



DEPARTMENT OF CITY PLANNING
CITY OF NEW YORK

ENVIRONMENTAL ASSESSMENT AND REVIEW DIVISION

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Department of City Planning

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**NOTICE OF COMPLETION OF
THE DRAFT ENVIRONMENTAL IMPACT STATEMENT**

Industry City

Project Identification

CEQR No. 18DCP034K
ULURP Nos. 190296 ZMK, N190298 ZRK,
190297 ZSK and 160146 MMK
SEQRA Classification: Type I

Lead Agency

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Pursuant to City Environmental Quality Review (CEQR), Mayoral Executive Order No. 91 of 1977, CEQR Rules of Procedure of 1991 and the regulations of Article 8 of the State Environmental Conservation Law, State Environmental Quality Review Act (SEQRA) as found in 6 NYCRR Part 617, a Draft Environmental Impact Statement (DEIS) has been prepared for the actions described below. Copies of the DEIS are available for public inspection at the office of the undersigned. The proposal involves actions by the City Planning Commission and Council of the City of New York pursuant to Uniform Land Use Review Procedures (ULURP). A public hearing on the DEIS will be held at a later date to be announced, in conjunction with the City Planning Commission's citywide public hearing pursuant to ULURP. Advance notice will be given of the time and place of the hearing. Written comments on the DEIS are requested and would be received and considered by the Lead Agency until the 10th calendar day following the close of the public hearing.

A. INTRODUCTION

The co-applicants, 1-10 Bush Terminal Owner LP and 19-20 Bush Terminal Owner LP (collectively, the "Applicant"), seeks a series of discretionary actions to facilitate the redevelopment and re-tenanting of Industry City (the Project Area) with a mixed-use project containing manufacturing, commercial, retail, hospitality, academic and other community facility uses (the Proposed Project). As described below, the area affected by the Proposed Actions (the Directly Affected Area) includes the Project Area and the Rezoning Area. The Directly Affected Area is located in the Sunset Park neighborhood of Brooklyn, in Community District 7, and is bound by 32nd and 37th Streets between 2nd and 3rd Avenues, as well as 39th and 41st Streets between the waterfront and 2nd Avenue. The Project Area includes Industry City (Block 679, Lot 1; Block 683, Lot 1; Block 687, Lot 1; Block 691, Lot 1 and 44; Block 695, Lots 1, 20, and 43; Block 706, Lots 1, 24, and 101; and Block 710, Lot 1) and certain adjacent properties that the Applicant plans to acquire (Block 695, Lots 37-42;

and Block 706, Lot 20). The Rezoning Area, would affect three additional lots (Block 691, Lots 45 and 46; and a portion of Block 662, Lot 1) which are neither owned by the Applicant, nor does the Applicant plan to acquire these lots.

The Applicant is requesting a Zoning Text amendment to the Zoning Resolution (ZR) to establish the Special Industry City District (SICD); a Zoning Map amendment to map the SICD and to change a portion of the Directly Affected Area from an M3-1 to an M2-4 district; a Special Permit pursuant to newly created ZR Section 129-21 to modify use, bulk and parking regulations, and a change to the City Map to demap 40th Street between 1st Avenue and 2nd Avenue (the Proposed Actions). As a component of the Special Permit, the Applicant will record against its property a Restrictive Declaration (RD) to memorialize the development that may be permitted at Industry City.

The Proposed Actions are subject to the Uniform Land Use Review Procedure (ULURP) and City Environmental Quality Review (CEQR). In conformance with CEQR, this DEIS has been prepared to analyze the potential impacts of the Proposed Actions. The New York City Department of City Planning (DCP), acting on behalf of the City Planning Commission (CPC), is the lead agency for the environmental review. DCP has determined that the Proposed Actions have the potential to result in significant environmental impacts. Therefore, pursuant to CEQR procedures, DCP has issued a Positive Declaration requiring that an Environmental Impact Statement (EIS) be prepared in conformance with all applicable laws and regulations including the CEQR regulations (August 24, 1977) and the 2014 *CEQR Technical Manual*.

Overall, the Proposed Actions would facilitate a proposal by the Applicant to re-tenant a substantial portion of the approximately 5.3 million gross square feet (gsf) of existing structure and the development of 1.46 million gsf in new construction buildings or enlargements of existing structures. In total, the Proposed Actions could result in an approximately 6.6 million-gsf (4.96 FAR) mixed-use complex consisting of a combination of manufacturing, commercial, retail, hospitality, academic and other community facility uses.

B. REQUIRED APPROVALS AND REVIEW PROCEDURES

The Proposed Actions described above are subject to public review under ULURP, Section 200 of the City Charter, as well as CEQR procedures. The discretionary actions include:

- A Zoning Text amendment to establish the Special Industry City District (“SICD”), and otherwise modify the following sections of the Zoning Resolution:
 - Section 11-222: Districts Established
 - Section 12-10: Definitions
 - Section 13-44: Special Zoning Districts Where Certain Sidewalk Cafes are Permitted
 - Section 63-13: Applicability of District Regulation (w/in Special Regulations Applying in the Waterfront Area;
- A Zoning Map amendment to map the SICD on the entirety of the Directly Affected Area and to change the portion of the Directly Affected Area currently zoned M3-1 (Block 679, Lot 1; Block 683, Lot 1; Block 687, Lot 1; Block 691, Lots 1, 44, 45, and 46; Block 695, Lots 1 and 20; Block 706, Lots 1, 20, 24, and 101; Block 710, Lot 1; and a small portion of Block 662, Lot 1) to an M2-4 zoning district (M2-4/IC); the portion of the Directly Affected Area currently zoned M1-2 (Block 695, Lots 37–43) would be included in the boundaries of the SICD but would remain zoned M1-2 (M1-2/IC).
- A Special Permit pursuant to newly created ZR Section 129-21 to modify use, bulk and other requirements to findings and a site plan. The Special Permit proposes to modify the following sections of the Zoning Resolution:
 - Sections 11-42 and 11-43: Lapse/Renewal of Authorization or Special Permit
 - Section 42-10: Uses Permitted As-of-Right

- Sections 42-272 and 42-275: Performance Standards
 - Section 43-10: Floor Area Regulations
 - Section 43-20: Yard Regulations
 - Section 43-40: Height and Setback Regulations
 - In conjunction with the Special Permit, additional regulations will apply with respect to off-street parking. Specifically, the maximum size of a permitted accessory group parking facility may be increased to 500 spaces provided the Commissioner of Buildings makes certain determinations, and accessory off-street parking spaces may be located on zoning lots other than the same zoning lot as the use to which they are accessory.
- A change to the City Map to demap 40th Street between 1st Avenue and 2nd Avenue.

In addition to the proposed land use actions, the project approvals would also require recordation of a Restrictive Declaration (RD) and (E) designation (E-527) to memorialize commitments made related to mitigation for identified significant adverse impacts and measures to avoid significant adverse impacts related to hazardous materials, air quality and noise.

ZONING TEXT AMENDMENT

The Applicant proposes a zoning text amendment to create the SICD. The SICD would be coterminous with the Directly Affected Area. The new special district would establish certain use regulations, modify applicable performance standards, modify waterfront public access regulations, modify the applicability of underlying parking regulations, and establish a Special Permit to further modify use, bulk, and other regulations, as follows:

- All uses within the SICD established after the date of adoption, with the exception of certain distilleries approved by the New York City Fire Department (FDNY), would be required to adhere to M1 performance standards. Each manufacturing district incorporates performance standards limiting the type of industrial nuisances permitted. Performance standards limit nuisances including noise, vibration, emissions, odor, radiation, fire and explosive hazards, humidity heat, and glare. M1 district performance standards are the most stringent manufacturing district standards.
- The underlying waterfront public access regulations will be inapplicable should a special permit be granted pursuant to the SICD which includes zoning lots both within a waterfront block and outside a waterfront block.¹
- Within an area that is subject to a Special Permit pursuant to the SICD, the underlying parking regulations of an M2-4 district would also apply within an M1-2 district.
- A new Special Permit would be established which permits the City Planning Commission (CPC) to further modify use, bulk, and other regulations, as discussed below.

This Special Permit would allow property owners within the SICD flexibility to broaden the range of permitted uses to allow certain community facilities, retail establishments, and hotels limited in overall size and location, and to modify bulk regulations including height and setback and yards, as discussed further below. In addition, the SICD would allow the application of a special permit to allow for a school use pursuant to a special permit, which is analyzed in a Conceptual Analysis in the DEIS.

Special Permit Use Regulations

The CPC may permit the following uses not otherwise permitted within the SICD, subject to certain findings:

¹ While the SICD would exempt waterfront land from public access regulations, a public access area will be required pursuant to the Special Permit, provided certain conditions are met, as described below under “Special Permit.”

- The following community facility uses listed in Use Group 3A, limited to a maximum total of 625,000 square feet of floor area: colleges or universities, including professional schools; libraries, museums, or non-commercial art galleries; and schools;
- Hotels listed in use groups 5A and 7A;
- Retail and Service establishments listed in use groups 6A, 6C, 7B, 8B, 9A, 10A, 12B, and 14A, limited to a maximum total of 900,000 square feet of floor area.² Such establishments would be required to provide parking at a rate of one space per 500 square feet of floor area in excess of 120,000 square feet;
- Physical culture or health establishments (i.e., gyms), which shall be considered Use Group 9A uses; and
- Distilleries, as listed in Use Group 18A as an alcoholic beverage manufacturing establishment, subject to the approval of FDNY.

Special Permit Bulk Regulations

The CPC may also permit modifications to the underlying bulk regulations including height and setback, yards, and location of floor area subject to certain findings, and with the exception of maximum permitted floor area ratio (FAR), which may not be modified.

Special Permit Other Regulations

Finally, the CPC may permit, via the special permit, the modification of other regulations as follows:

- Accessory parking may be located on any zoning lot within the Special Permit area;
- The maximum number of parking spaces permitted in an accessory parking facility may be increased to a maximum of 500 spaces, provided certain determinations are made by the Commissioner of Buildings; and
- The Special Permit will vest upon issuance by the Department of Buildings (DOB) of a Certificate of Occupancy, or an equivalent, for any use not permitted by the underlying district regulations.

ZONING MAP AMENDMENT

The Applicant proposes to map the SICD and to rezone a portion of the Directly Affected Area from an M3-1 zoning district to an M2-4 zoning district (Block 679, Lot 1; Block 683, Lot 1; Block 687, Lot 1; Block 691, Lots 1, 44, 45, and 46; Block 695, Lots 1 and 20; Block 706, Lots 1, 20, 24, and 101; Block 710, Lot 1; and a small portion of Block 662, Lot 1). The portion of the Directly Affected Area that is zoned M1-2 (Block 695, Lots 37–43) will remain an M1-2 district but will be included in the SICD.

The Proposed Actions would map an M2-4 district over the majority of the Directly Affected Area which is currently mapped M3-1, with a small portion of the Directly Affected Area remaining an M1-2 district. M2-4 districts generally permit commercial uses and manufacturing uses with lower performance standards than in M1 districts, however the SICD zoning text, discussed above, would require all uses to conform to M1 performance standards. Residential uses are not permitted in M2-4 districts. With respect to building bulk, the as-built structures within Industry City are built at a FAR of approximately 3.9, which is over the maximum allowable FAR of 2.0 in the existing M3-1 and M1-2 zoning districts. The proposed maximum FAR of 5.0 within the area to be rezoned to M2-4, in combination with the existing maximum FAR of 2.0 in the area to remain zoned M1-2, would result in a new overly blended maximum FAR of 4.96. This would bring the existing structures into compliance with zoning regulations and permit the construction of new buildings within limited areas of the SICD, as discussed further below.

