## A. INTRODUCTION

This section describes the socioeconomic changes that could result from the proposed project on the Brooklyn Site, and assesses whether such changes could result in the potential for significant adverse environmental 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 objective of the CEQR analysis is to disclose whether any of these changes would result in the potential for significant impacts when compared with what could happen in the future without the proposed project (the No Action condition).

In accordance with *CEQR Technical Manual* guidelines, this socioeconomic assessment considers five ways that 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.

### PRINCIPAL CONCLUSIONS

The following summarizes the analysis findings for each area of socioeconomic concern. As detailed below, the proposed project would not result in the potential for significant adverse environmental impacts due to changes in socioeconomic conditions.

*DIRECT RESIDENTIAL DISPLACEMENT*

The Brooklyn Site at 275 Atlantic Avenue (Block 175, Lot 1, referred to herein as the "project site") does not contain any residential dwelling units (DUs). Therefore, the proposed project would not result in the potential for any direct residential displacement.

*DIRECT BUSINESS DISPLACEMENT*

The proposed project is located on the site of the existing Brooklyn Detention Complex, a public detention facility. While the proposed project includes the demolition of the existing facility, the proposed project would include facilities similar to those found in existing and No Action conditions. There are no private businesses on the site; therefore, the proposed project would not result in the potential for the direct displacement of any private businesses or employment associated with private businesses.

*INDIRECT RESIDENTIAL DISPLACEMENT*

The concern with respect to indirect residential displacement is whether a proposed project or action could lead to increases in property values, and thus rents, making it difficult for some study area residents to afford their current residences. According to the *CEQR Technical Manual*, residential development of 200 units or less would typically not result in the potential for

significant socioeconomic impacts due to indirect residential displacement. The proposed project would not introduce any residential DUs or substantial new commercial development. In addition, as evidenced by the presence of the existing jail facility, this type of use has not adversely affected residential market conditions. Therefore, it would not result in the potential for any significant adverse impacts due to indirect residential displacement.

*INDIRECT BUSINESS DISPLACEMENT*

A preliminary assessment of indirect business displacement concludes that the proposed project would neither result in the potential for indirect business displacement due to increased property values or rents nor introduce a concentration of uses that would offset positive trends within the study area. As the existing jail facility has not prevented economic growth within the study area, the proposed project is not anticipated to produce significant secondary effects on businesses. The proposed project is a replacement of the existing detention-facility use, the economic activities associated with the proposed project would be similar to those found in the future without the proposed project. The proposed project would not substantially change business conditions within the socioeconomic study area.

*ADVERSE EFFECTS ON SPECIFIC INDUSTRIES*

As the proposed project would not result in the potential for direct business displacement on the project site, and the potential for any indirect business displacement would be limited and not specific to any industry, an assessment of adverse effects on specific industries is not warranted.

## B. METHODOLOGY

### ANALYSIS FORMAT

Following the *CEQR Technical Manual* guidelines, the socioeconomic analysis begins with a screening-level assessment that determines the need for a preliminary assessment. As detailed below in Section C, "Screening Assessment," the proposed project exceeds thresholds warranting preliminary assessment of one of the five socioeconomic areas of concern: indirect business displacement.

When warranted, a preliminary assessment is conducted to learn enough about the potential effects of a project 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 preliminary assessment responds to questions based on guidance from the *CEQR Technical Manual*. If the responses to questions indicate there is no potential for significant adverse impacts, further analysis is not warranted. A detailed analysis, when warranted, addresses the same issues of concern but frames the assessment to more particularly examine the changes to socioeconomic conditions in the future with the proposed project (the With Action condition) as compared to the changes that would be expected in the No Action condition. With respect to the proposed project, a preliminary assessment (presented below in Section D, "Preliminary Assessment") was sufficient to conclude that the proposed would not result in the potential for significant adverse socioeconomic impacts, and no further analysis was warranted.

