

**A. INTRODUCTION**

This chapter analyzes potential changes in socioeconomic conditions that may occur in connection with development of the Brooklyn Bridge Park and whether such changes would generate significant adverse impacts. The proposed project would result in the development of approximately 1,210 residential units, 141,200 square feet of retail space, 78,898 square feet of restaurant space, 36,000 square feet of office space, 128,400 square feet for educational or research and development uses, and a 225-room hotel with an additional 7,500 square feet of restaurant and café space, a 10,000-square-foot spa, and a 30,000-square-foot meeting space.

This chapter concludes that the proposed project would not have any significant adverse socioeconomic impacts on residents or businesses.

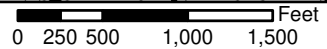
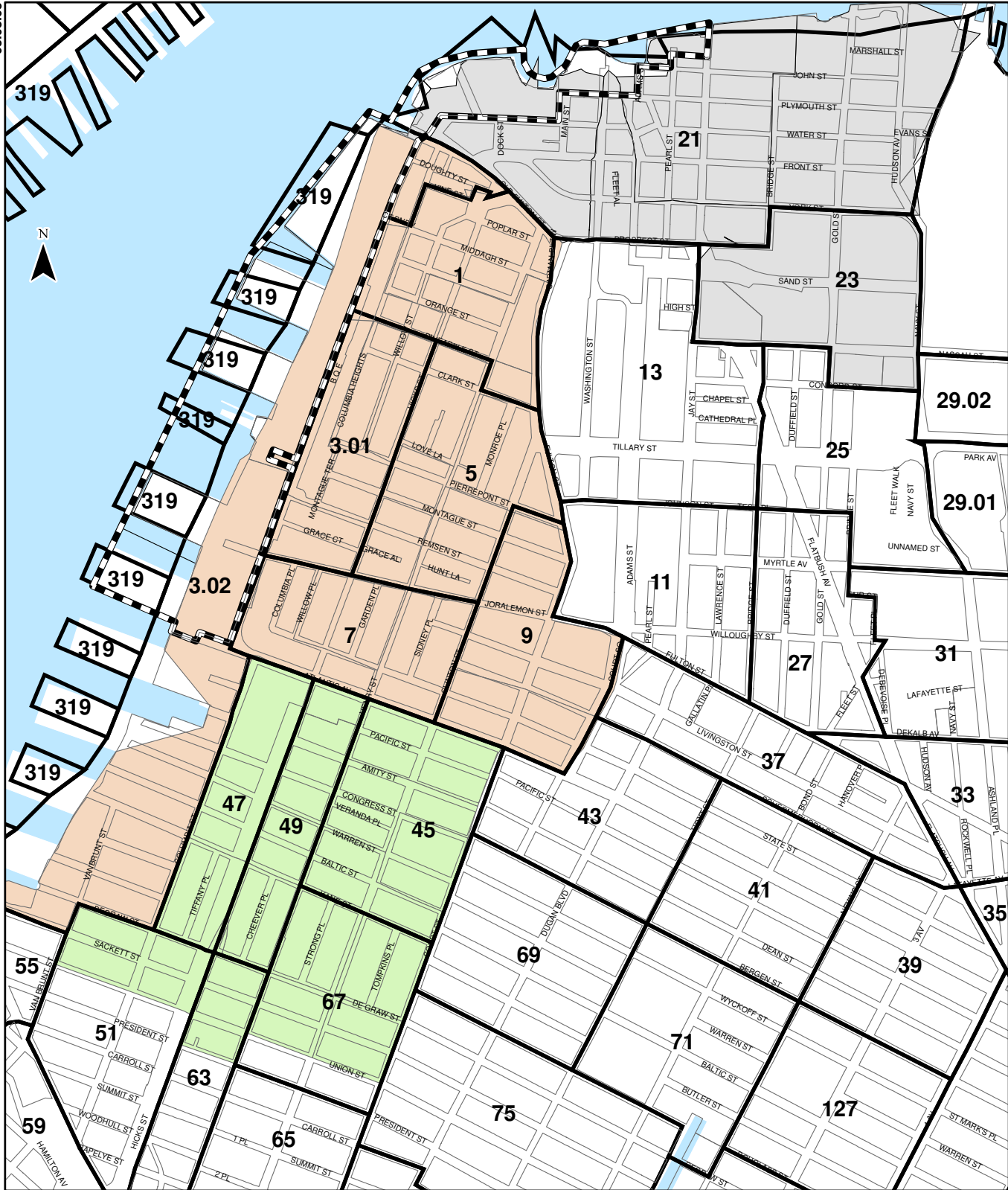
**ANALYSIS FRAMEWORK**

In accordance with the guidelines for socioeconomic analyses prescribed by the 2001 *City Environmental Quality Review (CEQR) Technical Manual*, this analysis considers five specific factors that could create substantial socioeconomic change in a neighborhood or a larger area affected by a proposed project: (1) direct displacement of residential population on the project site, (2) direct displacement of existing businesses on the project site, (3) indirect displacement of residential population in the study area, (4) indirect displacement of businesses and institutions in the study area, or (5) adverse effects on specific industries not necessarily tied to the project site or to the study area.


**SOCIOECONOMIC STUDY AREA**

The socioeconomic study area, shown in Figure 3-1, extends approximately 2,000 feet inland from the project site boundary. This represents the area most likely to be affected by economic and demographic changes occurring on the project site.

The study area population is demographically diverse, and its business environment is varied. To develop a more detailed understanding of the study area's socioeconomic profile, the area was divided into three subareas based on census tract boundaries. These subareas, mapped in Figure 3-1, encompass several neighborhoods: Columbia Street Waterfront, Cobble Hill, and Carroll Gardens at the southern end of the study area; Brooklyn Heights in the middle of the study area; and Fulton Ferry, D.U.M.B.O., and Vinegar Hill at the northern end of the study area. Dividing the study area into these three subareas allows for an analysis that is more consistent with the CEQR methodology, which recommends that a socioeconomic study area extend approximately ½ mile from a project site. Because of the shape and size of the Brooklyn Bridge Park study area, an analysis that only considers the study area in its entirety could dilute or mask negative impacts. For example, if the income levels and apartment rental rates in one section of the study area are significantly lower than in other portions, that population could be more susceptible to



**Legend**

-  CensusTracts
-  Brooklyn Heights Subarea
-  Columbia Street Waterfront, Cobble Hill & Carroll Gardens Subarea
-  Fulton Ferry, DUMBO, Vinegar Hill Subarea
-  Project Site

**BROOKLYN BRIDGE PARK**

Socioeconomic Study Area  
Figure 3-1

indirect residential displacement and should be examined in greater detail. However, if their incomes and rents are analyzed only in combination with incomes and rents in other parts of the study area, the overall study area averages might be high enough that indirect displacement would not appear to be an issue of concern. Dividing the study area into three subsections makes it less likely that small pockets of vulnerable populations or businesses are overlooked.