² Certain Use Group 10A uses, including depositories for storage of office records, microfilm or computer tapes, or for data processing, photographic or motion picture production studios, and radio or television studios, will not be limited as to aggregate floor area.

In addition, while a portion of the Directly Affected Area would be rezoned to an M2-4 district, it would be in keeping with the light manufacturing and broader range of uses allowed in the M1-2 and M1-2D zoning districts found in the Primary and Secondary Study Areas. In addition, the existing M3-1 zoning districts are generally intended for heavy industries that generate noise, traffic, or pollutants. Industries such as control plants, power plants, oil refiners, and fertilizer manufacturers are more likely to be found in M3-1 zoning districts. While there is a need for heavy manufacturing zoning districts like M3-1 districts, it is not in keeping with the larger Sunset Park neighborhood. The rezoning under the Proposed Actions would facilitate uses at Industry City that would be more representative of the balance of uses in the Primary and Secondary Study Areas: light manufacturing, office, hotel, retail, event space, and community facilities. In addition, rezoning a portion of the Directly Affected Area would be in keeping with M1-2 and M1-2D zoning districts already located in the Primary and Secondary Study Areas east and south of the Directly Affected Area. While parking is typically not required in M2-4 districts, it would be required in conjunction with certain Special Permit uses as set forth in the SICD.

SPECIAL PERMIT

The proposed special permit sought pursuant to the SICD would allow for the following:

- Modifications to the bulk regulations of the underlying zoning districts to:
- Allow encroachments to the underlying district's sky-exposure-plane regulations;
- Wave certain rear yard requirements for new buildings or enlargements; and
- Allow the maximum permitted floor area to be transferred among zoning lots within the Special District without regard to zoning lot lines.
- Modifies the use regulations of the underlying zoning district by:
- Permitting certain uses that are not allowed as-of-right; and
- Establishing controls for locating certain uses in proximity to other potentially heavier, noxious uses.
- Modifies other regulations of the underlying zoning district with respect to parking, curb cuts, and special permit lapsing; and
- Require the provision of a waterfront public access area under certain circumstances.

Modification of Underlying Bulk Regulations

Neither the proposed M2-4 district nor the SICD establishes maximum height limitations for buildings. However, the Special Permit would set forth maximum building envelopes outside of which development would not be permitted. In addition to maximum height limits, the Special Permit would allow for certain penetrations to sky-exposure-plane regulations. Specifically, the Special Permit would:

- Allow most existing and new buildings within the Finger Buildings area to rise to maximum base heights of 85 feet before a required setback of 10 feet from avenues and 15 feet from side street-equivalent, and maximum building heights of 110 feet. (Most existing buildings in this area currently rise to heights of approximately 85 feet.)
- Allow the proposed new Gateway Building and Building 11 to rise to maximum building heights of 170 feet. (Existing Building 10 currently rises to a height of approximately 170 feet.)
- Allow existing and new buildings within the 39th Street Buildings area to rise to maximum base heights of 120 feet before a required setback of 20 feet from all streets, and maximum building heights of 150 feet. (Most existing buildings in the area currently rise to heights of approximately 115 feet, with the recently enlargement of Building 19/20 for the New York Nets Training Facility rising to a height of approximately 139 feet.)

The Special Permit would waive certain rear yard requirements for new buildings or enlargements, and allow the maximum permitted floor area to be transferred among zoning lots within the Special District without regard to zoning lot lines.

The Special Permit would also require, via the accompanying restrictive declaration that will be recorded against all Industry City properties, the provision of a waterfront public access area in the event Building 24 were to be converted to predominantly non-industrial uses and the Industry-City-owned property along the waterfront were merged with adjacent City-owned property along the waterfront.

Modification of Underlying Use Regulations

In addition to the uses permitted as-of-right in the M2-4 district, the proposed Special Permit would allow the following uses: colleges and universities, libraries, museums, and non-commercial art galleries (UG 3A); Physical Culture Establishments (i.e., gyms); large-scale retail (UG10A among other retail uses); and hotels (UG 5 and 7A). While permitted uses must be able to meet M1 performance standards pursuant to the requirements of the SICD, distilleries would be permitted to manufacture Class III materials provided they obtain all necessary approvals from FDNY.

In order to ensure a balance of mix of uses within the Special Permit area and control the distribution of uses within each building, the Special Permit would add controls over the scale and location of certain uses. UG 3A uses would be capped at an overall zoning square footage (zsf) of 625,000 zsf (approximately 0.47 FAR). Retail or service establishments would be permitted up to an overall cap of 900,000 zsf (approximately 0.68 FAR) and hotels would be permitted up to an overall cap of 287,619 zsf (approximately 0.22 FAR). These controls will ensure the special permit area is not oversaturated with retail or hotel uses or academic campuses to the detriment of a vibrant innovation economy ecosystem.

With the exception of certain restaurants, retail establishments will generally be restricted in their location within the SICD. Retail size and location restrictions will be as follows:

- Between 32nd and 33rd Streets from 2nd to 3rd Avenues, between 33rd and 36th Streets within 130 feet of 2nd Avenue, and between 39th and 41st Streets from 1st to 2nd Avenues: retail establishments will be limited to the first and second floors of buildings.
- Between 36th and 37th Streets, 2nd to 3rd Avenues: retail establishments will be limited to the first and second floors of buildings and be capped at a maximum of 40,000 square feet of zoning floor area per establishment.
- Between 33rd and 36th Streets beyond 130 feet of 2nd Avenue, and between 1st Avenue and the Waterfront: retail establishments will be limited to the first floor of buildings and be capped at a maximum of 40,000 square feet of zoning floor area per establishment.

Above the floors indicated above, the following UG 6A, 6C, 9A, and 10A uses may be also located: Eating and drinking establishments up to 10,000 square feet of zoning floor area per establishment; depositories for storage of office records, microfilm, or computer tapes; data processing; photographic or motion picture production studios; radio or television studios; and art, music, dancing, or theatrical studios.

Establish Controls for Co-Location of Certain Uses

UG 3A (colleges and universities, libraries, museums, or non-commercial art galleries) and UG 5 or 7A (hotel) uses that are permitted by the Special Permit would be restricted from co-locating near potentially heavier or more noxious uses. Conversely, any new manufacturing or commercial uses that meet any of the three criteria listed below would be restricted from locating in the same building as, or sharing a common wall with a building containing any existing UG 3A (colleges and universities, libraries, museums, or non-commercial art galleries) and UG 5/7A (hotels).

The special district proposes to enforce this as follows: any permitted UG3A or UG5/7A may only locate in the same building as, or share a common wall with a building containing manufacturing or commercial uses upon certification by a licensed architect or engineer to the Department of Buildings that that such manufacturing or commercial use:

- Does not have a New York City or New York State environmental rating of “A,” “B,” or “C” under Section 24-153 of the New York City Administrative Code for any process equipment requiring a

New York City Department of Environmental Protection operating certificate or New York State Department of Environmental Conservation state facility permit;

- Is not required, under the City Right-to-Know Law, to file a Risk Management Plan for Extremely Hazardous Substances; and
- Is not a use listed in UG 18.

Supplement and/or Modify Other Regulations

The proposed Special Permit would also modify other regulations of the underlying districts and further control locations of curb cuts and therefore access to loading docks and parking facilities. Specifically, while the underlying M2-4 district does not require parking for most uses, the Special Permit would require retail and service establishments listed in use groups 6A, 6C, 7B, 8B, 9A, 10A, 12B, and 14A—with the exception of certain non-retail uses—to provide parking at a rate of one space per 500 square feet of floor area once retail uses in the Special Permit area exceed 120,000 square feet.

With respect to curb cuts, the Special Permit would prohibit new curb cuts along 2nd and 3rd Avenues in the Finger Buildings area, and restrict curb cuts to limited locations along 39th Street between 2nd Avenue and the Waterfront.

With respect to parking, accessory parking spaces will be permitted to be located on a zoning lot other than the same zoning lot as the use to which they are accessory, provided that they are located within the boundary of the Special Permit area. In addition, the Special Permit will allow up to 500 permitted parking spaces within a single accessory parking facility provided the Commissioner of Buildings makes certain findings.

With respect to the Zoning Resolution's special permit lapsing provisions, and pursuant to the SICD, the Special Permit shall vest upon issuance by DOB of a Certificate of Occupancy, or an equivalent, for any use not permitted by the underlying district regulations.

Public Access Area Requirement

The proposed Special Permit would waive the underlying Zoning Resolution waterfront public access regulations, in lieu of an alternate arrangement to be established by restrictive declaration, as follows:

As described above, in the event Building 24 is developed, enlarged, or subject to a use change that is not predominantly industrial and the Industry City-owned portion of the Waterfront apron adjacent to Building 24 is combined with the adjacent New York City-owned portion of the Waterfront apron, a public access area would need to be developed and opened to the public on such Waterfront apron. This requirement would be memorialized in the restrictive declaration to be recorded in conjunction with the special permit. Since there is currently no plan to convert Building 24 to a non-predominantly industrial use or to combine the Industry City- and City-owned portions of the Waterfront apron, for the purposes of a conservative analysis, the provision of public open space in this area has not been assumed in this analysis.

CHANGE TO THE CITY MAP

As a separate but concurrent application (ULURP #160146MMK), the Applicant proposes to demap 40th Street between 1st and 2nd Avenues. 40th Street between 1st and 2nd Avenues is currently in private ownership and unimproved for street purposes. In addition, for over a century portions of Building 19 and Building 20 have been constructed within the bed of mapped 40th Street. The demapping of 40th Street would reflect the existing condition of the street and further facilitate development within the Directly Affected Area.

C. PURPOSE AND NEED FOR THE PROPOSED ACTIONS

CREATING AN INNOVATION ECONOMY DISTRICT

To continue to attract Innovation Economy uses, and to provide businesses with the ecosystem and resources they need in order to thrive in Sunset Park, the Applicant seeks to create what has become commonly known

amongst economists and policy makers as an “Innovation Economy District” with “Innovation Economy” firms representing a broad range of businesses involved in every step of the “making” process, from research and development to design and engineering, as well as the actual manufacturing of products.

This District will permit Innovation Economy firms to be integrated into mixed-use communities with other like-minded makers, with ready access to a workforce with diverse skills and experiences as well as accommodations and amenities where business partners can stay and meet while in town. Job seekers and employees, in turn, need access to job placement, training and research opportunities, along with convenient places to eat and buy goods. The Applicant is seeking zoning actions that broaden the permitted use and bulk at Industry City to allow for this collaborative district to grow at Industry City.

The Proposed Actions seek to introduce a broader range of land uses at Industry City, including an incremental increase of approximately 1.33 million gsf of manufacturing and office uses, 3 700,000 gsf of retail, 387,000 gsf of new academic use, 272,000 gsf of new hotel use, and 33,000 gsf of event space, generating more than 15,000 total on-site jobs. The Applicant believes that this blend of uses will come together to create a vibrant Innovation Economy District. New classroom, lab, and research facilities will provide opportunities for academic and professional linkages between students and businesses and provide graduates with direct access to potential employers and workspaces. Expanded retail uses, ranging from local merchants and services to larger destination stores, will support the businesses of co-located manufacturers and other Innovation Economy companies, as well as Industry City employees, students, visitors, and Sunset Park residents alike.