### PROJECT SITE

The Brooklyn Site is located at 275 Atlantic Avenue (Block 175, Lot 1) and occupies the entire block bounded by Atlantic Avenue, Smith Street, State Street, and Boerum Place. The site contains the existing Brooklyn Detention Complex, a detention facility that has 815 beds for those people undergoing the intake process or awaiting trial in Brooklyn or Staten Island courts.

### STUDY AREA DEFINITION

A socioeconomic study area is an area within which the proposed project could directly or indirectly affect the population, housing, and economic activities. A study area encompasses a project area and adjacent areas within approximately 400 feet, ¼-mile, or ½-mile radius, depending upon the project size and area characteristics. According to the *CEQR Technical Manual*, the socioeconomic study area boundaries typically are similar to those of the land use study area, which for the proposed project is a ¼-mile radius around the project site. Because socioeconomic analyses depend on demographic data, the *CEQR Technical Manual* states that 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 ¼-mile radius surrounding the project site). The census tracts that constitute the "socioeconomic study area," or "study area," are shown in **Figure 3.2-1**. The study area includes the following three census tracts—9, 37, and 43—all within Brooklyn CD 2.

### DATA SOURCES

To perform the indirect business displacement assessment, census tract-level New York State Department of Labor Quarterly Census of Employment and Wages (QCEW) business and employment data for the third quarter of 2016 were obtained from the New York City Department of City Planning (DCP) Housing, Economics, and Infrastructure Planning (HEIP) Division. QCEW data on Kings County and New York City were collected by AKRF, Inc. for the third quarter of 2016. Additional primary data related to land use and economic activity was collected during field surveys of the study area conducted by AKRF in August of 2018.