### DATA SOURCES

Information presented in this chapter was obtained from a variety of sources. Demographic and housing information was collected from the U.S. Census Bureau's 1990 and 2000 Census. As shown in Figure 3-1, Census Tracts making up the study area include: Tracts 1, 3.01, 3.02, 5, 7, 9, (Brooklyn Heights subarea); Tracts 21 and 23 (Fulton Ferry, D.U.M.B.O., Vinegar Hill subarea); and Tracts 45, 47, 49, 51 Block Group 1, 63 Block Group 1, and 67 Block Groups 1-5 (Columbia Street Waterfront, Cobble Hill, and Carroll Gardens subarea). Although the boundaries for Census Tract 3.02 reach into the Brooklyn Heights and the Columbia Street Waterfront subareas, for analysis purposes this tract is included in the Brooklyn Heights subarea. Census data on housing rents and prices were supplemented with current real estate data obtained from The Corcoran Group, Inc. Employment data is from Claritas, Inc., a marketing information resources company. Project-specific data, including information on the square footage of proposed project site buildings and parking areas and project construction costs, were provided by the Brooklyn Bridge Park Development Corporation (BBPDC).

## B. EXISTING CONDITIONS

### PROJECT SITE

#### *POPULATION AND HOUSING*

There is no residential population or housing located on the project site.

#### *BUSINESS AND EMPLOYMENT*

As shown in Table 3-1, there are currently three businesses operating on the project site that would be displaced. These businesses are located on Piers 1, 3, and 5 (and the upland portion of Pier 6) and are primarily engaged in warehousing activities. Pier 1 is partially occupied by Express Industries & Terminal Corporation (a.k.a. Express Haulage Corporation); Pier 3 is used by Strober Brothers, Inc. for warehousing building supplies; and Pier 5 is occupied by American Warehousing of New York, which handles imported cocoa. The piershed on Pier 6 is currently vacant, but buildings on the upland portion of the pier are partially occupied by American Warehousing of New York.

American Warehousing of New York, Inc. reports that there are approximately 80 employees working on the proposed project site, including Pier 5 and the upland portion of Pier 6 and Strober Brothers, Inc. reports that there are about 55 employees working on Pier 3. Express Industries & Terminal Corp. could not be reached for an onsite employment estimate. Therefore, an employment estimate was generated based on the building square feet per employee ratios from Piers 3 and 5. Based on the building square footages derived from aerial photographs and the employment estimates provided by the two companies, Pier 3 has approximately 3,275 square feet per employee and Pier 5 has approximately 4,420 square feet per employee.

**Table 3-1  
Businesses to be Displaced by the Proposed Project**

<b>Name of Business</b> <sup>(1)</sup>	<b>Location</b>	<b>Estimated Building Square Feet</b> <sup>(2)</sup>	<b>Estimated Number of Employees</b> <sup>(3)</sup>
Express Industries & Terminal Corp.	Pier 1	282,910	86
American Warehousing of New York, Inc.	Piers 5 and 6 <sup>4</sup>	180,110	80
Strober Brothers, Inc.	Pier 3	182,730	55
<b>Total</b>			221
<b>Sources and Notes:</b>			
<sup>(1)</sup> Business names and locations were provided by the Brooklyn Bridge Park Development Corporation and confirmed during site visits in May 2005. <sup>(2)</sup> Building square footage was estimated using aerial photographs and ArcMap GIS program. <sup>(3)</sup> Employment estimates for American Warehousing of New York, Inc. and Strober Brothers, Inc. were provided by representatives of the businesses in June, 2005. The employment estimate for Express Industries & Terminal Corporation was generated by applying the employment ratio from Pier 3 (3,275 square feet per employee) to the building square footage. Although Express Industries & Terminal Corporation does not occupy the entire 282,910 square feet of space on Pier 1, the ratio was conservatively applied to the entire building square footage. <sup>(4)</sup> <u>Although the piershed on Pier 6 is vacant, buildings located on the upland portion of the pier are partially occupied by American Warehousing of New York, Inc.</u>			

Conservatively assuming that employment density on Pier 1 mirrors the density on Pier 3 (which has a higher employee per square foot ratio than Pier 5) there would be approximately 86 people working at the 282,910 square foot building on Pier 1. As mentioned above, only a portion of Pier 1 is occupied by Express Industries & Terminal Corp. However, because the portion of the building used by Express Industries & Terminal Corp. is unknown, this analysis conservatively assumes that the company occupies the entire facility, and therefore could employ up to 86 onsite employees.

In addition to the three businesses listed above, the proposed project would directly displace a surface parking lot on Pier 5 that is used for vehicle parking by the Watchtower Organization.

**STUDY AREA**

*POPULATION AND HOUSING*

This section describes the population and housing characteristics of the study area, including total population and number of households, average household income, poverty rate, number of housing units, housing vacancy rate, housing tenure, and contract rent. All data are presented for the three subareas as well as for the study area as a whole.

*Population and Households*

There were approximately 39,415 residents and 18,873 households living in the study area in 2000 (see Table 3-2). Between 1990 and 2000, the study area population grew by 10.5 percent, increasing at a faster rate than both Brooklyn (7.2 percent) and New York City (9.4 percent). Of the three subareas, Columbia Street Waterfront, Cobble Hill, and Carroll Gardens experienced the highest relative growth, with its population increasing by 13.7 percent and its households by 15.2 percent between 1990 and 2000. In absolute terms, Brooklyn Heights gained the largest number of residents (2,456 persons) and households (1,227 households).

**Table 3-2**  
**Study Area Population and Households, 1990 and 2000**

	Population			Households		
	1990	2000	Percent Change	1990	2000	Percent Change
Columbia Street Waterfront, Cobble Hill, and Carroll Gardens	10,004	11,373	13.7	4,565	5,261	15.2
Brooklyn Heights	20,138	22,594	12.2	10,433	11,660	11.8
Fulton Ferry, D.U.M.B.O., and Vinegar Hill	5,525	5,448	-1.4	1,690	1,952	15.5
Total study area	35,667	39,415	10.5	16,688	18,873	13.1
Brooklyn	2,300,664	2,465,326	7.2	828,199	880,727	6.3
New York City	7,322,564	8,008,278	9.4	2,819,401	3,021,588	7.2

**Sources:** U.S. Census Bureau, 1990 and 2000 Census, Summary File 1.

Between 1990 and 2000, population and households in the Columbia Street Waterfront, Cobble Hill, and Carroll Gardens subarea and the Brooklyn Heights subarea increased concurrently, with the total number of residents and households increasing by similar percentages over the 10-year period. In contrast, in the Fulton Ferry, D.U.M.B.O., and Vinegar Hill subarea the population decreased by 1.4 percent while the number of households increased by 15.5 percent. This is somewhat unusual and is likely due in part to the market rate residential units that were added to the subarea in the late 1990s as the neighborhood became a more popular place to live. As indicated below under “Income and Poverty,” the Fulton Ferry, D.U.M.B.O., and Vinegar Hill subarea contains a high proportion of public housing units. If the average household size for these units decreased over the course of the decade and, at the same time, population moved into new market rate housing (which typically has a lower average household size than below-market-rate housing) it would be natural for the population of the subarea to decrease while the number of households was increasing. Census data on age distribution within the study area indicates that between 1990 and 2000 the number of residents in the 30–34 and 35–39 age groups increased by 15 and 35 percent, respectively. This data reflects the trend that the Fulton Ferry, D.U.M.B.O., and Vinegar Hill subarea has become an attractive place to live for young professionals, including those seeking more affordable alternatives to the Manhattan housing market.