The proposed academic use would provide a venue for innovators and scholars to interface on research, design, training, and education, and provide a feeder of educated and trained employees to serve Innovation Economy uses on site and elsewhere in the City.

The applicant believes hotels are an important component of the “Innovation Economy District,” and can ensure the success of both budding and established businesses. Two hotels at Industry City would help support existing businesses as they grow, providing prospective workers, clients, partners, and visitors with direct access to the companies they are visiting as well as to the greater Innovation Economy uses within the Project Area. Of the seven hotels located within a one-mile radius of Industry City, all but one are limited-service establishments and none have meeting or conference facilities. The closest hotels with conference and event space are several miles away in Downtown Brooklyn. The Proposed Actions would introduce two hotels, representing 271,619 sf of hotel use (420 keys). The two hotels at Industry City would not compete with existing hotel offerings in the neighborhood, but rather, would fill a gap in the market for business-oriented hotels with meeting facilities. In addition to serving the diverse sectors of the Innovation Economy, such meeting facilities would further provide ample space for conferences and events hosted by potential academic partners.

Industry City would continue to support manufacturing uses within the Project Area, which is located within the Southwest Brooklyn IBZ. Approximately 2.68 million gsf of the total 3.57 million gsf of Innovation Economy uses within the Project Area would consist of manufacturing uses, both traditional and artisanal manufacturing (use group [UG] 16A, 16B, 17B, 17C, and 18 equivalent).⁴ Modern manufacturing technologies have allowed products that would have once required large factories to be designed, prototyped, and produced in spaces as small as 500 sf. The Applicant’s intent of the Proposed Actions is to expand high-employment manufacturing and other Innovation Economy uses in the Project Area by creating the economic conditions for the upgrade of long-underutilized and decaying buildings that have been only suitable for low-employment storage and warehouse.

3 As shown in **Tables S-4, S-5, and S-6**, manufacturing, artisanal manufacturing and office uses combined to create Innovation Economy use.

4 See **Tables S-4, S-5, and S-6** for breakdown of gsf by type of manufacturing use in each scenario of the With Action condition.

In addition to diversifying uses at Industry City through the Proposed Actions, the Applicant intends to enhance support for local workforce development and community-supporting activities, as evidenced by the launch of the Innovation Lab at Industry City in 2016. A catalyst for employment in Southwest Brooklyn, the Lab provides pre-screening and job placement services, skills training, and a wide range of small business services to the 450 Industry City businesses as well as companies located in other facilities along the Sunset Park waterfront, including Brooklyn Army Terminal, Liberty View, and Bush Terminal. The Proposed Actions will substantially increase the academic presence at Industry City, allowing the Innovation Lab to expand on a variety of continuing education services and technology and vocational programs targeted towards business growth needs going forward. These services will help spur entrepreneurship and provide local residents with the necessary tools to take advantage of the more than 15,000 good-paying innovation jobs expected to be generated through the redevelopment of Industry City.

The Proposed Actions are needed because the Project Area's current zoning does not provide for the range of uses necessary to support the re-tenanting and development of the Industry City "Innovation Economy District." The existing zoning of the Project Area restricts the utilization of the site, as it does not support the development of academic or hotel uses, and substantially limits the range or permitted retail uses. As a result, Innovation Economy and supporting retail uses currently comprise less than half of the total portfolio at Industry City; the rest of the complex remains largely underutilized: 26 percent is occupied by low-employment storage and warehousing and 25 percent is vacant. And while current ownership has invested substantial resources into reducing underutilized space since buying Industry City in 2013, those efforts have met with limited success. Under the current zoning framework, underutilized space at Industry City has only been reduced by 12 percentage points between 2013 and 2018.

REQUIRED ZONING MODIFICATIONS

The Proposed Actions seek to modify the Zoning Map and Zoning Resolution to permit the diverse range of use groups and establish bulk modifications that would support an economically self-sustaining Innovation Economy portfolio. The proposed zoning map change, SICD text and Special Permit would permit the broader range of uses at Industry City while requiring manufacturing uses to comply with M1 district performance standards and allowing for limited additional development within a contextual building envelope.

The proposed M2-4 district along with the SICD and Special Permit is intended to be flexible enough and allow for a range of permitted use groups, including certain community facilities, local and destination retail, and hotel to support the Applicant's vision and proposal. Additionally, the Special Permit goes beyond what is typically allowed in an M2-4 district by restricting hotel use (UG 5) and academic uses (UG 3) from locating in the same building as, or sharing a common wall with heavy industrial uses (UG 18); uses having a New York City or New York State environmental rating for process equipment of "A," "B," or "C"; or uses required to file a Risk Management Plan for Extremely Hazardous Substances. These measures will buffer sensitive uses from more noxious and potentially harmful uses.

Additionally, the as-built structures of Industry City are built at an FAR of approximately 3.9, which is over the maximum allowable FAR of 2.0 in the existing M3-1 and M1-2 zoning districts. The proposed maximum FAR of 5.0 within the area to be rezoned to M2-4, in combination with the modified height and setback regulations, would bring the existing structures into compliance with zoning regulations while permitting limited new construction to accommodate users that demand newly built space. As a result, the proposed SICD would have a total blended FAR of 4.96.

Finally, the Special Permit will introduce building height limitations to ensure new construction and/or the enlargement of existing buildings is limited to a scale appropriate to the existing neighborhood context and reinforces the as-built character of Industry City, and will require that parking is provided for new or converted retail space, places of assembly and hotels.

The Proposed Actions, as described above, will permit the diverse range of Use Groups and a bulk envelope to support the creation of an economically self-sustaining portfolio of tenants.

D. ANALYSIS FRAMEWORK

The *CEQR Technical Manual* serves as a general guide on the methodologies and impact criteria for evaluating the potential effects of the Proposed Actions on the various environmental areas of analysis. In disclosing impacts, the EIS considers the Proposed Actions' potential for significant adverse impacts on the environmental setting. It is anticipated that the Proposed Project would be in place by 2027. Consequently, the environmental setting is not the current environment but the future environment. Therefore, the technical analyses and consideration of alternatives first assess Existing Conditions and then forecast these conditions to 2027 for the future without the Proposed Actions (the No Action condition) and for the purposes of determining potential impacts in the future with the Proposed Actions (the With Action condition).

As discussed in greater detail in the following sections, in order to assess the possible effects of the Proposed Actions, three Reasonable Worst Case Development Scenarios (RWCDS) were composed for the future With Action condition: the Baseline Scenario, the Density-Dependent Scenario, and the Overbuild Scenario. The Baseline Scenario indicates what is currently contemplated by the Applicant, the other two scenarios provide alternative development scenarios that would be permitted under the Proposed Actions to present a reasonable and conservative analysis. The Density-Dependent Scenario considers a land use mix that results in a higher density of workers for CEQR analysis categories where density is a key consideration (e.g. Transportation); the Overbuild Scenario considers a maximized bulk and massing envelope, for conservative assessment of CEQR analysis categories related to the envelope of future development (e.g. Shadows).

For each technical category, the scenario or combination of scenarios that has the greatest potential to result in significant adverse impacts is used in the DEIS to determine project impacts. For example, the open space analysis considers the Density-Dependent Scenario since its development program is likely to generate more new employees at Industry City, which would have a higher demand on open space resources in the study area when compared to the other two scenarios. As another example, the urban design analysis will consider a combination of the Baseline Scenario and Overbuild Scenario, as the new buildings and overbuilt bulk on Buildings 3, 4, 5, 6, 7, 8, 19, 22/23, and 24 would introduce changes to the massing and form of Industry City as it currently exists.

The overall design and program of the new buildings proposed within Industry City are substantially the same under all three RWCDS.

NO ACTION SCENARIO

In the No Action scenario, it is expected that no new development would take place within the Directly Affected Area. This includes all lots affected by the Proposed Actions. Those lots not owned by the applicant are assumed to remain unchanged from the Existing Conditions (Block 695, Lots 37–43; Block 691, Lots 45 and 46; Block 662, part of Lot 1). Based on the current leasing rates and tenant roster, it is anticipated that approximately 140,000 gsf of the currently vacant space within the existing building stock at Industry City would be re-occupied by Innovation Economy (manufacturing, artisanal manufacturing, office), storage/warehousing, or retail uses (see **Table 2** for a summary of the No Action scenario). The recently completed and fully operational Nets training facility is approximately 75,000 gsf and is located in Building 19 at Industry City; this use would continue in the No Action scenario. The overall number of employees working at Industry City would be approximately 7,000. Based on Industry City's existing tenants, storage and warehousing uses have an employment density approximately 1 job per 2,000 gsf.

Table 2		
Existing Condition vs. No Action Condition		
No Action Condition	No Action Condition	No Action Condition
Retail GSF	71,835	200,000
Commercial GSF¹	10,000	10,000
Storage/Warehousing GSF	1,386,886	1,707,558
Manufacturing GSF⁴	1,543,766 ²	1,678,707 ³
Office GSF⁴	514,589	559,569
Brooklyn Nets Training Facility GSF	74,824	74,824
Hotel GSF	0	0
Hotel Rooms	0	0
Academic GSF	0	0
Vertical Circulation/Mechanical GSF	358,782	358,782
Vacant GSF	1,342,114	679,960
Accessory Parking Spaces^{5, 6}	473	658
Total GSF	5,302,796	5,269,400

Notes:
¹Commercial use as event space.
²Existing Conditions: Manufacturing use consist of manufacturing (1,029,177 gsf) and Artisanal Manufacturing (514,589 gsf).
³No Action Conditions: Manufacturing use consist of manufacturing (1,119,138 gsf) and Artisanal Manufacturing (559,569 gsf).
⁴Innovation Economy” is comprised of Manufacturing, Artisanal Manufacturing, and Office.
⁵In the No Action condition, parking is anticipated to be provided at-grade and/or with stackers.
⁶There are a limited number (approximately 127) of off-street surface parking spaces within the Project Area—specifically, within the central courtyard behind Buildings 19 and 20, within the property line along the north side of 37th Street, within privately-owned portions of 33rd, 34th, and 35th Streets between 2nd and 3rd Avenues, and within the property line along the south side of privately-owned 32nd Street—that are not included in any designated parking facilities. These spaces are not included in the calculations above.

The 39th Street Buildings are significantly unimproved because they suffered damage from Superstorm Sandy that destroyed the infrastructure necessary to service them. According to the Applicant, the level of investment required to bring back basic tenant services would be greater than the revenue that can be realized with the current tenant use roster. It is assumed that some ongoing upgrades to Industry City buildings, including window replacements, would continue in the No Action scenario, but such capital investments would occur at a slower pace than with the Proposed Project and would not encompass all Industry City buildings.

In the future without the Proposed Actions, there would be approximately 658 parking spaces controlled by the Applicant. This would include approximately 284 surface lot spaces and 374 spaces provided in stackers at Building 11 and Building 21. The one-story building that abuts Building 9 to the west (882 3rd Avenue, Block 679, Lot 1) and the former Bush Terminal powerhouse at 2nd Avenue and 32nd Street (Block 679, Lot 1), both currently vacant, would be demolished in order to accommodate new parking spaces and stacked parking. Additional stacked parking also would be created on Block 706 (Lots 20 and 101).