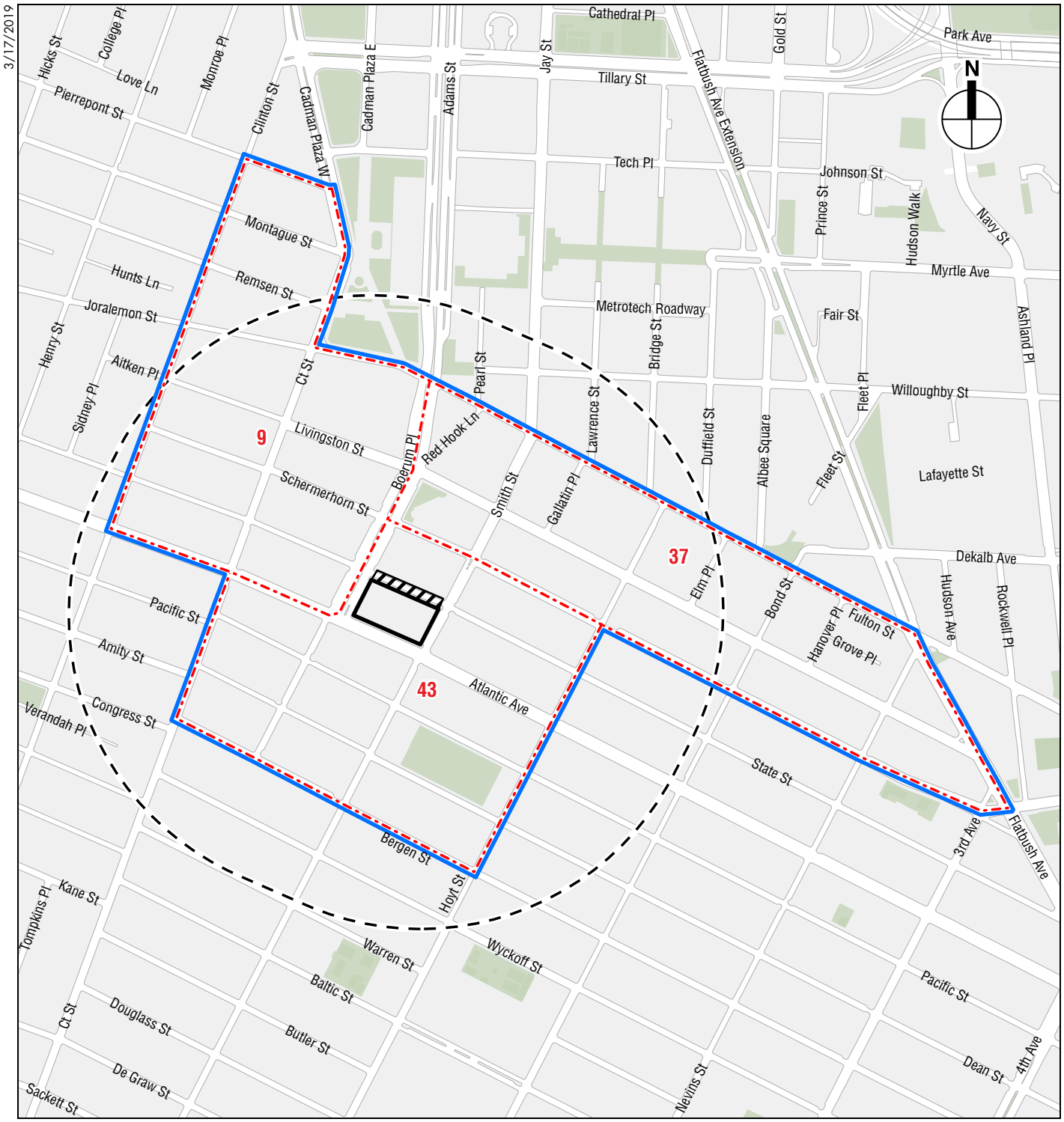
## C. SCREENING ASSESSMENT

According to the *CEQR Technical Manual*, a socioeconomic assessment should be conducted if a project may be reasonably expected to create socioeconomic changes in the area affected by the project that would not be expected to occur in the absence of the project. This screening assessment presents the *CEQR Technical Manual* threshold circumstances (numbered in bold italics) that can lead to socioeconomic changes warranting further analysis and compares those thresholds to the proposed project's Reasonable Worst Case Development Scenario (RWCDS).

### *1. DIRECT RESIDENTIAL DISPLACEMENT*

***Would the proposed project directly displace residential population to the extent that the socioeconomic character of the neighborhood would be substantially altered? Displacement of fewer than 500 residents would not typically be expected to alter the socioeconomic character of a neighborhood.***

The project site does not contain any residential DUs. Therefore, the proposed project would not directly displace a residential population, and no further assessment of this concern is warranted.




Socioeconomic Study Area
Brooklyn Site - 275 Atlantic Avenue
**Figure 3.2-1**

**BOROUGH-BASED NYC JAIL SYSTEM**

*2. DIRECT BUSINESS DISPLACEMENT*

***Would the proposed 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 to policies or plans aimed at its preservation, or that serves a population uniquely dependent on its services in its present location?***

The project site is the location of the Brooklyn Detention Complex, a public jail facility serving as pre-trial holding center for Brooklyn and Staten Island Courts. While the existing Brooklyn Detention Complex would be demolished as a result of the proposed project, it would be replaced by another public detention facility. As the Brooklyn Detention Complex is not a private business, it is not included in the socioeconomic analysis of direct business displacement. The project site does not include any private businesses and would therefore not lead to any direct business displacement. No further assessment is warranted.

*3. INDIRECT RESIDENTIAL AND BUSINESS DISPLACEMENT*

***Would the proposed 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 project would not introduce additional DUs in the study area, and the existence of a jail facility (in the existing condition) has not adversely affected residential market conditions; therefore, an analysis of indirect residential displacement is not warranted. While the proposed project would not introduce new commercial development above the 200,000 CEQR threshold (the proposed project includes approximately 30,000 gross square feet [gsf] of community facility and/or retail space) it would introduce 1,190,000 gsf of new public detention facility. The size and scale of the new use warrant a preliminary assessment of indirect business displacement.