*Income and Poverty*

The 1999 median household income in the study area (\$62,137) was approximately 73 percent higher than the Brooklyn median (\$35,827) and 54 percent higher than the New York City median (\$40,419). As shown in Table 3-3, the median household income was significantly lower in the Fulton Ferry, D.U.M.B.O., and Vinegar Hill subarea than in the other two subareas. This is primarily due to the presence of Farragut Houses, a large public housing complex, located between Nassau, York, Bridge, and Navy Streets. With the exception of the Fulton Ferry, D.U.M.B.O., and Vinegar Hill subarea, the poverty rates in the study area are low—8.5 percent of residents in the Columbia Street Waterfront, Cobble Hill, and Carroll Gardens subarea and 13.7 percent of residents in the Brooklyn Heights subarea lived in poverty in 1999, compared with 25.1 percent in Brooklyn and 20.8 percent in New York City.

**Table 3-3**  
**Study Area Median Household Income and Poverty Rate, 1989 and 1999**

	Median Household Income			Percent Below Poverty		
	1989	1999	Percent Change	1989	1999	Percent Change
Columbia Street Waterfront, Cobble Hill, and Carroll Gardens	\$ 63,152	\$ 68,389	8.3	6.7	8.5	1.8
Brooklyn Heights	\$ 68,348	\$ 69,721	2.0	6.9	13.7	6.8
Fulton Ferry, D.U.M.B.O., and Vinegar Hill	\$ 15,528	\$ 29,040	87.0	43.9	49.2	5.2
Total study area	\$ 62,137	\$ 65,142	4.8	13.1	17.4	4.3
Brooklyn	\$ 35,827	\$ 32,135	-10.3	22.7	25.1	2.4
New York City	\$ 40,419	\$ 38,293	-5.3	18.9	20.8	1.9

**Notes:** All dollar values are presented in 1999 constant dollars.  
**Sources:** U.S. Census Bureau, 1990 and 2000 Census, Summary Files 1 and 3.

*Housing Units*

The study area contained approximately 19,580 housing units in 2000, which is an increase of 1,384 units, or 7.6 percent, from 1990 (see Table 3-4). The study area’s vacancy rate was low—3.5 percent in the study area, compared with 5.4 percent in Brooklyn and 5.6 percent in New York City. The Brooklyn Heights subarea contains a majority of the study area housing units and also has the lowest vacancy rate.

**Table 3-4**  
**Study Area Housing Units and Vacancy Rate, 1990 and 2000**

	Total Housing Units			Percent Vacant Housing Units		
	1990	2000	Percent Change	1990	2000	Change (Percentage Points)
Columbia Street Waterfront, Cobble Hill, and Carroll Gardens	5,012	5,488	9.5	8.9	3.5	-5.5
Brooklyn Heights	11,483	12,042	4.9	9.1	3.1	-6.0
Fulton Ferry, D.U.M.B.O., and Vinegar Hill	1,701	2,050	20.5	0.6	5.5	4.9
Total study area	18,196	19,580	7.6	8.3	3.5	-4.8
Brooklyn	873,671	930,866	6.5	5.2	5.4	0.2
New York City	2,992,169	3,200,912	7.0	5.8	5.6	-0.2

**Sources:** U.S. Census Bureau, 1990 and 2000 Census, Summary File 1.

*Housing Tenure and Rent*

As shown in Table 3-5, 34.9 percent of occupied housing units in the study area were owner occupied in 2000. This owner-occupancy rate is higher than the average for Brooklyn (27.1 percent) and for New York City (30.2 percent). Of the three subareas, Brooklyn Heights had the highest owner-occupancy rate (41.1 percent).

**Table 3-5**  
**Study Area Housing Tenure and Contract Rent, 1990 and 2000**

	Percent Owner-Occupied Housing Units		Percent Renter-Occupied Housing Units		Median Contract Rent		
	1990	2000	1990	2000	1990	2000	Percent Change
Columbia Street Waterfront, Cobble Hill, and Carroll Gardens	26.7	30.9	73.3	69.1	\$ 839	\$ 940	12.1
Brooklyn Heights	37.6	41.1	62.4	58.9	\$ 766	\$ 872	13.8
Fulton Ferry, D.U.M.B.O., and Vinegar Hill	3.6	9.6	96.4	90.4	\$ 327	\$ 413	26.6
Total study area	31.2	34.9	68.8	65.1	\$ 725	\$ 824	13.7
Brooklyn	25.9	27.1	74.1	72.9	\$ 564	\$ 621	10.1
New York City	28.6	30.2	71.4	69.8	\$ 590	\$ 646	9.4
<b>Note:</b> All dollar values are presented in 2000 constant dollars.							
<b>Sources:</b> U.S. Census Bureau, 1990 and 2000 Census, Summary Files 1 and 3.							

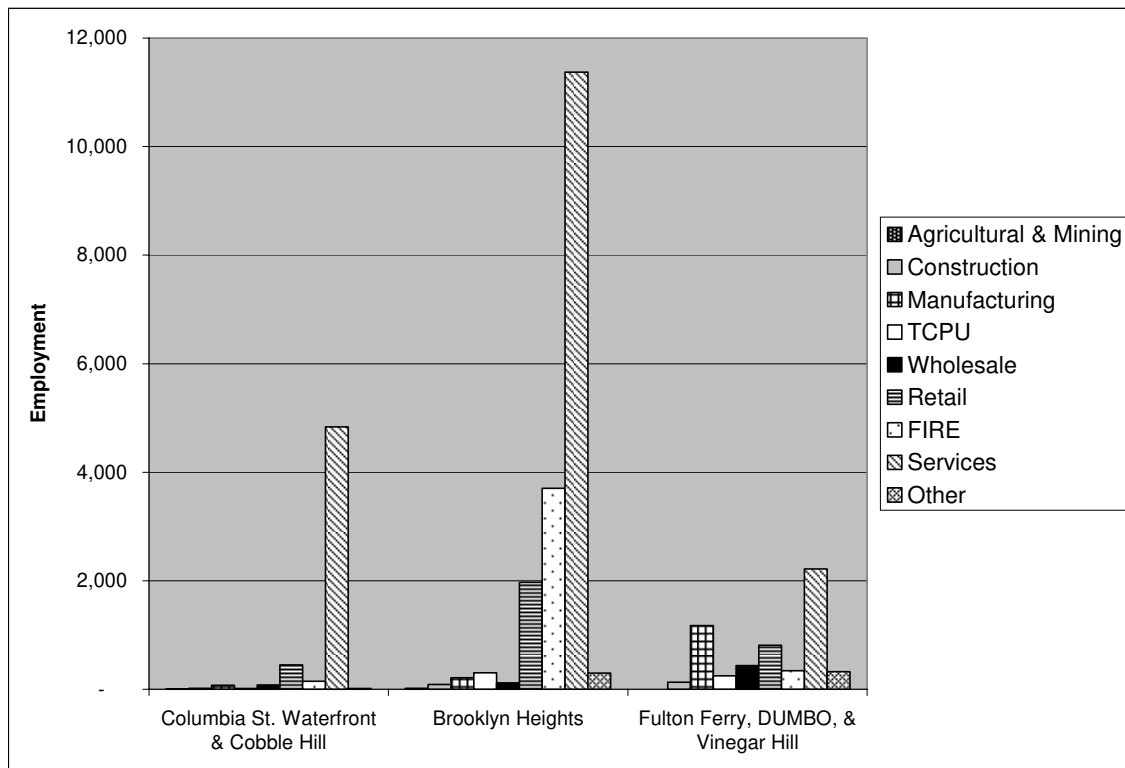
At 9.6 percent, the owner-occupancy rate for the Fulton Ferry, D.U.M.B.O., and Vinegar Hill subarea was substantially lower than the rate for the other subareas, the borough, and the City. This subarea also had a low median contract rent, less than half the medians for the Brooklyn Heights and Columbia Street Waterfront, Cobble Hill, and Carroll Gardens subareas. The low owner-occupancy rate and median contract rent are primarily attributable to the fact that approximately 75 percent of all housing units in that subarea are public housing units located in the Farragut Houses complex. And while median contract rent and owner-occupancy rates were comparatively low in 1999, it is worth noting that between 1989 and 1999 both of those indicators increased at a faster rate in the Fulton Ferry subarea than in the two other subareas. These increases are likely due to the growing popularity of the Fulton Ferry subarea as a residential neighborhood. In recent years, developers have been converting vacant or underutilized office and industrial buildings into high-end loft-style condominiums.

