establishments		Employees	
	Number	Percent	Number	Percent
Construction	11	7.4	15	0.3
Manufacturing	1	0.7	0	0.0
Wholesale Trade	2	1.4	13	0.3
Retail Trade	7	4.7	10	0.2
Transportation and Warehousing	5	3.4	11	0.2
Information	6	4.1	10	0.2
Finance and Insurance	6	4.1	11	0.2
Real Estate and Rental and Leasing	9	6.1	12	0.3
Professional, Scientific, and Technical Services	18	12.2	54	1.2
Administrative and Support and Waste Management and Remediation Services	9	6.1	113	2.5
Educational Services	6	4.1	66	1.4
Health Care and Social Assistance	20	13.5	4,142	90.1
Arts, Entertainment, and Recreation	2	1.4	2	0.0
Accommodation and Food Services	13	8.8	59	1.3
Other Services (except Public Administration)	26	17.6	75	1.6
Unclassified	7	4.7	2	0.0
Total	148	100.0	4,595	100.0

Source: ESRI Business Analyst, Inc, Business Summary Report, April 2011.

Assessment Criteria

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

The Proposed Project would not introduce enough of a new economic activity to alter existing economic patterns. Full development of the Proposed Project would introduce increased foot traffic to the Off-Island Study Areas. Phase 1 and the Later Phases-Park and Public Spaces would result in between 116 and 562 incremental person trips at the Brooklyn ferry landing, and between 351 and 1,518 incremental person trips at the Manhattan ferry landing. In addition, Later Phases-Island Redevelopment would result in substantially more person trips at the Brooklyn ferry landing and at the Manhattan ferry landing (see Chapter 15, "Transportation").

Businesses in the Manhattan Off-Island Study Area already are accustomed to a high volume of pedestrian activity. As shown in **Table 4-1**, there are approximately 47,580 employees in the Manhattan Off-Island Study Area. In addition, this area attracts a significant number of tourists from the nearby ferry to the Statue of Liberty and to Ellis Island. In 2010, Liberty Island alone had 3.15 million visitors.[1] In addition, the estimated 60,000 daily passengers who use the Staten Island ferry,[2] which is next to the BMB, also travel through the study area. Therefore, the Proposed Project would not introduce a new economic activity since substantial numbers of tourists and commuters already are present in the Manhattan Off-Island Study Area.

[1] The Statue of Liberty-Ellis Island Foundation, Inc. 2010 Annual Report.

[2] http://www.siferry.com/ [Accessed March 17, 2011]

The Brooklyn Off-Island Study Area includes a part of Brooklyn Bridge Park, comprising a 1.6-acre destination playground with swings and slides. The full construction of Brooklyn Bridge Park—85 acres stretching 1.3 miles from Pier 6 to north of the Manhattan Bridge—will be completed in the future. According to the *Brooklyn Bridge Park Final Environmental Impact Statement*, Brooklyn Bridge Park is expected to generate approximately 27,000 trips during a typical summer Sunday and 15,000 trips during a typical summer weekday. In the future without the Proposed Project, there will already be substantial foot traffic in the Brooklyn Off-Island Study Area. Therefore, the Proposed Project would not introduce a new economic activity since there will already be substantial foot traffic in the Brooklyn Off-Island Study Area, and would not significantly alter existing economic patterns in the Brooklyn Off-Island Study Area.

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

Although the full development of the Proposed Project would add new uses to the Island, it would not have the potential to affect commercial rents in the Off-Island Study Areas since the Island is physically separated from off-Island commercial establishments. In addition, the full development of the Proposed Project would not add new uses to the Off-Island Study Areas. Therefore, full development of the Proposed Project would not alter or accelerate an ongoing trend to alter existing economic patterns in the Off-Island Study Areas.

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

No direct displacement of any uses would result from the full development of the Proposed Project. To the contrary, the full development of the Proposed Project would bring additional people to the Off-Island Study Areas who would add to the existing customer base for local businesses.

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

The full development of the Proposed Project would not directly displace residents, workers, or visitors. As discussed above, Phase 1 and the Later Phases-Park and Public Spaces would result in incremental person trips at the Brooklyn ferry landing and at the Manhattan ferry landing. In addition, Later Phases-Island Redevelopment would result in additional person trips at the Brooklyn ferry landing and at the Manhattan ferry landing (see Chapter 15, "Transportation"). The influx of residents, employees, students, and visitors would create a sizable new customer base for existing and future retail services and businesses in the Off-Island Study Areas.

5. Would the Proposed Project introduce a land use that could (1) have a similar indirect effect, through the lowering of property values if it is large enough or prominent enough, or (2) combines with other like uses to create a critical mass large enough to offset positive trends in the study area, to impede efforts to attract investment to the area, or to create a climate for disinvestment?

The full development of the Proposed Project would not impede efforts to attract investments to the area or create a climate for disinvestment. In the future with the Proposed Project, the project site would be transformed into a vibrant, mixed-use destination with 87 acres of publicly accessible open space and 3 million square feet of development. The increased residents,

workers, and visitors to the project site would increase the spending power in the Off-Island Study Areas, which would be beneficial to existing commercial establishments.

CONCLUSION

Overall, the preliminary assessment finds that the Proposed Project would not result in significant adverse impacts due to indirect business and institutional displacement. Therefore, no further analysis of this issue is required.

ADVERSE EFFECTS ON SPECIFIC INDUSTRIES

The Proposed Project would not result in direct displacement or any regulatory changes with the potential to affect conditions within a specific industry. Therefore, there would be no significant adverse impacts on specific industries from the Proposed Project, and no further analysis is required. ✷