WITH ACTION SCENARIOS

The Proposed Project includes the renovation and re-tenanting of space within existing Industry City buildings, as well as the development of new buildings, in order to establish the necessary mix of uses, as described in “Purpose and Need.” The Proposed Actions are intended to be flexible enough to allow for a range of permitted use groups and various densities so that the Applicant may respond to trends and the market. It is the Applicant’s intent that the Proposed Actions would help attract new tenants to the Project Area and support what it has described as the Innovation Economy District. However, because of the inherent uncertainty of current and future markets, a specific breakdown of the Applicant’s final proposed development is unknown at

this time. Therefore, since a breakdown of permitted uses and sizes cannot be specified, for analysis purposes, the Applicant has determined a scenario that reflects what would represent a worst-case scenario for the environmental review while balancing certain development constraints where appropriate, including reasonable market demand and realistic physical programming assumptions—the Baseline Scenario.

In order to assess the possible effects of the Proposed Actions, three RWCDs have been developed for the proposed zoning (future With Action condition) for an approximately 8-year period (analysis year 2027). The incremental difference between the No Action and With Action conditions will serve as the basis for the impact analyses of the EIS.

As previously noted, while the building program for the Proposed Actions (the Baseline Scenario) reflects what is currently contemplated by the Applicant, the Proposed Actions would not preclude a different mix of uses from being developed under the proposed zoning. In order to assess the possible effects of the Proposed Actions, two additional RWCDs were composed for the future With Action condition: the Density-Dependent Scenario and the Overbuild Scenario. It should also be noted that although Block 695, Lots 45 and 46 and a portion of Block 662, Lot 1, are within the Directly Affected Area, the Applicant does not own these lots and has no future plans to acquire them. Therefore, in the With Action condition, Lot 45 would remain occupied by a retailer and Lot 46 would remain the site of a deli/sandwich shop with office use above. Lot 1 would remain vacant land.

REASONABLE WORST CASE DEVELOPMENT SCENARIOS (RWCDs)

Each of the RWCDs assume the same No Action conditions would apply. Therefore, in the With Action condition for each RWCD, it is assumed that the one-story building that abuts Building 9 on the west (882 3rd Avenue, Block 679, Lot 1) and the former Bush Terminal powerhouse (Block 679, Lot 1), both currently vacant would be demolished, in order to accommodate new parking spaces and stacked parking.

The Baseline Scenario

For most analysis areas, the Baseline Scenario serves as the baseline With Action condition to compare to the No Action Condition.

In this scenario, the Proposed Actions would allow a total blended FAR of 4.96 for the Directly Affected Area. This includes a maximum FAR of 5.0 for the portion of the Rezoning Area to be rezoned to M2-4 and a maximum FAR of 2.0 for the portion of the Project Area to remain zoned M1-2. The special permit would also establish a maximum of 900,000 sf of floor area for retail and service establishment uses (approximately 0.68 FAR), and a maximum of 625,000 sf of floor area for permitted UG 3A uses (colleges/universities; libraries, museums, non-commercial art galleries, and day care facilities), approximately 0.47 FAR.

As a result of the Proposed Actions the uses within the existing Industry City buildings are anticipated to grow and change. Within the existing Finger Buildings, small- to mid-sized retail uses are anticipated to occupy approximately 295,000 gsf of currently vacant space, located on the ground floor along 3rd Avenue and the ground and second floors along 37th Street and 2nd Avenue. Mid-block between 2nd and 3rd Avenues, uses are expected to include a mix of Innovation Economy uses and small- to mid-sized retail uses. Above the ground floor (or second floor, to the extent that such floor has retail uses), the Finger Buildings are anticipated to be occupied predominantly by Innovation Economy uses, with potentially a small amount of remaining warehouse/storage uses and academic uses. Also within the Finger Buildings, there would be approximately 18,671 gsf of (UG 9) event space. The Finger Buildings are six-story structures rising to 85 feet in height. While they would be allowed to enlarge to a maximum building height of 110 feet, the Baseline Scenario assumes all floor area permitted by the Proposed Actions would be constructed in new buildings (see below) rather than in enlargements of the Finger Buildings. Building 10 is the exception, as it is 12 stories tall and rises its allowable max of 170 feet.

Within the existing 39th Street Buildings, a mix of small and large retail establishments is anticipated to occupy the ground floor of most buildings' 39th Street and 2nd Avenue frontages, as well as the second floor of Buildings 19, 20, and Building 21 (new construction). Above this retail base, Buildings 19, 20, 22/23, 24, and 26 are anticipated to house Innovation Economy uses; the proposed Building 21 (described below) is anticipated to contain retail, Innovation Economy, academic and structured parking and hotel uses; and Building 24 is anticipated to be redeveloped with predominantly industrial uses (UG 16, 17, or 18). Because there is currently no agreement for the Applicant to obtain control of the adjacent City-owned apron, it is anticipated that no public waterfront access would be provided. The small two-story Building 25 is anticipated to be redeveloped to accommodate 24,332 gsf of event space. Additionally, there is the potential that the Sunset Park North portion of the Brooklyn Waterfront Greenway could be extended through Building 25 so as to connect to the rest of the Bush Terminal complex to the south.

The 39th Street Buildings—which are generally 115 feet tall and contain eight stories—would be permitted by the Proposed Actions to enlarge to a maximum height of 150 feet. While all 39th Street Buildings would be allowed to enlarge to a maximum building height of 150 feet, the Baseline Scenario assumes all floor area permitted by the Proposed Actions would be constructed in new buildings (see below) rather than in enlargements of any existing 39th Street Buildings.

The Proposed Actions would also facilitate the development of three new buildings, which are proposed to be developed in the Baseline Scenario, totaling approximately 1.45 million gsf of new development:

- A new 12-story, 182,400-gsf Gateway Building would be developed at the southeastern end of the Finger Buildings (Block 695, Lots 37-43), on land that would be acquired between 3rd Avenue and the eastern edges of Buildings 1 and 2. This building would contain 11 floors of hotel use above ground floor retail. The Gateway Building would be built to a similar mass as existing Building 10 and capped at a height of 170 feet;
- A new 13-story, 495,162-gsf Building 11 would be developed at the northwestern end of the Finger Buildings on land currently owned by the Applicant (Block 679, Lot 1). Building 11 is an L-shaped building currently envisioned to contain eight floors of academic uses above two retail floors in its base. Additionally, there would be three levels of parking, which would be connected to a three-level structured parking garage. As described above, the former Bush Terminal powerhouse structure, located on the corner of 32nd Street and 2nd Avenue, and the one-story building that abuts Building 9 on the west are slated for demolition in the No Action condition in order to accommodate new parking spaces and stacked parking. Removal of these vacant structures is necessary for construction of Building 11. Two transformers, housed in a concrete structure, are located adjacent to the powerhouse mid-block between 2nd and 3rd Avenues. These transformers are not slated for demolition and will remain fully operational at their current location in the With Action condition.
- A new 10-story, 774,552-gsf Building 21 would be developed between existing Buildings 19/20 and 1st Avenue, 39th to 41st Streets, on land partially owned by the Applicant (Block 706, Lot 101) and partially planned for acquisition (Block 706, Lot 20 to be acquired by the Applicant). The existing 3-story factory building on Lot 20, which is currently occupied with a manufacturing use, would be demolished to allow for the construction of the new structure. Building 21 would include large-format retail on the first and second floors, parking on the third through fifth floors (accessed via curb cuts along 41st Street, 3rd Avenue, and potentially 39th Street), Innovation Economy use on portions of the sixth through eighth floors, and a hotel use on portions of the sixth through tenth floors.

Overall, the Baseline Scenario would contain approximately 6.57 million gsf of development and would result in approximately 14,500 employees (see **Table 3**). As compared to the No Action Condition, the Baseline Scenario would include an additional 1,335,506 gsf of Innovation Economy uses (representing 50 percent manufacturing, 25 percent artisanal manufacturing, and 25 percent commercial/office), an addition 471,000 gsf

of parking, 387,000 gsf of academic uses, 272,000 gsf of hotel uses (approximately 420 rooms), 700,000 gsf of retail, 33,003 gsf of event space, and 76,555 gsf of vertical circulation, elevators, and mechanical equipment, as well as reducing vacant uses by 679,960 gsf and storage and warehousing uses by 1,292,558 gsf.

Table 3		
With Action Condition: Baseline Scenario		
Use	Baseline Scenario: Industry City Total	Increment: No Action to Baseline Condition
Retail GSF¹	900,000	700,000
Commercial GSF²	43,003	33,003
Storage/Warehousing GSF	415,000	-1,292,558
Manufacturing GSF^{3,4}	2,680,336	1,001,629
Office GSF⁴	893,445	333,876
Brooklyn Nets Training Facility GSF	74,824	0
Hotel GSF	287,000	287,000
Hotel Rooms	420	420
Academic GSF	386,546	386,546
Vertical Circulation/Mechanical GSF	419,957	61,175
Vacant GSF	0	-679,960
Accessory Parking Spaces	1,684-1,984 Spaces	1,684-1,984 Spaces
Parking GSF⁵	471,094	471,094
Total GSF	6,571,205	1,301,805

Notes:

¹ The proposed retail program in the Baseline Scenario would include destination (approximately 684,000 gsf), local (approximately 176,000 gsf), and a supermarket (approximately 40,000 gsf).

² Commercial use as event space.

³ Manufacturing use in the Baseline Scenario consist of Manufacturing (1,786,891 gsf) and Artisanal Manufacturing (893,445 gsf).

⁴ Innovation Economy in the Baseline Scenario would utilize approximately 3,573,782 gsf. This is comprised of Manufacturing (1,786,891 gsf), Artisanal Manufacturing (893,445 gsf), and Office (893,445 gsf).

⁵ There are a limited number of off-street surface parking spaces within the Project Area that are not included in any designated parking facilities. These spaces are not included in the calculations above.

The programming for the Baseline Scenario would constitute the following:

- Approximately 3.57 million gsf of Innovation Economy uses, of which approximately 75,000 gsf would be the Nets training facility, which was recently completed and is currently operational (this use will remain in both the With Action and No Action conditions); Approximately 471,094 gsf of street and structured accessory parking (1,811 to 2,111 spaces);
- Approximately 386,546 gsf of academic uses;
- Approximately 287,000 gsf of hotel, comprising 420 rooms;
- Approximately 900,000 gsf of retail and restaurant uses (of which approximately 176,000 gsf is anticipated to be local retail, 684,000 gsf is anticipated to be destination retail, and approximately 40,000 gsf is anticipated to be a supermarket [UG 6A food store]);
- 43,000 gsf of commercial space as dedicated event space;
- 0 gsf of vacant use;
- 415,000 gsf of storage/warehouse uses; and

- Approximately 419,957 gsf of vertical circulation, mechanical space, and shared lobbies.

The Density-Dependent Scenario

Given the prevalence of warehouse space, with its very light intensity of use, in the Baseline Scenario, it may not represent a worst-case condition for certain density-dependent technical analysis areas.