**BUSINESS AND EMPLOYMENT**

The study area contains approximately 2,493 businesses, employing about 29,400 public- and private-sector workers. A high proportion of those jobs (63 percent) are in the services sector, which includes such occupations as health, legal, and educational services, and captures the estimated 2,058 public-sector employees within the study area. In comparison, as of the third quarter of 2004 approximately 46 percent of all jobs in Brooklyn and 35 percent of all jobs in New York City were in services.

As shown in Figure 3-2, employment profiles vary across the three subareas. The services sector contains the highest number of jobs in each subarea. However, employment in the Fulton Ferry, D.U.M.B.O., and Vinegar Hill subarea is more evenly distributed among the various employment sectors than employment in the other two subareas. The employment profile of each subarea is described below.

Figure 3-2: Study Area Employment by Major Industrial Sector, 2005



*Columbia Street Waterfront, Cobble Hill, and Carroll Gardens*

The Columbia Street Waterfront, Cobble Hill, and Carroll Gardens subarea contains approximately 273 firms and 5,636 employees. As shown in Table 3-6, over half of all firms and 86 percent of all jobs are in services. This is largely due to the presence of Long Island College Hospital (LICH), which occupies a complex of buildings centered around Hicks and Amity Streets. Retail also represents a large proportion of employment in the subarea, accounting for 34 percent of all businesses and 8 percent of all jobs.

*Brooklyn Heights*

The Brooklyn Heights subarea contains approximately 70 percent of all businesses and 62 percent of all jobs located in the study area. As shown in Table 3-7, employment in the Brooklyn Heights subarea is heavily concentrated in services. Over 70 percent of all firms and 63 percent of all jobs are in the services industry, including employees at the Brooklyn Public Library, a municipal courthouse, Brooklyn Law School, St. Francis College, St. Ann’s School, Packer College Institute, and several other educational facilities. The Brooklyn Heights subarea also contains a high proportion of FIRE and retail jobs (20.5 percent and 10.9 percent of all subarea jobs, respectively). Retail uses in the area are concentrated primarily along Montague Street and Atlantic Avenue.



**Table 3-6**  
**Businesses and Employees by Industry Columbia Street**  
**Waterfront, Cobble Hill, and Carroll Gardens Subarea, 2005**

Industry	Establishments		Employees	
	Number	Percent of Total	Number	Percent of Total
Agricultural and mining	1	0.4	4	0.1
Construction	5	1.8	19	0.3
Manufacturing	8	2.9	73	1.3
TCPU	3	1.1	13	0.2
Wholesale	8	2.9	82	1.5
Retail	92	33.7	450	8.0
FIRE	15	5.5	146	2.6
Services	139	50.9	4,833	85.8
Other	2	0.7	16	0.3
<b>Total</b>	<b>273</b>	<b>100.0</b>	<b>5,636</b>	<b>100.0</b>

**Notes:** TCPU stands for Transportation, Communications, and Public Utilities. FIRE stands for Finance, Insurance, and Real Estate.  
**Source:** Claritas, Inc., February 2005.

**Table 3-7**  
**Businesses and Employees by Industry**  
**Brooklyn Heights Subarea, 2005**

Industry	Establishments		Employees	
	Number	Percent of Total	Number	Percent of Total
Agricultural and mining	5	0.3	20	0.1
Construction	16	0.9	88	0.5
Manufacturing	20	1.1	212	1.2
TCPU	23	1.3	304	1.7
Wholesale	17	1.0	117	0.6
Retail	217	12.5	1,971	10.9
FIRE	168	9.6	3,704	20.5
Services	1,236	71.0	11,369	62.9
Other	40	2.3	297	1.6
<b>Total</b>	<b>1,742</b>	<b>100.0</b>	<b>18,082</b>	<b>100.0</b>

**Notes:** TCPU stands for Transportation, Communications, and Public Utilities. FIRE stands for Finance, Insurance, and Real Estate.  
**Source:** Claritas, Inc., February 2005.

*Fulton Ferry, D.U.M.B.O., and Vinegar Hill*

The Fulton Ferry, D.U.M.B.O., and Vinegar Hill subarea contains approximately 478 businesses and 5,681 jobs. Similar to the other subareas, business activity in the Fulton Ferry, D.U.M.B.O., and Vinegar Hill subarea is concentrated in the services sector; approximately 41 percent of the subarea's firms and 39 percent of its employees are working in services (see Table 3-8). However, unlike the other subareas, the Fulton Ferry, D.U.M.B.O., and Vinegar Hill subarea also has a high concentration of manufacturing jobs, with 20.7 percent of all subarea employees (1,174 people) working in manufacturing.

**Table 3-8  
Businesses and Employees by Industry  
Fulton Ferry, D.U.M.B.O., and Vinegar Hill Subarea, 2005**

Industry	Establishments		Employees	
	Number	Percent of Total	Number	Percent of Total
Agricultural and mining	0	0.0	0	0.0
Construction	29	6.1	129	2.3
Manufacturing	54	11.3	1,174	20.7
TCPU	18	3.8	247	4.3
Wholesale	40	8.4	440	7.7
Retail	89	18.6	809	14.2
FIRE	20	4.2	341	6.0
Services	198	41.4	2,217	39.0
Other	30	6.3	324	5.7
<b>Total</b>	<b>478</b>	<b>100.0</b>	<b>5,681</b>	<b>100.0</b>
<b>Notes:</b>	TCPU stands for Transportation, Communications, and Public Utilities. FIRE stands for Finance, Insurance, and Real Estate.			
<b>Source:</b>	Claritas, Inc., February 2005.			

## C. THE FUTURE WITHOUT THE PROPOSED PROJECT

### PROJECT SITE

In the future without the proposed project, no major changes are anticipated for the project site. It is assumed that without approval of the proposed plan and the actions necessary to implement it, current land uses and businesses would continue to exist on the project site.