*4. ADVERSE EFFECTS ON SPECIFIC INDUSTRIES*

***Is the proposed project expected to affect conditions within a specific industry? This could affect socioeconomic conditions if a substantial number of workers or residents depend on the goods or services provided by the affected businesses, or if the project would result in the loss or substantial diminishment of a particularly important product or service within the city.***

As the proposed project would not result in the potential for direct business displacement on the project site, and as discussed in "D. Preliminary Assessment" the potential for any indirect business displacement would be limited and not specific to any industry and an assessment of adverse effects on specific industries is not warranted.

Based on the screening assessment presented above, the proposed project warrants a preliminary assessment of indirect business displacement.

## D. PRELIMINARY ASSESSMENT

### INDIRECT BUSINESS DISPLACEMENT

As described in the *CEQR Technical Manual*, indirect business displacement focuses on whether the proposed actions would result in the potential for a change in socioeconomic conditions that would lead to the involuntary displacement of businesses or employees. Changes in

socioeconomic conditions include a change in property values and rents within the study area. The preliminary analysis first presents existing business conditions and trends within the study area and then analyzes the potential for the proposed project to influence these trends.

*EXISTING CONDITIONS*

The study area is located in Downtown Brooklyn and encompasses portions of the neighborhoods of Downtown Brooklyn, Brooklyn Heights, Boerum Hill, Cobble Hill, and the Fulton Mall shopping area. The area includes medium-density residential neighborhoods with local retail and larger commercial office districts with large office buildings and retail that serves area workers and residents. Downtown Brooklyn is also a major center of City government with a large number of courts and other institutional facilities.

Boerum Hill and Cobble Hill in the southern portion of the study area are primarily low to medium density residential neighborhoods with active commercial corridors that include a variety of small retail businesses, restaurants, and some small office uses. The primary commercial corridors in the area are Smith and Court Streets. Atlantic Avenue is another primary thoroughfare, which includes restaurants and retail, including larger corporate retail in larger recently constructed mixed-use buildings.

Downtown Brooklyn and the portions of Brooklyn Heights within the study area are primarily office districts focused around the various public institutions located within the area. The area includes a mix of modern and older office buildings. Along Court Street, office buildings include first-floor retail uses, and restaurants serving the professional workforce within the area.

The Fulton Mall and adjacent neighborhood extend from the center of the study area east toward Flatbush Avenue. The Fulton Mall is Brooklyn's historic retail core and includes a large number of buildings that were formerly large department stores such as Abraham and Strauss. The Fulton Mall remains a major retail corridor with a variety of apparel stores along its length. Various other small offices are located within the area extending north towards the large MetroTech Center, just outside of the study area. Along the Fulton Mall and parallel Livingston and Schermerhorn Streets, a number of new mixed-use and residential buildings have been constructed including the Brooklyn Grove and large City Point Mall and residence, just outside of the study area.

Over approximately the past 20 years, the study area has seen substantial real estate investment including new office development, luxury residential, commercial retail, and hotels. Directly to the east of the project site across Smith Street are two new luxury hotels, the NU Hotel and Hilton Brooklyn. To the south, across Atlantic Avenue, new commercial development includes a variety of large national retail brands and to the west across Boerum Place, new mixed-use development includes retail and luxury residences.

*Profile of Private Employment in the Study Area*

As shown in **Table 3.2-1**, within the socioeconomic study area there are an estimated 17,102 workers employed by private sector firms. The largest employment sector within the study area is Healthcare and Social Assistance, which employs an estimated 21.7 percent (3,713) of private sector employees. Within Kings County, this sector accounts for an estimated 32.8 percent of private sector employment, while in New York City this sector accounts for an estimated 18.5 percent of private sector employment.