Specifically, for certain density-dependent technical analysis areas, warehouse use was eliminated from the With Action condition and replaced with additional academic/community facility, and Innovation Economy uses. It should be noted that the Applicant has recently executed leases with City agencies to use more than 415,000 square feet for warehousing use, thus the amount of Innovation Economy and Academic Use in the Density-Dependent Scenario is less likely to be built in the future With Action condition.

With respect to the size and shape of existing and new buildings, the Density-Dependent Scenario retains the same assumptions as the Baseline Scenario. Furthermore, as in the Baseline Scenario, the Density-Dependent Scenario also assumes that no public waterfront access would be provided adjacent to Building 24.

Overall, the Density-Dependent Scenario would result in approximately 15,000 employees. As compared with the Baseline Scenario, the Density-Dependent Scenario would include an additional 173,874 gsf of Innovation Economy uses (representing 50 percent manufacturing, 25 percent artisanal manufacturing, and 25 percent commercial/office) and an additional 241,128 gsf of academic/community facility uses, accounting for a potential academic library, museum, or non-commercial gallery space.

The programing for the proposed Density-Dependent Scenario (summarized in **Table 4**) would constitute the following:

- Approximately 3.75 million gsf of Innovation Economy uses; of which:
 - 1,873,828 gsf would be manufacturing (UG 16A, 16B, 17B, 17C, and 18 equivalent);
 - 936,914 gsf would be artisanal manufacturing and art/design Studio (UG 9A, 11A, and certain 10A equivalent uses); and
 - 936,914 gsf would be office (UG 6B equivalent).
- Approximately 627,674 gsf of academic uses, including (but not limited to) instructional space, laboratories, academic offices, academic library space, a museum or non-commercial gallery space; Of the 627,674 gsf of community facility use, a maximum of 625,000 sf would be zoning floor area, pursuant to the maximum set forth in the proposed zoning text.
- Approximately 287,000 gsf of hotel, comprising 420 hotel rooms;
- Approximately 900,000 gsf of retail and restaurant uses (of which approximately 176,000 gsf is anticipated to be local retail, 684,000 gsf is anticipated to be destination retail, and approximately 40,000 gsf is anticipated to be a supermarket [UG 6A food store]);
- An approximately 75,000-gsf Nets training facility, which was recently completed and is currently operational (this use will remain in both the With Action and No Action conditions);
- Approximately 43,000 gsf of event space (UG 9A equivalent);
- 0 gsf of storage/warehouse uses;

- Approximately 477,910 gsf of surface and structured accessory parking (between 1,684 and 1,984 spaces); and
- Approximately 419,954 gsf of vertical circulation, mechanical space, and shared lobbies.

Table 4
With Action Condition Density-Dependent Scenario
for Density-Dependent Technical Analysis Areas

Uses	Industry City Total
Retail GSF ¹	900,000
Commercial GSF ²	43,003
Storage/Warehousing GSF	0
Manufacturing GSF ^{3, 4}	2,810,742
Office GSF ⁴	936,914
Brooklyn Nets Training Facility GSF	74,824
Hotel GSF	287,000
Rooms	420
Academic GSF	627,674
Vertical Circulation/Mechanical GSF	419,954
Vacant GSF	0
Accessory Parking Spaces ⁵	1,684 to 1,984 Spaces
Parking GSF	477,910
Total GSF	6,578,021

Note:

¹ The proposed retail program would include destination (approximately 684,000 gsf), local (approximately 176,000 gsf), and a supermarket (approximately 40,000 gsf).

² Commercial use as event space.

³ Manufacturing use consist of Manufacturing (1,873,828 gsf) and Artisanal Manufacturing (936,914 gsf).

⁴ Innovation Economy would utilize approximately 3,747,656 gsf. This is comprised of Manufacturing (1,873,828 gsf), Artisanal Manufacturing (936,914 gsf), and Office (936,914 gsf).

⁵ There are a limited number of off-street surface parking spaces within the Project Area that are not included in any designated parking facilities. These spaces are not included in the calculations above.

The Overbuild Scenario

The Overbuild Scenario is analyzed for technical areas of environmental review that evaluate bulk, mass, and urban design. The Overbuild Scenario assumes that the properties on Block 695 that are not yet controlled by the Applicant (Lots 37–42) would not be acquired and the 182,400-gsf Gateway Building would not be built as part of the Proposed Actions; also assumed is the reduction of Innovation Economy use proposed in Building 21 by approximately 83,000 gsf (see **Table 5**). Overall, the Overbuild Scenario would result in approximately 14,500 employees.

The bulk and mass from these reductions at the Gateway Building site and Building 21 would be redistributed to bulk built above the Finger Buildings and the 39th Street Buildings. The Overbuild Scenario would introduce a total of 6,549,035 gsf, built to a total blended FAR of 4.99; the redistribution of FAR would be counterbalanced by the removal of the Gateway Building and the reduction in the size of the proposed Building 21 structure by two stories, an equivalent square footage to the combined size of the overbuilt bulk. This scenario assumes Finger Buildings 3–8 would be built to their maximum permitted height of 110 feet and Buildings 19, 22/23, and 24 would be built to their maximum permitted height of 150 feet. Similar to the Baseline and Density-Dependent Scenarios, Building 24 would be redeveloped with predominantly industrial uses (UG 16, 17, or 18).

**Table 5
 With Action Condition Overbuild Scenario
 for Bulk Dependent Technical Analysis Areas**

Use	Industry City Total
Retail GSF ¹	900,000
Commercial GSF ²	43,003
Storage/Warehousing GSF	415,000
Manufacturing GSF ³	2,783,985
Office GSF ³	927,995
Brooklyn Nets Training Facility GSF	74,824
Hotel GSF	134,457
Hotel Rooms	197
Academic GSF	386,546
Vertical Circulation/Mechanical GSF	412,131
Vacant GSF	0
Accessory Parking Spaces ⁴	1,684 to 1,984 Spaces
Parking GSF	477,910
Total GSF	6,555,851

Note:

¹ The proposed retail program would include destination (approximately 684,000 gsf), local (approximately 176,000 gsf), and a supermarket (approximately 40,000 gsf).

² Commercial use as event space.

³ Innovation Economy would utilized approximately 3,711,980 gsf. This is comprised of Manufacturing (1,855,990 gsf), Artisanal Manufacturing (927,995 gsf), and Office (927,995 gsf).

⁴ There are a limited number of off-street surface parking spaces within the Project Area that are not included in any designated parking facilities. These spaces are not included in the calculations above.

The allocation of overbuilt bulk is assumed in this scenario to be as follows:

- A one-story overbuild of 32,046 sf on Building 3
- A one-story overbuild of 32,046 sf on Building 4
- A one-story overbuild of 32,046 sf on Building 5
- A one-story overbuild of 32,046 sf on Building 6
- A one-story overbuild of 32,046 sf on Building 7
- A one-story overbuild of 6,842 sf on Building 8
- A one-story overbuild of 15,822 sf on Building 19
- A one-story overbuild of 34,849 sf on Building 22/23
- A one-story overbuild of 25,550 sf on Building 24

While the proposed envelope of permitted enlargement would, in theory, permit development in addition to that assumed for the Overbuild Scenario—for example on additional rooftops not here assumed for development and in existing courtyards—due to the limited amount of zoning floor area that would be permitted by the zoning actions, such additional construction was deemed to be unlikely and would reduce construction elsewhere within Industry City, and thus not considered in the Overbuild Scenario.

Table 6 shows the comparison between all three RWCDs: the Baseline Scenario, the Density-Dependent Scenario, and the Overbuilt Scenario.

Table 6							
With Action Condition Scenario Comparison							
Uses	No Action	Baseline Scenario	Increment	Density-Dependent Scenario	Increment	Overbuild Scenario	Increment
Retail GSF ¹	200,000	900,000	700,000	900,000	700,000	900,000	700,000
Commercial GSF ²	10,000	43,003	33,003	43,003	33,003	43,003	33,003
Storage/Warehousing GSF	1,707,558	415,000	-1,292,558	0	-1,707,558	415,000	-1,292,558
Manufacturing GSF ³	1,678,707 ³	2,680,336	1,001,629	2,810,742	1,132,035	2,783,985	1,105,278
Office GSF ³	559,569	893,445	333,876	936,914	377,345	927,995	368,426
Brooklyn Nets Training Facility GSF	74,824	74,824	0	74,824	0	74,824	0
Hotel GSF	0	287,000	287,000	287,000	287,000	134,457	134,457
Hotel Rooms	0	420	420	420	420	197	197
Academic GSF	0	386,546	386,546	627,674	627,674	386,546	386,546
Vertical Circulation/Mechanical GSF	358,782	419,957	61,175	419,954	61,172	412,131	53,349
Vacant GSF	679,960	0	-679,960	0	-679,960	0	-679,960
Accessory Parking Spaces ⁴	658	1,684-1,984	1,026-1,326	1,684-1,984	1,026-1,326	1,684-1,984	1,026-1,326
Parking GSF	0	477,910	477,910	477,910	477,910	477,910	477,910
Total GSF	5,269,400	6,578,021	1,308,621	6,578,021	1,308,621	6,555,851	1,286,451

Notes:
¹ The proposed retail program for each scenario would include destination, local, and a supermarket. See **Table 3, Table 4, and Table 5** for a scenario specific breakdown.
² Commercial use as event space.
³ Innovation Economy is comprised of Manufacturing, Artisanal Manufacturing, and Office uses. Please see **Table 3, Table 4, and Table 5** for the specific breakdown of Innovation Economy in each scenario.
⁴ There are a limited number of off-street surface parking spaces within the Project Area that are not included in any designated parking facilities. These spaces are not included in the calculations above.

E. PROBABLE IMPACTS OF THE PROPOSED ACTIONS

LAND USE, ZONING AND PUBLIC POLICY

The Proposed Actions are not expected to result in significant adverse impacts on land use, zoning, or public policy. The Proposed Actions would facilitate the redevelopment and re-tenanting of Industry City with a mixed-use project containing manufacturing, commercial retail, hospitality, academic, and other community facility uses. The Proposed Actions would not adversely affect surrounding land uses.

Innovation Economy represents a broad range of businesses involved in every step of the “making” process, from research and development to design and engineering, as well as the actual manufacturing of products. The Applicant believes that the Proposed Actions would drive business creation and expansion while providing a substantial amount of new jobs. The Innovation District will support an ecosystem where makers, innovators, students, and scholars will interface on research, design, training, and education, providing a feeder of entrepreneurs, as well as educated and trained employees to serve the Innovation Economy uses on site and elsewhere in the City.

The Proposed Actions would be consistent with the City’s Waterfront Revitalization Program (WRP). Per the WRP Consistency Assessment (WRP #15-049), which was reviewed by the New York City Department of

City Planning's (DCP) Waterfront and Open Space Division, the Proposed Actions would support the applicable policies of the City's WRP.

SOCIOECONOMIC CONDITIONS

A socioeconomic analysis determined that the Proposed Actions would not result in significant adverse socioeconomic impacts. The following summarizes the conclusions for each of the five CEQR areas of socioeconomic concern.