### STUDY AREA

#### *POPULATION AND HOUSING*

In the future without the proposed project, the Citywide demand for housing is expected to result in new residential development in the study area and in other parts of Brooklyn. Chapter 2, “Land Use, Zoning, and Public Policy,” includes a table showing all major development projects that are expected to be completed in the study area by 2012. Table 3-9 shows the projected effect of these developments on the number of households and residents living in the three subareas. As shown in the table, all of the 1,601 housing units known to be planned for the study area will be located in the Fulton Ferry, D.U.M.B.O., and Vinegar Hill subarea. Assuming that the average household size for new units will be 2.1 persons per household (the average for Community District 2 in 2000, the district in which the study area is located), these new units will house approximately 3,362 people, increasing the subarea population by roughly 62 percent to 8,810 persons in 2012. Overall, the study area population will increase by 8.5 percent to 42,777 persons in 2012.

Table 3-9

**Future Without the Proposed Project: Households and Population**

	Existing Condition (2000)		Future Without the Proposed Project (2012)			Percent Growth 2000–2012	
	Households	Population	New Housing Units	Total 2012 Households	Total 2012 Population	Households	Population
Columbia Street Waterfront, Cobble Hill, and Carroll Gardens	5,261	11,373	0	5,261	11,373	0.0	0.0
Brooklyn Heights	11,660	22,594	0	11,660	22,594	0.0	0.0
Fulton Ferry, D.U.M.B.O., and Vinegar Hill	1,952	5,448	1,601	3,553	<u>8,810</u>	82.0	<u>61.7</u>
<b>Total study area</b>	<b>18,873</b>	<b>39,415</b>	<b>1,601</b>	<b>20,474</b>	<b><u>42,777</u></b>	<b>8.5</b>	<b><u>8.5</u></b>
<b>Notes:</b>	The 2012 household and population figures are based on the conservative assumption that all new housing units will be occupied.						
<b>Sources:</b>	Downtown Brooklyn Council, New York City Economic Development Corporation (EDC), DCP, New York City Department of Housing Preservation and Development (HPD), AKRF.						

*BUSINESS AND EMPLOYMENT*

There are three known commercial development projects planned for the study area: 33,000 square feet of retail development and 88,000 square feet of office/commercial space to be built in concert with the residential development at 100 Jay Street; 26,000 square feet of office/commercial space to be built in concert with the 85 Jay Street residential project; and 45,000 square feet of commercial space to be added to an existing loft building at 53 Bridge Street. Assuming that the retail space would house an average of three workers for every 1,000 square feet of space, and the office/commercial space would house an average of four workers for every 1,000 square feet of space, these projects would add approximately 735 employees to the Fulton Ferry, D.U.M.B.O., and Vinegar Hill subarea. This would increase the subarea employment to 6,416 jobs by 2012.

**D. THE FUTURE WITH THE PROPOSED PROJECT**

**PROJECT SITE**

As described in Chapter 1, “Project Description,” the proposed project would add approximately 1,210 residential units, 141,200 square feet of retail, 86,398 square feet of restaurant space, 36,000 square feet of office space, 225 hotel rooms, and 128,400 square feet of educational or research and development space to the project site.

The proposed retail and restaurant development would be distributed between the Fulton Ferry, D.U.M.B.O., and Vinegar Hill subarea (141,200 square feet) and the Brooklyn Heights subarea (86,398 square feet). The 36,000 square feet of office space would be built in the Fulton Ferry, D.U.M.B.O., and Vinegar Hill subarea, as part of the Empire Stores development. The 128,400-square-foot educational or research and development use would also be built in this subarea. A majority of the proposed housing units (1,080 of the 1,210 units) and the 225-room hotel would be built in the Brooklyn Heights subarea.

**STUDY AREA**

*POPULATION AND HOUSING*

As mentioned above, most of the residential units planned under the proposed project would be built in the Brooklyn Heights subarea. Conservatively assuming that all new units would be occupied by 2012, the population of the Brooklyn Heights subarea would grow to approximately 24,862 in the future with the proposed project (see Table 3-10). This is roughly 10.0 percent higher than the population in the future without the proposed project. The Fulton Ferry, D.U.M.B.O., and Vinegar Hill subarea would grow by about one third that amount, with its population and number of households increasing by 3.1 percent and 3.7 percent, respectively, over the future without the proposed project. No population or household growth would occur in the Columbia Street Waterfront, Cobble Hill, and Carroll Gardens subarea from the proposed project.

**Table 3-10**  
**Future with the Proposed Project, Study Area Households and Population**

	Future Without the Proposed Project		Growth Under Proposed Project		Future with the Proposed Project		Percent Difference	
	HH	Pop	HH	Pop	HH	Pop	HH	Pop
Columbia Street Waterfront, Cobble Hill, and Carroll Gardens	5,261	11,373	0	0	5,261	11,373	0.0	0.0
Brooklyn Heights	11,660	22,594	1,080	2,268	12,740	24,862	9.3	10.0
Fulton Ferry, D.U.M.B.O., and Vinegar Hill	3,553	8,810	130	273	3,683	9,083	3.7	3.1
<b>Total study area</b>	<b>20,474</b>	<b>42,777</b>	<b>1,210</b>	<b>2,541</b>	<b>21,684</b>	<b>45,318</b>	<b>5.9</b>	<b>5.9</b>
<p><b>Notes:</b> The 2012 household and population figures are based on the conservative assumption that all new housing units (in the future with and without the proposed project scenarios) will be occupied. The population figures are based on a household size of 2.1 persons per household, the <u>2000 average for Community District 2, the district in which the study area is located.</u></p> <p><b>Source:</b> AKRF, Inc., April 2005.</p>								

Overall, both the study area population and households in the future with the proposed project would be 5.9 percent higher than they would be in the future without the proposed project.

*BUSINESS AND EMPLOYMENT*

The employment profile of the study area would change only modestly with completion of the proposed project. As shown in Table 3-11, the proposed project would add approximately 1,469 jobs to the study area. About 41 percent of those jobs (605 jobs) would be in restaurants. Another 29 percent (424 jobs) would be in retail. The remainder of the added employment would be in the office (144 jobs) and hotel (75 jobs) sectors, at the new park (94 jobs), and at the educational or research and development use (128 jobs). The Fulton Ferry, D.U.M.B.O., and Vinegar Hill subarea would gain approximately 899 jobs (an increase of 14.0 percent), while the Brooklyn Heights subarea would gain about 570 jobs (an increase of 1.9 percent). Employment in the Columbia Street Waterfront, Cobble Hill, and Carroll Gardens subarea would not be affected. Overall, factoring in the roughly 221 jobs that would be displaced by the proposed project, study area employment would increase by 4.1 percent.