**Table 3.2-1**
**2016 Private Employment in Socioeconomic Study Area, Brooklyn, and New York City**

| | Socioeconomic Study Area | | Brooklyn | | New York City | |
|---|---|---|---|---|---|---|
| | **Employees** | **%** | **Employees** | **%** | **Employees** | **%** |
| Agriculture, Forestry, Fishing, and Hunting | X | N/A | 112 | 0.0 | 298 | 0.0 |
| Mining, Quarrying, and Oil and Gas Extraction | X | N/A | X | N/A | 17 | 0.0 |
| Utilities | X | N/A | 4,199 | 0.7 | 5,193 | 0.1 |
| Construction | 43 | 0.3 | 30,920 | 5.3 | 146,050 | 4.0 |
| Manufacturing | 117 | 0.7 | 20,221 | 3.5 | 75,051 | 2.1 |
| Wholesale Trade | 65 | 0.4 | 24,498 | 4.2 | 134,907 | 3.7 |
| Retail Trade | 2,728 | 16.0 | 75,361 | 12.9 | 341,870 | 9.5 |
| Transportation and Warehousing | X | N/A | 18,411 | 3.2 | 111,939 | 3.1 |
| Information | 148 | 0.9 | 10,424 | 1.8 | 179,157 | 5.0 |
| Finance and Insurance | 415 | 2.4 | 16,337 | 2.8 | 330,820 | 9.2 |
| Real Estate, Rental, and Leasing | 452 | 2.6 | 17,499 | 3.0 | 127,935 | 3.5 |
| Professional, Scientific, and Tech Services | 2,094 | 12.2 | 21,305 | 3.7 | 396,917 | 11.0 |
| Management of Companies and Enterprises | 59 | 0.3 | 3,069 | 0.5 | 66,920 | 1.9 |
| Administrative and Support and Waste Management and Remediation | 964 | 5.6 | 29,716 | 5.1 | 225,114 | 6.2 |
| Educational Services | 1,435 | 8.4 | 26,526 | 4.5 | 166,750 | 4.6 |
| Health Care and Social Assistance | 3,713 | 21.7 | 191,672 | 32.8 | 669,489 | 18.5 |
| Arts, Entertainment, and Recreation | 160 | 0.9 | 8,940 | 1.5 | 85,035 | 2.4 |
| Accommodation and Food Services | 1,161 | 6.8 | 47,092 | 8.1 | 353,384 | 9.8 |
| Other Services (except Public Administration) | 1,107 | 6.5 | 29,533 | 5.1 | 172,360 | 4.8 |
| Unclassified | X | N/A | 7,655 | 1.3 | 24,105 | 0.7 |
| **Total** | **17,102** | **100** | **583,490** | **100** | **3,613,311** | **100** |

**Notes:** "X" indicates that the data cannot be disclosed or the sector does not exist in the geographic area.

**Sources:** NYSDOL QCEW, 3Q 2016; NYSDOL QCEW, 3Q 2016 data was provided at the census-tract level for the socioeconomic study area by DCP HEIP Division (August 2018).

The second greatest concentration of private sector employees within the study area is within the Retail Trade sector, an estimated 16 percent (2,728) of private employment is within this sector. This is a much higher proportion of private sector employment as compared with that of Kings County and New York City overall, reflecting the numerous retail corridors found within the ½-mile study area. In Kings County, an estimated 12.9 percent of private sector employment is within the Retail Trade sector, and within New York City overall, an estimated 9.5 percent of private sector employment is within this sector.

*Profile of Private Businesses in the Study Area*

As shown in **Table 3.2-2** there are an estimated 1,112 private sector firms located within the socioeconomic study area. In addition to these, the study area includes a large number of public agencies including city, state and federal courts and the New York City Department of Education. Of private firms, the largest share is in the Professional, Scientific, and Technical Services sector.