DIRECT RESIDENTIAL DISPLACEMENT

A screening-level assessment finds that the Proposed Project would not result in significant adverse impacts due to direct residential displacement. Based on *CEQR Technical Manual* guidelines, direct displacement of less than 500 residents would not typically be expected to alter the socioeconomic character of a neighborhood. By the analysis year of 2027, an estimated 26 residents living in eight dwelling units (DUs) within the Project Area could potentially be directly displaced. This population represents less than 1 percent of the population in the Socioeconomic Study Area, and therefore their potential displacement would not have the potential to alter the socioeconomic character of the neighborhood, as defined in the *2014 CEQR Technical Manual*. Since the Proposed Project could displace a limited number of residents, the potential to introduce a trend or accelerate a trend of changing demographic conditions that could result in significant increases in market-rate rents is unlikely.

DIRECT BUSINESS DISPLACEMENT

A preliminary assessment finds that the Proposed Project would not result in significant adverse impacts due to direct business displacement. Under the Density-Dependent Scenario used for this socioeconomic analysis, the Proposed Project could directly displace approximately 40 businesses employing an estimated 186 workers by the analysis year of 2027. The potentially displaced businesses include warehousing and storage uses within Industry City; a deli and café; two video stores; a metalworking and welding company; and a producer of molded plastic products.

While it is recognized that all businesses provide value to the city's economy, the potentially displaced businesses were determined not to meet the CEQR definition of businesses having substantial economic value to the city. Alternative sources for the goods and services provided by these businesses can be found elsewhere in the Study Area or within the products' trade areas. With the exception of potentially displaced warehousing and storage businesses, the potentially displaced businesses do not represent a sizable share of Study Area businesses for any given sector, and similarly represent a small fraction of jobs within any individual sector. The potentially displaced warehousing and storage businesses do not provide products or services that are used by local residents, and business users would have comparable and alternative services available within the same trade area. Finally, the Proposed Project would not directly displace a business that is unusually important because its products or services are uniquely dependent on its location; that, based on its type or location, is the subject of other regulations or publicly adopted plans aimed at its preservation; or that serves a population uniquely dependent on its services in its present location.

INDIRECT RESIDENTIAL DISPLACEMENT

Indirect residential displacement (also known as secondary displacement) is the involuntary displacement of residents that may result from a change in socioeconomic conditions created by a project. Since the Proposed Project would only displace a very limited number of residents, the potential to introduce a trend or accelerate a trend of changing demographic conditions that could result in significant increases in market-rate rents is very minimal. According to the *CEQR Technical Manual*, residential development of 200 units or less would

typically not result in significant socioeconomic impacts due to indirect residential displacement. Since the Proposed Project would not introduce any residential uses, there is no potential for impacts, and no further analysis is warranted.

INDIRECT BUSINESS DISPLACEMENT DUE TO INCREASED RENTS

A detailed analysis finds that the Proposed Project would not result in significant adverse impacts from indirect business displacement due to increased rents. Under the Density-Dependent Scenario assumed for this analysis, the Proposed Project would result in approximately 6.57 million gross square feet (gsf) of uses throughout the Project Area, including a substantial amount of new and upgraded space. This significant investment would grow economic activity as well as the number and types of job opportunities within the Study Area. This CEQR analysis requires consideration as to whether such changes to the local economy could also present potential adverse effects—i.e., whether the Proposed Project could increase commercial property values in a manner that makes it more difficult for certain businesses that may be 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 Actions would allow for up to 700,000 gsf of incremental retail space that would help meet unspent consumer expenditure potential—both by use category and diversity of store size—as compared to current Study Area retail offerings. Potential adverse effects on local retail businesses are expected to be limited as Industry City’s own retail program is anticipated to capture much of the newly created demand introduced by the Proposed Project, thereby reducing the scale and extent of the potential for rent increases at existing storefronts. In addition, a comparison of business compositions along the Study Area’s major retail corridors between 2007 and 2017 has shown that previous investments at Industry City had only a marginal impact on turnover and vacancies outside of the Project Area, and did not result in a change in character along the major avenues. The limited indirect retail displacement that could result from increased rents brought about by the Proposed Project would therefore not lead to major changes in the composition of nearby commercial strips.

In addition to local retailers, traditional industrial and warehousing businesses may also be vulnerable to indirect displacement. Greater demand pressures on existing low-employment industrial space could result if the creation of a new Innovation Economy District encourages the co-location of other high-employment manufacturing and Innovation Economy businesses within the Study Area. Any loss in traditional industrial activity, however, will be more than offset by the growth of more job-intensive manufacturing and Innovation Economy uses facilitated through the adaptive reuse of existing vacant and storage/warehouse structures within or near to Industry City. Under the Density-Dependent Scenario, the Proposed Project would house approximately 750,000 gsf of incremental manufacturing space employing over 1,400 additional workers. In broader terms, based on Industry City’s existing tenants, manufacturing uses have employment density of approximately 1 job per 529 gsf, whereas storage and warehousing uses have an employment density closer to 1 job per 2,000 gsf. In addition, industrial rents within the Study Area have increased substantially over the past 10 years, indicating a major demand shift toward higher-value, upgraded industrial spaces that would be expected to continue with or without the Proposed Actions.

Taken together, businesses potentially vulnerable to indirect displacement do not meet the criteria for significant adverse impacts as defined by CEQR:

- The potentially displaced businesses do not meet the CEQR definition of businesses having substantial economic value to the city. Furthermore, alternative sources for the goods and services provided by these businesses can be found elsewhere within the products’ respective trade areas. Warehousing and traditional manufacturing businesses, for example, tend to serve a more regional customer base, and are the destination for many contractors and businesses servicing all five boroughs. With no single dominant

manufacturer within the Study Area, potentially displaced uses are also not part of the supply chain for a major local producer.

- Potentially displaced uses can largely be relocated elsewhere in New York City, including in other industrial neighborhoods outside of the Study Area with good transportation access.
- Potentially displaced uses are not subject to regulations or publicly adopted plans to preserve, enhance, or protect them. Industrial uses currently protected by the Southwest Brooklyn IBZ would still be permitted and protected in the area under the Proposed Actions. New uses introduced to the area would not compete with existing low-employment industrial uses because they would either be categorized as non-industrial uses that complement aspects of the manufacturing process—uses such as tech, film, and television—or light manufacturing uses such as niche and small batch manufacturing.
- Existing industrial buildings would be rehabilitated for manufacturing and Innovation Economy uses under the Proposed Project. In addition, newly constructed buildings would help meet the spatial needs of Innovation Economy tenants, including small-scale producers and highly specialized niche manufacturers, but also medium-scale industrial users. The Proposed Project would therefore result in an “upgrading” of existing infrastructure but would not have adverse impacts on the area’s ability to accommodate manufacturing and industrial businesses.
- While some retail uses in the Study Area are potentially vulnerable to displacement due to changing demographics, much of the project-generated retail demand would be met by stores and services within Industry City. Therefore, the Proposed Project is not expected to substantially influence rents, as evidenced by Industry City’s investments to date.

INDIRECT BUSINESS DISPLACEMENT DUE TO RETAIL MARKET SATURATION

A preliminary assessment finds that the Proposed Project would not result in significant adverse indirect business displacement impacts due to retail market saturation. Under the Density-Dependent Scenario, approximately 700,000 gsf of additional retail uses could be introduced within the Project Area by 2027. Such uses would primarily capture expenditures from consumers within an approximately 3-mile Primary Trade Area, one that is currently underserved by retail goods and services and that is projected to continue to be underserved in the future No Action condition. Through a combination of maker-oriented retailers and large-format retail tenants, potential future retail uses within the Project Area would capture sales from incremental workers and visitors while helping to fill existing supply gaps among households within the Primary Trade Area. Given unmet retail demand across virtually every major category of goods, future uses would not “saturate the market” as defined by *CEQR Technical Manual* guidelines. Based on *CEQR Technical Manual* guidelines, if the capture rate for specific relevant categories of goods does not exceed 100 percent, it does not have the potential to saturate the market. It is therefore not expected that the Proposed Project would lead to vacancies and disinvestment on neighborhood commercial streets within the Primary Trade Area due to retail market saturation and competitive effects, nor would it affect overall land use patterns and the economic viability of neighborhoods within the Primary Trade Area. Rather, as detailed in the assessment of indirect business displacement due to increased rents, the Proposed Project could create new business opportunities for select firms, including those located immediately to the east of the Proposed Project that cater to a more regional destination crowd as well as those servicing the future expansion of Industry City.

ADVERSE EFFECTS ON SPECIFIC INDUSTRIES

A preliminary assessment finds that the Proposed Project would not result in significant adverse impacts to business conditions in any specific industry or any category of businesses, nor would it indirectly reduce employment or impair the economic viability of any specific industry or category of business.

OPEN SPACE

A detailed open space analysis finds that the Proposed Actions under the Density-Dependent Scenario would not result in a significant adverse impact related to open space. The Proposed Project would not result in the physical loss or alteration of existing public open space resources and would not introduce a new residential population. The Proposed Project would, however, exceed the *CEQR Technical Manual* threshold for an assessment of the indirect impacts resulting from additional non-residents introduced into the area by the Proposed Project, which is 500 employees in an area considered neither well-served nor under-served.

The open space within the study area (based on Census Tracts with at least 50 percent of their area within a ¼-mile radius of the Project Area) currently exceeds New York City's planning goals for open space. According to the *CEQR Technical Manual*, a ratio of 0.15 acres of passive open space per 1,000 non-residents is considered an optimal benchmark.

The *CEQR Technical Manual* indicates that a decrease in the open space ratio of 5 percent or more is generally considered significant, although for areas that are extremely lacking in open space, a decrease as small as 1 percent may be considered significant. The Proposed Project would result in a decrease in the passive open space ratio of more than 5 percent compared to the No Action condition. However, the passive open space ratio would remain at approximately three times above the City's guideline. Additionally, two of the three open space resources in the study area currently have low utilization. There are also several additional open space resources just outside the study area that would be readily accessible to non-residents in the study area. In addition, the Project Area includes the Industry City Courtyards as outdoor spaces accessible to Industry City non-residents and visitors. The Courtyards provide 2.0 acres of entirely passive space for the current and new non-residents anticipated in the With Action condition. The additional open space resources just outside of the study area and the Courtyards would further reduce the burden on open space resources. Therefore, the Proposed Project would not be expected to place a substantial burden on open space resources and would not result in any significant adverse impacts on open space resources in the study area. Further, the Proposed Project would not result in any significant adverse shadow impacts on open spaces.

SHADOWS

A detailed shadow analysis was conducted to determine the extent and duration of new shadow cast on sunlight-sensitive resources in the Shadow Assessment Scenario. The detailed analysis concluded that the shadow cast in the Shadow Assessment Scenario would not result in a significant adverse shadow impact, but would cast incremental shadow on two sunlight-sensitive resources: D'Emic Playground and the Upper New York Bay, as well as on the three narrow courtyards located between the Finger Buildings. D'Emic Playground, an open space resource, would be cast in new afternoon shadow in the summer, spring, and fall. The short duration of new shadow would not substantially reduce the direct sunlight on the playground and would allow over 7 daily hours of direct sunlight to reach the affected playground vegetation throughout the growing season. The Shadow Assessment Scenario new shadow would not significantly alter the utilization of the resource or the variety of plant life supported within it.

The Upper New York Bay, a natural resource, would be cast in new shadow throughout the year. Although the total duration of new shadow within the analysis timeframe would last for, at least, three hours, it would only fall on a small portion of the Bay and would not alter its natural condition.