Table 3-11

**Future with the Proposed Project, Study Area Employment**

	Future Without Proposed Project	Future with Proposed Project			Percent Change: Future with and Without
	Jobs	New Jobs	Displaced Jobs	Total Jobs	
Columbia Street Waterfront, Cobble Hill, and Carroll Gardens	5,636	0	0	5,636	0.0
Brooklyn Heights	18,082	570	221	18,431	1.9
Fulton Ferry, D.U.M.B.O., and Vinegar Hill	6,416	899	0	7,315	14.0
<b>Total study area</b>	<b>30,134</b>	<b>1,469</b>	<b>221</b>	<b>31,382</b>	<b>4.1</b>
<b>Notes:</b>	<p><u>Park employment (94 jobs) was estimated by BBPDC.</u> Job estimates for <u>other</u> project-related employment are based on typical square foot/employee ratios. Retail space was assumed to generate three workers per 1,000 square feet; office space was assumed to generate four workers per 1,000 square feet; restaurant space was assumed to generate seven workers per 1,000 square feet; the School of the Senses was assumed to generate 1 worker per 1,000 square feet; and hotel employment was calculated assuming one employee for every three hotel rooms.</p> <p><u>Based on the geographic distribution of park space across subareas, the analysis assigns 75 percent of the 94 park jobs to the Brooklyn Heights subarea and 25 percent to the Fulton Ferry, DUMBO, and Vinegar Hill subarea.</u></p>				
<b>Source:</b>	AKRF, Inc.				

**POTENTIAL IMPACTS OF PROPOSED PROJECT**

As explained earlier, the objective of this chapter is to determine if the proposed project would directly or indirectly change population, housing stock, or economic activities in the study area in a manner that would result in significant adverse socioeconomic impacts. Significant impacts could occur if the proposed project meets one or more of the following tests: (1) the actions would lead to the direct displacement of residents such that the socioeconomic profile of the neighborhood would be substantially altered; (2) the actions would lead to the displacement of substantial numbers of businesses or employees, or would displace a business that plays a critical role in the community; (3) the actions would result in substantial new development that is markedly different from existing uses in a neighborhood; (4) the actions may affect conditions in the real estate market not only on the site anticipated to be developed, but in a larger area; or (5) the actions may adversely affect economic conditions in a specific industry.

Each of these areas of potential impact is addressed below.

*DIRECT RESIDENTIAL DISPLACEMENT*

Direct residential displacement is the involuntary displacement of residents from the site of, or a site directly affected by, a proposed action. Because the proposed project would not displace any housing or residential population direct residential displacement is not an issue of concern.

*DIRECT BUSINESS DISPLACEMENT*

Direct business displacement is the involuntary displacement of businesses from the site of, or a site directly affected by, a proposed action. Typically, direct business displacement is considered to be significant and adverse if the businesses being displaced have substantial economic value to the City or region and can only be relocated with great difficulty or not at all, if they are

protected by publicly adopted regulations or plans, or if they contribute substantially to a defining element of neighborhood character.

As described above, the proposed action would directly displace three businesses that are currently located on the project site, as well as a surface parking lot used by the Watchtower Organization. It is estimated that these three businesses employ up to 221 people at the project site. Displacement of the businesses, which are primarily involved in warehousing activities, would not have a significant negative impact on the local economy or on overall neighborhood character. The businesses are not protected by publicly adopted regulations or plans and do not offer products or services that are unique to the city or regional economy. The total number of jobs that would be displaced by the proposed action represents less than 1 percent of the current study area employment and approximately 1.2 percent of all jobs in the Brooklyn Heights subarea.

Based on 2004 industrial vacancy data from the Society of Industrial and Office Realtors (SIOR), the three businesses that would be displaced by the proposed project would have an opportunity to relocate elsewhere in Brooklyn or New York City. According to SIOR, there were approximately 8.5 million square feet of vacant industrial space in Brooklyn and Queens at the end of 2004, and another 5.2 million square feet of vacant industrial space in Manhattan and the Bronx.<sup>1</sup>

#### *INDIRECT RESIDENTIAL DISPLACEMENT*

Potential for indirect displacement of a residential population exists when a proposed action would increase property values and thus rents throughout the study area, making it difficult for some of the existing residents to afford their homes. Typically, there may be potential for indirect residential displacement when an action meets the following tests: it adds substantial new population with different socioeconomic characteristics compared to the size and character of the existing population; directly displaces uses or properties that have had a “blighting” effect on property values in the area; directly displaces population in a way that alters the socioeconomic composition of the study area; introduces a substantial amount of a more costly type of housing compared to existing housing and housing expected to be built in the study area by the time the program is developed; introduces a “critical mass” of non-residential uses, such that the surrounding area becomes more attractive as a residential neighborhood complex; or has the potential to offset positive trends in the study area, impede efforts to attract investment to the area, or create a climate for disinvestment.

These factors are considered in the context of each subarea below. As described below, the proposed action does not meet the tests outlined above and would not result in significant adverse indirect residential displacement in any of the three subareas. In general, household incomes, housing values, and rental rates are already high compared to Brooklyn and New York City, and a trend towards development of market-rate and luxury housing is evident. This indicates that a substantial population at risk of indirect residential displacement is unlikely to be living in the study area, and that the housing that would be introduced by the proposed action would represent a continuation of an existing trend rather than the introduction of a new one. That there are some low-income households living in the study area despite a strong trend towards market-rate housing and high-income households indicates that most of these low-

---

<sup>1</sup> Society of Industrial and Office Realtors. 2004 NYC Industrial Surveys.

income households are probably living in housing units such as public housing or rent protected units, which are shielded from market pressures and therefore would not be affected by the proposed project. Any potential indirect residential displacement would not lead to a change in neighborhood character and therefore would not result in a significant adverse impact.

### *Columbia Street Waterfront, Cobble Hill, and Carroll Gardens*

No housing development is planned for the Columbia Street Waterfront, Cobble Hill, and Carroll Gardens subarea as part of the proposed project. However, given that approximately 930 residential units would be built just north of the subarea on the 360 Furman Street and Pier 6 upland sites (located in the Brooklyn Heights subarea), it is appropriate to consider the potential for indirect residential displacement within the Columbia Street Waterfront, Cobble Hill, and Carroll Gardens subarea.

The 360 Furman Street and Pier 6 development sites are physically separated from the Columbia Street Waterfront, Cobble Hill, and Carroll Gardens subarea by Atlantic Avenue and the Long Island College Hospital, and therefore would be unlikely to affect the residential housing market in the Columbia Street Waterfront subarea. In addition, as described under “B. Existing Conditions,” the Columbia Street Waterfront, Cobble Hill, and Carroll Gardens subarea has a median income that is over \$22,700 higher than the median for New York City, a poverty rate of only 8.5 percent compared with 20.8 percent Citywide, and a median contract rent that is about 45 percent higher than the Citywide median. The affluence of the population and the already high rental rates make it unlikely that indirect residential displacement would occur as a result of the proposed project.

### *Brooklyn Heights*

A majority of the housing units planned under the proposed project (1,080 of 1,210 units) would be built in the Brooklyn Heights subarea. Although this would add a substantial number of new residents to the area—approximately 2,268 persons, or 10.0 percent more than the population expected in the future without the proposed project—it would not lead to indirect residential displacement for several reasons. First, the new population would not have socioeconomic characteristics that are substantially different from the characteristics of the existing population. As described under “B. Existing Conditions,” the Brooklyn Heights subarea population is affluent on the whole. In 1999, the median household income in the subarea was \$69,721, over 80 percent higher than the average for New York City, and over twice the average for Brooklyn. Correspondingly, the subarea poverty rate was low, 13.7 percent compared with 20.8 percent Citywide and 22.7 percent boroughwide. Thus, the high incomes likely to be associated with the population moving into units built as part of the proposed project (market rate units in a desirable neighborhood) would not be out of concert with the existing socioeconomic profile of the area.