**Table 3.2-2**
**2016 Private Businesses in Socioeconomic Study Area, Brooklyn, and New York City**

| | Socioeconomic Study Area | | Brooklyn | | New York City | |
|---|---|---|---|---|---|---|
| | **Firms** | **%** | **Firms** | **%** | **Firms** | **%** |
| Agriculture, Forestry, Fishing, and Hunting | X | N/A | 15 | 0.0 | 48 | 0.0 |
| Mining, Quarrying, and Oil and Gas Extraction | X | N/A | X | N/A | 8 | 0.0 |
| Utilities | X | N/A | 24 | 0.0 | 31 | 0.0 |
| Construction | 17 | 1.5 | 3,984 | 6.7 | 13,860 | 5.2 |
| Manufacturing | 12 | 1.1 | 1,757 | 2.9 | 5,693 | 2.2 |
| Wholesale Trade | 8 | 0.7 | 3,140 | 5.3 | 14,858 | 5.6 |
| Retail Trade | 134 | 12.1 | 9,694 | 16.3 | 33,246 | 12.6 |
| Transportation and Warehousing | X | N/A | 1,385 | 2.3 | 5,027 | 1.9 |
| Information | 4 | 0.4 | 1,023 | 1.7 | 6,590 | 2.5 |
| Finance and Insurance | 39 | 3.5 | 1,445 | 2.4 | 12,158 | 4.6 |
| Real Estate, Rental, and Leasing | 82 | 7.4 | 4,558 | 7.6 | 21,412 | 8.1 |
| Professional, Scientific, and Tech Services | 261 | 23.5 | 4,812 | 8.1 | 30,138 | 11.4 |
| Management of Companies and Enterprises | 4 | 0.4 | 141 | 0.2 | 1,439 | 0.5 |
| Administrative and Support and Waste Management and Remediation | 51 | 4.6 | 1,979 | 3.3 | 11,655 | 4.4 |
| Educational Services | 24 | 2.2 | 1,007 | 1.7 | 4,149 | 1.6 |
| Health Care and Social Assistance | 126 | 11.3 | 6,424 | 10.8 | 23,299 | 8.8 |
| Arts, Entertainment, and Recreation | 20 | 1.8 | 897 | 1.5 | 5,793 | 2.2 |
| Accommodation and Food Services | 83 | 7.5 | 5,135 | 8.6 | 22,356 | 8.5 |
| Other Services (except Public Administration) | 172 | 15.5 | 7,210 | 12.1 | 36,444 | 13.8 |
| Unclassified | X | X | 5,006 | 8.4 | 15,921 | 6.0 |
| **Total** | **1,112** | **100** | **59,636** | **100** | **264,125** | **100** |

**Notes:** "X" indicates that the data cannot be disclosed or the sector does not exist in the geographic area.

**Sources:** NYSDOL QCEW, 3Q 2016; NYSDOL QCEW, 3Q 2016 data was provided at the census-tract level for the socioeconomic study area by DCP HEIP Division (August 2018).

An estimated 23.5 percent of all firms (261 firms) within the study area are in this sector, which aligns with the character of Downtown Brooklyn as the commercial center of Brooklyn. In comparison, an estimated 8.1 percent of private Kings County firms are within this sector and an estimated 11.4 percent of private New York City firms are in this sector.

A further 15.5 percent (172) of private sector study area firms are classified as Other Services (except Public Administration) reflecting the service-oriented character of the study area. This percentage of firms, as compared with Professional, Scientific, and Technical Services, is much more in line with the percentage of private firms within the sctor found in both Kings County and New York City overall. Within Kings County, 12.1 percent of all private firms are in Other Services, while in New York City overall 13.8 percent of private firms are within this sector.

*THE FUTURE WITHOUT THE PROPOSED PROJECT*

*Project Site*

In the No Action condition, the project site will remain as described in "Existing Conditions" as the Brooklyn Detention Complex.

*Study Area*

Residential and mixed-use development including the construction of additional hotels and associated retail is anticipated to continue within Downtown Brooklyn. Based on information provided by the New York City Department of Buildings and additional research conducted by AKRF in August 2018, 11 new buildings are anticipated to be constructed within the study area in the No Action condition by the 2027 analysis year. In total, this will include approximately 759 residential dwelling units and approximately 268,000 square feet of commercial retail space.