New shadow would also be cast on portions of the Industry City Courtyards, three courtyards located between Buildings 1 and 2, 3 and 4, and 5 and 6. Under the combined Shadow Assessment Scenario, the majority of the total courtyard area would not be cast in more than one hour of new shadow on any given day throughout the year. Although the courtyards are open to the public at most times, under CEQR, they do not meet the technical definition of a public open space; they are not a sunlight-sensitive resource and cannot experience a significant adverse shadow impact.

Therefore, the Shadow Assessment Scenario, and the Proposed Actions as a whole, would not result in a significant shadow impact on a sunlight-sensitive resource.

HISTORIC AND CULTURAL RESOURCES

ARCHAEOLOGICAL RESOURCES

The Proposed Actions would have no significant adverse impact on archaeological resources. In a letter dated December 12, 2017, LPC determined that the sites to be redeveloped by the applicant (the Project Area) do not possess archaeological sensitivity.

ARCHITECTURAL RESOURCES

A detailed analysis finds that the Proposed Actions would result in significant adverse impacts to architectural resources. The Project Area includes portions of the Bush Terminal Historic District. In the future with the Proposed Actions' Baseline Scenario, Buildings 11 and 21 would be constructed, replacing parking spaces and a three-story factory (116 39th Street, Block 706, Lot 20) located west of Building 19 (4002 2nd Avenue, Block 706, Lot 1). Additionally, Lots 37–42 on Block 695 would be acquired by the Applicant, and replaced with the Gateway Building. In the Overbuild Scenario, the lots would not be acquired, and the Gateway Building would not be built. New rooftop additions would be added to the Buildings 3 through 8, Building 19, and Buildings 22 through 24. The uses within the existing buildings and new developments would continue to include a mixture of Innovation Economy, the Brooklyn Nets training facility, academic, hospitality, retail, and event uses, with the amount of square footage dedicated to each use fluctuating between each scenario.

The three-story factory (116 39th Street, Block 706, Lot 20) building that would be demolished in the Baseline and Overbuild Scenarios is considered to be a contributing building to the Bush Terminal Historic District. Therefore, demolition of this building would constitute a significant adverse impact on the Bush Terminal Historic District. In addition, the scale of the proposed Gateway Building and Building 11 would result in a contextual impact to the neighboring Finger Buildings within the Bush Terminal Historic District. Measures to mitigate the impacts of the Proposed Project on the Bush Terminal Historic District will be developed in consultation with DCP and LPC, and will be formalized as project commitments in the RD.

In addition to the Bush Terminal Historic District, additional architectural resources have been identified in the study area. Construction-related activities in connection with the Baseline and Overbuild Scenarios for Buildings 11 and 21, the Gateway Building, as well as the construction of rooftop additions on Buildings 3 through 8, 19, and 22 through 24 would occur within 90 feet of architectural resources in the Project Area and study area. Therefore, to avoid inadvertent construction-related impacts to these architectural resources, a Construction Protection Plan (CPP) would be prepared in coordination with a licensed professional engineer. It would describe the measures to be implemented to protect the affected Bush Terminal buildings within the Project Area, and those architectural resources in the study area during construction of the new mixed-use developments. The CPP would follow the guidelines set forth in the *CEQR Technical Manual*, including conforming to LPC's *New York City Landmarks Preservation Commission Guidelines for Construction Adjacent to a Historic Landmark* and *Protection Programs for Landmark Buildings*. The CPP would also comply with the procedures set forth in the New York City Department of Buildings (DOB)'s *Technical Policy and Procedure Notice (TPPN) #10/88*.

No architectural resources have sunlight-dependent features that would be impacted by the Proposed Project; therefore, there would be no significant adverse impacts to historic and cultural resources due to shadows. Neither the Baseline Scenario nor the Overbuild Scenario would significantly impact publicly accessible views to, or significantly alter, the historic setting of the architectural resources located in the study area.

URBAN DESIGN AND VISUAL RESOURCES

A detailed analysis determined that the Proposed Actions, under the Baseline and Overbuild Scenarios, would not result in significant adverse impacts on the pedestrian's experience and visual character of the area. In the future with the Proposed Actions, the Baseline Scenario and the Overbuild Scenario would allow uses within the existing buildings and new developments that would include a mixture of Innovation Economy, the Brooklyn Nets training facility, academic, hotel, retail, and event uses, with the amount of square footage dedicated to each use fluctuating between each scenario. The three-story factory building that would be demolished in the Baseline and Overbuild Scenarios is considered to be a contributing building to the S/NR-eligible Bush Terminal Historic District; however, this building is not considered a visual resource. In both scenarios, the proposed new buildings for the remainder of the Project Area would be more similar in scale and massing to the buildings that presently exist within the Bush Terminal Historic District than the buildings that would be demolished, and would provide enlivened pedestrian experiences along streets in the Project Area and study area.

NATURAL RESOURCES

The analysis finds that construction and operation of the Proposed Actions would not result in significant adverse impacts to floodplains and natural resources.

The Proposed Project would not adversely affect the floodplain, or increase flooding within or adjacent to the Project Area. Projected development sites would comply with New York City Building Codes for construction within the 1 percent Annual Chance and 0.2 percent Annual Chance floodplains (i.e., 100-year and 500-year floodplains).

The Proposed Project would not result in significant adverse impacts to groundwater resources. Projected development sites would implement measures developed on the basis of further environmental investigation to minimize adverse impacts to the environment, including groundwater. In addition, construction of any subsurface stormwater source control best management practices (BMPs) would not result in significant adverse impacts to the direction of groundwater flow toward Upper New York Bay and Gowanus Bay.

The Proposed Project would result in the disturbance of paved road/paths, urban vacant lots and urban structure exterior habitats. These ecological communities provide limited habitats to wildlife other than species common to urban areas. Loss of these habitats may adversely affect individual wildlife unable to find suitable available habitats in the vicinity of the study area. Loss of individuals of these common species would not result in significant adverse impacts to populations of these species within the New York City metropolitan region. Some street trees and other trees may be removed as a result of the projected development; however, rezoning and street tree replacement protocols would result in the replacement and addition of any trees lost due to construction. Landscaping resulting from the Proposed Project has the potential to improve ecological communities and habitats for wildlife during operation of the Proposed Project.

HAZARDOUS MATERIALS

The potential for significant adverse impacts related to hazardous materials resulting from the Proposed Actions would be precluded through the placement of (E) Designations, as warranted, for all privately owned lots where soil disturbing activities are anticipated under the Proposed Actions. An (E) Designation for hazardous materials requires, prior to change of use or redevelopment requiring ground disturbance, that the fee-owner of the property conduct a Phase I Environmental Site Assessment (ESA), subsurface testing and remediation, where appropriate, to the satisfaction of the New York City Mayor's Office of Environmental Remediation (OER). The New York City Department of Buildings (DOB) permits associated with such actions cannot be issued without OER approval. The OER review would ensure protection of human health and the

environment from known or suspected hazardous materials.

WATER AND SEWER INFRASTRUCTURE

This analysis finds that the Proposed Actions are not anticipated to result in any significant adverse impacts on the City's water supply, wastewater, or stormwater conveyance and treatment infrastructure.

WATER SUPPLY

By the analysis year of 2027, the With Action condition under the Density-Dependent Scenario would generate an incremental water demand of 1,262,165 gallons per day (gpd) as compared to the future without the Proposed Project (the No Action condition). This represents a 0.11 percent increase in demand on the New York City water supply system. Based on the results of hydrants flow tests that were completed in the vicinity of the project, it is expected that there would be adequate water service to meet the incremental water demand with the Density-Dependent Scenario, and there would be no significant adverse impacts on the City's water supply.

SANITARY SEWAGE

By the analysis year of 2027, the With Action condition would generate an incremental 725,465 gpd of sewage over the future without the Proposed Actions. This incremental volume in sanitary flow to the combined sewer system would represent approximately 0.77 percent of the average daily flow to the Owls Head Wastewater Treatment Plant (WWTP). This volume would not result in an exceedance of the Owls Head WWTP's capacity, and is not anticipated to create a significant adverse impact on the City's sanitary sewage treatment system.

STORMWATER

The overall volume of stormwater runoff and the peak stormwater runoff rate from the Project Area is anticipated to increase due to the replacement of paved areas with buildings; however, with the incorporation of selected best management practices (BMPs), the peak stormwater runoff rates would be reduced as compared to Existing Conditions, and the Proposed Actions would not have a significant adverse impact on the downstream City combined sewer system or the City sewage treatment system. Additionally, sites fronting existing high level storm sewers constructed on 1st Avenue and 39th Street would no longer discharge stormwater to the combined sewer system.

ENERGY

Based on the analysis, the Proposed Actions would not result in any significant adverse energy impacts. The Proposed Actions under the Density-Dependent Scenario would generate an incremental demand for approximately 1,215 billion British thermal units (BTUs) of energy per year, a less than one percent increase in overall electricity demand per year. This incremental energy demand represents the total increase in energy consumption between the future without the Proposed Project (the No Action condition) and the future with the Proposed Project (the With Action condition). As explained in the *CEQR Technical Manual*, the incremental energy demand resulting from most projects would not create a significant impact on energy capacity, and detailed assessments are only recommended for projects that may significantly affect the transmission or generation of energy. The Proposed Project would generate an incremental increase in energy demand that would be negligible when compared to the overall demand within Consolidated Edison's (Con Edison's) New York City and Westchester County service area. Therefore, the Proposed Project would not result in any significant adverse energy impacts.

TRANSPORTATION

The Proposed Actions are expected to result in significant adverse transportation impacts related to traffic, transit, and pedestrian elements, and are not expected to result in significant adverse impacts related to parking. Mitigation measures that could be implemented to mitigate these potential impacts are discussed in the mitigation sections below.

TRAFFIC STREET NETWORK

Overall, the Proposed Project would generate a total of 988 vehicles per hour (vph) (579 “ins” and 409 “outs”) during the weekday AM peak hour, 2,089 vph (1,115 “ins” and 974 “outs”) in the weekday midday peak hour, 2,408 vph (1,080 “ins” and 1,328 “outs”) in weekday PM peak hour, and 2,408 vph (1,278 “ins” and 1,130 “outs”) in the Saturday peak hour. Project improvements, such as the installation of a traffic signal and roadway restriping, would be needed at the intersection of 1st Avenue and 39th Street to facilitate pedestrian and vehicular traffic to the parking garage on the Building 21 site. Of the 41 intersections analyzed, the Proposed Project would result in significant adverse traffic impacts at 15 intersections during the weekday AM peak hour, 15 intersections during the weekday midday peak hours, 22 intersections during the weekday PM peak hour, and 14 intersections during the Saturday peak hour. The identification and evaluation of traffic capacity improvements needed to mitigate these impacts are presented in the mitigation section below.

GOWANUS EXPRESSWAY

The Proposed Project would result in significant adverse traffic impacts to the northbound Gowanus Expressway during the weekday AM (in the segment between 40th Street and 49th Street) and midday (in the segment between 38th Street and 49th Street) peak hours.

PARKING

The Proposed Actions would not result in significant adverse impacts related to parking. The weekday peak parking demand for the Proposed Project would occur during midday hours when employees would be maximized and other visitors, shoppers, etc. would also park their cars during the day. On Saturdays, the peak parking demand would occur during the afternoon hours when retail shopping activities are the highest. The weekday peak parking demand of 1,072 spaces would be expected to occur between 1 PM and 2 PM. During a typical Saturday, the peak parking demand of 1,367 spaces would occur between 3 PM and 4 PM. The Proposed Project would be fully able to accommodate its parking demand.