Second, the Brooklyn Heights housing market reflects the affluence of its population, so the new housing units would not be substantially more costly compared with the existing housing stock. Median contract rent in 2000 (\$872 per month) was considerably higher than the Citywide median of \$621 per month, and between 1990 and 2000, median contract rent in the Brooklyn Heights subarea increased faster than it did in the City as a whole—13.8 percent in the subarea compared with 9.4 percent in New York City. Although median contract rent provides a good indicator of relative housing costs among different geographic areas and change over time within geographic areas, it does not usually reflect current market rates. This is partially because the median contract rent reported by the Census includes rent-stabilized and rent-controlled

apartments, which typically rent for substantially less than the market rate. According to The Corcoran Group's *2002 Brooklyn Report*, the average rental rate for a two-bedroom apartment in the Brooklyn Heights neighborhood (\$2,651 per month) is higher than the average for most other Brooklyn neighborhoods, including Cobble Hill (\$2,217 per month), Carroll Gardens (\$2,224 per month), Boerum Hill (\$2,076 per month), Fort Greene (\$1,793 per month), and Park Slope (\$2,242 per month). The for-sale market tells the same story, with the average two-bedroom apartment in Brooklyn Heights selling for between \$72,000 and \$180,000 higher than in other prime Brooklyn neighborhoods. This data indicate that the Brooklyn Heights subarea is already geared toward market rate residential development and that a population at risk of indirect displacement is highly unlikely to be living in the subarea.

Finally, the proposed project would not displace any residential population, thereby changing the demographic profile of the area, nor would it displace uses that have had a blighting effect on the residential housing market. Census data indicate that contract rents are high throughout the subarea—a condition that would not be the case if the project site properties had been exerting a blighting influence on residential property values in the area.

Within the Brooklyn Heights subarea, the proposed project would not create any of the conditions that have the potential to result in indirect residential displacement.

#### *Fulton Ferry, D.U.M.B.O., and Vinegar Hill*

Under the proposed project, approximately 130 dwelling units, housing 273 residents, would be added to the Fulton Ferry, D.U.M.B.O., and Vinegar Hill subarea. As discussed under "C. The Future Without the Proposed Project," residential developments planned for the area independent of the proposed project would increase the subarea population by about 3,362 people by 2012. The additional 273 residents introduced within this subarea by the proposed project would represent only a 3.1 percent increase over 2012 future without the proposed project conditions. In general, as indicated in the indirect residential displacement section of the *CEQR Technical Manual*, if a proposed action increases the population in the study area by less than 5 percent, it would not be large enough to affect socioeconomic trends.

In addition, the housing stock in the Fulton Ferry, D.U.M.B.O., and Vinegar Hill subarea is made up of high-end loft conversions and public housing. Much of the area's residential buildings are recently converted buildings, such as the Sweeney Building, which includes 87 luxury condominiums in D.U.M.B.O. selling for an average of \$650 per square foot. Located along the southern boundary of the subarea is Concord Village at 215 Adams Street, which includes seven buildings with approximately 1,000 residential co-op units and parking. Some of the Concord Village coop units are rented, rather than occupied by their owners. According to the Concord Village Owners Inc. web site, there are currently two one-bedroom apartments in the building being offered for rents of \$1,650 and \$1,875 per month and one two-bedroom unit being offered for \$2,500 per month. Other similar residential buildings in the subarea have similar or higher monthly rents, reflecting the area's popularity as a desirable residential neighborhood.

The Farragut Houses complex, which is located on York and Sands Avenue between Bridge and Ashland (or Hudson) Streets, is a New York City Housing Authority (NYCHA) housing development that occupies three large blocks of 14-story buildings with approximately 1,400 residential units. Residents living within the Farragut Houses complex are protected against any real estate market pressures and potential increases in property values and rents.



Given the already high market-rate prices for housing and the high proportion of rent-protected public housing, the proposed project would not have the potential to result in indirect residential displacement within the Fulton Ferry, D.U.M.B.O., and Vinegar Hill subarea.

*INDIRECT BUSINESS AND INSTITUTIONAL DISPLACEMENT*

Indirect displacement of businesses or institutions may occur if a proposed action increases property values and thus rents throughout the study area, making it difficult for some categories of businesses to remain in that area. An action can lead to such changes by introducing enough of a new economic activity (or adding enough to the concentration of a particular sector) to alter existing economic patterns; directly displacing uses that have had a “blighting” effect on commercial property values in the area; displacing residents, workers, or visitors who form the customer base for local businesses; or creating a climate for disinvestment in the area.

As described above, the proposed project would introduce approximately 1,469 new jobs to the study area, increasing study area employment by a net of 4.1 percent. Overall, the proposed project would introduce approximately 391,998 square feet in commercial retail, restaurant, office, and education space. This development would be distributed over the Brooklyn Heights subarea (99,700 square feet of commercial space) and the Fulton Ferry, D.U.M.B.O., and Vinegar Hill subarea (168,898 square feet of commercial space plus the 128,400 square foot educational/research and development use.

According to the *CEQR Technical Manual*, projects that would introduce more than 200,000 square feet of new commercial space to an area should be assessed for their potential to cause significant adverse impacts. However, the *CEQR Technical Manual* also suggests using a study area of half mile, quarter mile, or smaller, depending on the size and nature of the proposed project. Because of the shape of the project site (long and narrow), some commercial development proposed in the Brooklyn Heights subarea would be more than a half mile away from parts of the Fulton Ferry, D.U.M.B.O., and Vinegar Hill subarea and would be unlikely to affect the economic environment in that subarea. The same scenario applies to commercial development planned for the other subareas. Based on the recommended CEQR methodology, it is more appropriate to evaluate the potential for indirect business displacement in the context of the three smaller subareas. As shown in Figures 1-2 through 1-4 of Chapter 1, “Project Description,” in each subarea the proposed project would result in less than 200,000 square feet of commercial development (99,700 square feet in one, 168,989 square feet in another, and no commercial development in the third). Therefore, the proposed project would not have the potential to cause indirect business displacement in any of the three subareas, or in the study area as a whole, and no further analysis is necessary.

The *CEQR Technical Manual* also states that residential development of greater than 200 units should be assessed for its potential to cause significant adverse impacts. The proposed project would result in the development of 1,080 residential units in the Brooklyn Heights subarea, which trips this *CEQR Technical Manual* threshold. However, the additional residential units would not jeopardize existing commercial properties in the subarea. As described in the analysis of indirect residential displacement above, Brooklyn Heights is already a well-established residential area with high rents; the 1,080 residential units would reflect, rather than alter or accelerate, the trend of residential development in the study area.

*EFFECTS ON SPECIFIC INDUSTRIES*

In some cases, a given proposed action may affect the operation and viability of a specific industry, not necessarily tied to a specific location. An action can lead to such changes if it significantly affects business conditions for an industry or category of business within or outside the study area; or if the action indirectly substantially reduces employment or impairs the economic viability in the industry or category of business.