*THE FUTURE WITH THE PROPOSED PROJECT*

In the future with the proposed project, it is anticipated that a 1,190,000-gsf, 1,437-bed detention facility would be built on the project site. Of the 1,190,000 gsf, approximately 30,000 gsf would be ground-floor community facility and/or commercial retail space. The following assessment considers whether this development, including community facility space, could create conditions that change commercial property values, affect customer bases for existing businesses, and alter land use patterns, which could in turn contribute to indirect business displacement.

***1. Would the proposed project introduce a trend that increases commercial property values, making it difficult for businesses essential to the local economy—or a business that is the subject of regulations or publicly adopted plans to preserve, enhance, or otherwise protect it—to remain in the study area?***

The proposed project is not anticipated to introduce a trend that increases commercial property values within the socioeconomic study area. The proposed project would replace an existing public jail facility with a new facility and introduce new retail uses to the site. The retail would be relatively small in scale, below 200,000 gsf, which the *2014 CEQR Technical Manual* suggests would typically not result in the potential for significant socioeconomic impacts. As discussed in the existing condition section, the socioeconomic study area already has a substantial number of public facilities and retail, such that the proposed project would not introduce any new economic activity not already present within the study area.

***2. 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?***

The proposed project would not directly displace uses that offer critical support services to local businesses, or draw a substantial customer base to the study area. As noted in the screening

assessment, the proposed project would involve the demolition and replacement of the existing jail facility. Visitors and commercial activity around the facility are expected to be similar to that described in the existing condition, but would have a higher intensity of jail-related activity as the facility is proposed to be larger than the existing facility. As the facility would remain a detention facility, there would continue to be demand for ancillary businesses related to a detention facility, such as for the bail-bonding business located within the study area. Therefore, the potential replacement of this public facility with a new detention facility would not have a significant adverse effect on businesses or customers within the study area.

***3. 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 proposed project would reinforce the existing customer base of the study area by introducing approximately 430 additional staff and workers at the detention facility and retail/community facility uses as well as attract approximately 400 more visitors to the project site than in the existing and No Action conditions (see **Appendix C**). In total it is anticipated that approximately 830 incremental visitors and staff would visit the facility daily. This would primarily benefit the general retail, personal services, and food service sectors, as increased activities associated with the proposed project would draw more people to the area. Further, the proposed project would support the existing legal services business located within the study area by bringing more court activity to the study area.

***4. Would the proposed project alter land use patterns such that it offsets positive trends in the area, impedes efforts to attract investment to the area, or creates a climate for disinvestment?***

The proposed project would not offset positive trends within the study area, impede efforts to attract investment to the area, or create a climate of disinvestment. The project site is currently being underutilized as an outdated detention facility. The proposed project would invest in a new building that better fits into the urban context; specifically, the proposed project would incorporate active ground-floor uses, interior waiting areas for visitors, and streetscape improvements including new landscaping and lighting. The addition of new employees and visitors to the detention facility would expand the customer base of existing businesses within the study area, while the new retail or community facility and detention facility would create new job opportunities. Further, as discussed in the existing condition section, despite the existence of a detention facility in the existing condition the study area has experienced substantial investment over the past 10 years, including the construction of luxury residential uses, hotels and boutique retail in proximity to the existing jail facility. It is therefore unlikely that the new facility would change the economic conditions or land use patterns within the study area in a way that has the potential to create a climate for economic disinvestment within the study area.

*CONCLUSION*

This preliminary assessment finds that the proposed project would not result in the potential for indirect business displacement within the socioeconomic study area. The proposed project would introduce uses already found within the study area. It 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. To the contrary, the proposed project would invest in the study area by introducing new retail and community facility space as well as introduce additional workers and visitors to the study area, who are potential customers for existing businesses within the study area. As such, the proposed projects would not result in

the potential for significant adverse socioeconomic impacts due to indirect business displacement, and no further assessment is warranted. ✷