Due to the waterfront location of the proposed project, a potential concern is whether the proposed project would adversely affect the operation and viability of port-related businesses. As discussed above under the direct business displacement analysis, most of the business found along the East River waterfront area are not related to any port activity. Most of the uses along Piers 1–6 consist of active warehousing, storage, vacant structures and areas, surface parking, and a building occupied by the New York City Department of Environmental Protection (NYCDEP). Therefore, the proposed project would not affect any particular category of business and has no potential for significant adverse impacts in this regard.

**ECONOMIC IMPACT OF OPERATION OF PROPOSED PROJECT**

*INTRODUCTION AND ANALYSIS FRAMEWORK*

This section estimates the economic and fiscal benefits that would be generated by the operation of facilities introduced by the proposed project. The analysis considers benefits to both New York City and the wider New York State economy. All estimates presented in this section are based on the project plan, as outlined in Chapter 1, “Project Description.”

The principal model used to estimate the economic effects of operating the projected development was IMPLAN (IMPact analysis for PLANning), an input-output modeling system. IMPLAN was originally developed by the U.S. Department of Agriculture Forest Service in 1979 and was subsequently privatized by the Minnesota IMPLAN Group (MIG). The model uses the most recent economic data from sources such as the U.S. Bureau of Economic Analysis, the U.S. Bureau of Labor, and the U.S. Census Bureau to predict effects on the local economy from direct changes in employment or spending. The model contains data on more than 500 economic sectors, showing how each sector affects every other sector as a result of a change in the quantity of its product or service.

Economic effects were projected using two models—one for New York City and one for New York State. The State model was modified so that the employee compensation and output characteristics of the affected industries would match the characteristics of those industries at the City level. This ensures that the direct impacts are consistent and that the indirect and induced impacts reflect the differences in industry and employment characteristics at the City and State levels. Both models were adjusted to reflect the most recent changes in the New York metropolitan area price level. Using these models and the specific characteristics of the projected development, the total effect has been projected for New York City and State.

Economic benefits were projected based on employment estimates from the BBPDC for the park facilities and standard employment per square foot ratios for the non-park development, including the retail, residential, hotel, and other project components.

*MEASURES OF ECONOMIC IMPACT*

Using IMPLAN terminology, economic impacts are broken into three components: direct, indirect, and induced. *Direct effects* represent the initial benefits on the economy of new investment, e.g., changes in employment or employee compensation.

*Indirect effects* represent the benefits generated by industries purchasing from other industries as a result of the direct investment (e.g., indirect employment resulting from operation of an office building would include jobs in industries that provide goods and services to the businesses located in that building). A direct investment triggers changes in other industries as businesses alter their production to meet the needs of the industry in which the direct impact has occurred. These businesses in turn purchase goods and services from other businesses, causing a ripple effect through the economy. The ripple effect continues until leakages from the region (caused, for example, by imported goods) stop the cycle. The sum of these iterative inter-industry purchases is called the indirect effect.

*Induced effects* represent the impacts caused by increased income in a region. Direct and indirect effects generate more worker income by increasing employment and/or salaries in certain industries. Households spend some of this additional income on local goods and services, such as food and drink, recreation, and medical services. Benefits generated by these household expenditures are quantified as induced effects.

*ECONOMIC IMPACTS FROM PROJECT OPERATION*

The projected permanent economic and fiscal benefits expected to result from operation of the proposed project are presented in Table 3-12 and summarized below.

*Employment*

It is estimated that the proposed project, upon its completion in 2012, would generate approximately 1,469 permanent full- and part-time jobs. Total employment would include these direct jobs, as well as jobs in business establishments providing goods and services to the occupants of the buildings and the park employees (indirect jobs) and jobs resulting from new household spending (induced jobs). Based on the IMPLAN model's economic multipliers for New York City, the proposed project would generate an additional 552 permanent jobs within New York City, bringing the total number of direct, indirect, and induced jobs from the annual operation of the development to 2,022 jobs within New York City (see Table 3-12).

In the larger New York State economy, the model estimates that operation of the proposed project would generate 922 jobs of indirect and induced employment, bringing the total number of direct, indirect, and induced jobs in New York State to 2,392. For both the City and State, the direct, indirect, and induced employment estimates represent jobs that would either be new to or retained in the City and State.

Project-related employment in both New York City and New York State would represent jobs either retained in or new to the City or State.

**Table 3-12**

**Economic and Fiscal Benefits from Operation of the Proposed Project, 2012**

	Portion in New York City	Total New York City and State
<b>Employment (Full- and Part-Time Jobs)</b>		
Direct (on-site)	1,469	1,469
Indirect (jobs in support industries)	286	443
Induced (jobs from household spending)	266	479
Total	2,022	2,392
<b>Employee Compensation (Millions of 2005 Dollars)</b>		
Direct (earnings from on-site jobs)	\$49.5	\$49.5
Indirect (earnings in support industries)	\$14.7	\$19.2
Induced (earnings from household spending)	\$12.1	\$18.8
Total	\$76.3	\$101.4
<b>Total Economic Output or Demand* (Millions of 2005 Dollars)</b>		
Direct (output from on-site economic activity)	\$148.8	\$148.8
Indirect (output from support industries)	\$40.2	\$54.9
Induced (output from household spending)	\$35.2	\$56.7
Total	\$224.2	\$260.4
<b>Non-Property-Related Taxes** (Constant 2005 Dollars)</b>		
New York City taxes	\$ 8,056,338	
Metropolitan Transportation Authority taxes	\$ 591,024	
New York State taxes	\$ 9,428,210	
Total	\$ 18,075,572	
<b>Notes:</b>		
* The economic output or total effect on the local economy derived from the direct spending during annual operation.		
** Includes personal income taxes, sales tax, corporate and business taxes, and numerous other taxes on direct and secondary expenditures.		
<b>Sources:</b> Characteristics of the proposed project; IMPLAN economic modeling system; and tax rates by applicable jurisdiction.		

### *Employee Compensation*

Projected direct employee compensation from annual operation of the proposed project is estimated at \$49.5 million (in 2005 dollars, see Table 3-12). Total direct, indirect, and induced employee compensation resulting in New York City from the annual operation of the development is estimated at \$76.3 million. In the broader New York State economy, total employee compensation from annual operation is estimated at \$101.4 million.

### *Total Annual Effect on the Local Economy*

The direct effect on the local economy from the proposed project, measured as economic output or demand, is estimated at approximately \$148.8 million annually. Based on the IMPLAN models for New York City and State, the total annual economic activity that would result from operation of the proposed project is estimated at \$260.4 million in New York State. Of that, \$224.2 million would occur in New York City (see Table 3-12).

### *Fiscal Impacts*

The annual operation of the proposed project would generate non-property-related tax revenues for New York City, Metropolitan Transportation Authority (MTA), and New York State. Based on the project information currently available, operation of the proposed project is estimated to generate approximately \$18.1 million annually in non-property related tax revenues for New

## **Brooklyn Bridge Park FEIS**

---

York City, MTA, and New York State. Of these tax revenues, the largest portion would come from personal income taxes, sales tax, corporate and business taxes, and similar taxes on the direct and generated economic activity from the development. New York State would receive about \$9.4 million annually, the MTA would receive about \$591,020 annually, and New York City would receive about \$8.1 million annually. These taxes would represent tax revenues that would either be new to or retained in the City and State. In addition, property-related tax revenues would be generated from the increase in neighboring property values resulting from the proposed project. \*