SUBWAY TRANSIT

Nine subway station elements at the 36th Street subway station were analyzed based on the *CEQR Technical Manual's* screening assessment, and subway line-haul analyses were conducted for three subway lines that serve this station (the D, N, and R). The Proposed Project would result in significant subway transit impacts at the S3 surface stairway along the west side of 4th Avenue between 35th Street and 36th Street down into the station, and for the P3 and P4 platform stairways (which connect the mezzanine to the station platforms) within the station during the weekday AM and PM peak hours. The M1A/M1B mezzanine level stairways (located between the S1 and S3 stairways and the fare control area) would also be impacted during the weekday PM peak hour. Subway line-haul conditions would continue to operate below capacity during the peak hours and would not be significantly impacted.

BUS TRANSIT

Bus line-haul analysis were conducted for two bus routes (B35 LTD and B70) based on the *CEQR Technical Manual's* screening assessment. The Proposed Project would create capacity shortfalls and significantly impact the westbound B70 bus route during the weekday AM peak hour.

PEDESTRIANS

Pedestrian analyses were performed for 24 sidewalk elements, 34 crosswalk elements, and 10 corner elements during the weekday AM, midday, PM, and Saturday peak hours. Eight additional pedestrian elements at the intersection of 1st Avenue and 39th Street (four crosswalks and four corners) were included as part of the With Action analysis to assess pedestrian levels of service at this intersection which would be signalized as part of the project improvements to facilitate vehicle and pedestrian traffic.

Of the 77 pedestrian elements analyzed, the Proposed Project would result in significant adverse impacts at six pedestrian elements during the weekday AM peak hour, 14 pedestrian elements during the weekday midday peak hour, 18 pedestrian elements during the weekday PM peak hour, and 12 pedestrian elements during the Saturday peak hour.

VEHICULAR AND PEDESTRIAN SAFETY

Crash data were obtained for the study area intersections from the New York City Department of Transportation (DOT) for the most recent three-year period (2014 through 2016). This information is based on data provided by the New York State Department of Transportation (NYSDOT), New York State Department of Motor Vehicles (NYSDMV), and New York City Police Department (NYPD). None of the 42 intersections analyzed in the study area are considered high-crash locations by the DOT criteria.

AIR QUALITY

The potential for significant adverse impacts related to air quality resulting from the Proposed Actions would be precluded through the placement of (E) Designations and conditions of the Restrictive Declaration (RD). Analysis of the emissions and dispersion of nitrogen dioxide (NO₂) and PM less than 10 microns in diameter (PM₁₀) from the heating and hot water systems of the development under the Proposed Actions indicate that these emissions would not result in a violation of National Ambient Air Quality Standards (NAAQS). In addition, the maximum predicted PM_{2.5} incremental concentrations from the Proposed Actions would be less than the applicable 24-hour and annual average criteria. To ensure that there are no significant adverse impacts resulting from the Proposed Actions due to heating and hot water system emissions, certain restrictions would be required, which would be mapped as (E) Designations.

The mobile source analyses determined that in the With Action condition, concentrations of CO and fine particulate matter less than 10 microns in diameter (PM₁₀) due to project-generated traffic at intersections would not result in any violations of National Ambient Air Quality Standards (NAAQS). However, at one of the three intersection sites analyzed, the maximum 24-hour incremental PM_{2.5} concentration is predicted to exceed the *de minimis* criteria, and at all three intersection sites analyzed, the maximum annual incremental PM_{2.5} concentration at each site is predicted to exceed the *de minimis* criteria. Therefore, significant adverse air quality impacts are predicted at the intersections of 1st Avenue and 39th Street, 2nd Avenue and 39th Street, and 3rd Avenue and 39th Street. Traffic mitigation measures were examined to avoid a potential significant mobile source impact at the affected intersection locations. Mitigation measures are discussed in the mitigation section below.

The analysis of the proposed parking facilities determined that the emissions from vehicles using the parking

facility would not result in any significant adverse air quality impacts. However, it should be noted the facility is adjacent to 1st Avenue and 39th Street, where on-street project-generated traffic resulted in predicted adverse air quality impacts.

The analysis of the industrial sources associated with the RWCDs determined that certain use group categories had the potential to result in a significant adverse air quality impact at receptor locations from one or more air toxic compounds. To ensure that there are no potential significant adverse impacts of air toxic compounds from specific use groups in the proposed SICD, certain restrictions in the Restrictive Declaration would be required as part of the Proposed Actions. The analysis of existing manufacturing uses in the surrounding study area determined that emissions of air toxic compounds would not result in any potential significant adverse air quality impacts on the Proposed Project.

No facilities with a State Facility, Title V, or PSD Permit within the 1,000-foot study area around the Project Area were identified. Therefore, no analysis of the potential impacts of large or major sources of emissions on the RWCDs was required. The results of the analysis of the elevated section of the Gowanus Expressway on the proposed uses show that With Action CO concentrations at the buildings within the Project Area near the elevated roadway would be well below the 1-hour and 8-hour CO NAAQS.

GREENHOUSE GAS EMISSIONS AND CLIMATE CHANGE

GREENHOUSE GAS EMISSIONS

The building energy use and vehicle use associated with the Proposed Project buildings operation under the Density-Dependent Scenario would result in up to approximately 184 thousand metric tons of carbon dioxide equivalent (CO₂e) emissions per year. Additional emissions of 54 thousand metric tons of CO₂e would be associated with renovation and construction, equivalent to approximately 3 to 4 years of operational emissions.

The *CEQR Technical Manual* defines five goals by which a project's consistency with the City's emission reduction goal is evaluated: (1) efficient buildings; (2) clean power; (3) sustainable transportation; (4) construction operation emissions; and (5) building materials carbon intensity.

The Applicant is currently evaluating the specific energy efficiency measures and design elements that may be implemented. For the new buildings, the Applicant is required at a minimum to achieve the energy efficiency requirements of New York City's building code. In 2016, as part of the City's implementation of strategies aimed at achieving the OneNYC GHG reduction goals, the City adopted a more stringent building energy code, which substantially increased the energy efficiency required of new buildings. Therefore, the Proposed Project would support the goal identified in the *CEQR Technical Manual* of building efficient buildings.

The Proposed Project would support some of the other GHG goals by virtue of its proximity to public transportation, commitment to construction air quality controls, the reuse of existing buildings, and the fact that as a matter of course, construction in New York City uses recycled steel and includes cement replacements. All of these factors demonstrate that the Proposed Project supports the GHG reduction goal.

Therefore, the Proposed Project overall would be consistent with the City's emissions reduction goals, as defined in the *CEQR Technical Manual*.

RESILIENCE TO CLIMATE CHANGE

A portion of the Project Area is within the 1 percent annual chance floodplain (Zone AE) and a smaller portion of the Project Area is within a wave impact zone (Coastal A Zone) in the flood hazard area, and all project buildings would be within the 1 percent annual chance floodplain by the 2050s. Redevelopment of existing

buildings would incorporate both wet and dry flood protection measures wherever possible to protect against potential flood hazards in future projected conditions. This would include activities such as the installation of aluminum shielding and flood gates upland of 1st Avenue (i.e., dry flood protection) and limiting the use of Building 24's ground floor to temporary uses that could be relocated in the event of flooding (i.e., wet flood protection). Critical infrastructure in each building, where appropriate and practicable, would be raised approximately 3 feet above the ground floor elevation.

The potential for climate change to affect the Proposed Project has been considered and measures and adaptive management strategies have been incorporated to increase climate resilience and to account for potential changes in environmental conditions resulting from climate change.

NOISE

A detailed noise analysis of the Proposed Actions would result in significant adverse noise impacts, which would be fully mitigated through conditions in the (E) Designation and RD. The analysis concludes that the traffic generated by the Proposed Actions would be expected to produce significant increases in noise levels on 41st Street between 1st and 2nd Avenues because of additional vehicular traffic utilizing the proposed parking garage at Building 21. These increases would constitute significant adverse impacts at a residential building (166 41st Street) along this block, which is the only sensitive noise receptor that would experience this significant increase in noise level. However, the absolute noise levels at this location with the Proposed Actions would be in the high 60s A-weighted decibels (dBA), which would be typical of areas near highly trafficked roadways in New York City and would be considered "marginally acceptable" according to *CEQR Technical Manual* noise exposure criteria.

Additionally, the building attenuation analysis determined that the buildings to be constructed pursuant to the Proposed Actions would require between 28 and 40 dBA window/wall attenuation to meet *CEQR Technical Manual* interior noise level requirements, based on projected exterior noise levels. The attenuation requirements would be included in Noise (E) Designations mapped on the sites within the Project Area.

Furthermore, the analysis determined that the restrictions included in the New York City Department of Buildings (DOB) Building Code would ensure that demising partitions between newly introduced noise receptors associated with the Proposed Actions and Innovation Economy uses on the same lot would provide sufficient noise attenuation to result in acceptable interior noise levels at the newly introduced noise receptors.

PUBLIC HEALTH

The analyses presented in the DEIS conclude that the Proposed Actions would not result in unmitigated significant adverse impacts in the areas of air quality, water quality, hazardous materials, or operational noise. The analysis presented in the Construction Chapter of the DEIS determined that construction activities could potentially result in unmitigated significant adverse construction-period noise impacts at receptors in the vicinity of the Proposed Project's work areas. However, construction of the Proposed Project would not result in chronic exposure to high levels of noise, prolonged exposure to noise levels above 85 dBA, or episodic and unpredictable exposure to short-term impacts of noise at high decibel levels, as per the *CEQR Technical Manual*. Consequently, construction of the Proposed Project would not result in a significant adverse public health impact.

NEIGHBORHOOD CHARACTER

A preliminary analysis finds that the Proposed Actions analyzed under the Baseline Scenario would not substantially change the character of the neighborhood. The Proposed Project would not result in any significant adverse impacts to land use, zoning, and public policy; socioeconomic conditions; open space;

shadows; or urban design and visual resources. Although the Proposed Project would result in significant adverse impacts to historic and cultural resources, traffic, air quality, and noise, the majority of these impacts could be fully mitigated with standard mitigation measures.

With respect to traffic, the Proposed Actions would result in significant adverse traffic impacts at a total of 14 intersections (during the various analysis periods) within the study area that could not be fully mitigated with standard traffic capacity improvement measures; however, this is to be expected for a project that will bring new activity, vitality, and job opportunities to this area, and is not unusual for projects of this scale citywide. The traffic generated by the Proposed Project would be expected to produce significant increases in noise levels on 41st Street between 1st and 2nd Avenues, resulting in significant adverse impact at one residential building; however, this impact would be fully mitigated with standard mitigation measures.

With respect to architectural resources, the Proposed Actions would result in significant adverse impacts related to the demolition of the three-story factory building on Block 706, Lot 20, which is located within the boundaries of the S/NR-eligible Bush Terminal Historic District; the applicant will consult with the New York City Landmarks Preservation Commission (LPC) to develop and implement appropriate mitigation measures to partially mitigate this impact. LPC has determined that the scale of the proposed Gateway Building and Building 11 appear out of context with the neighboring Finger Buildings within the Bush Terminal Historic District and would result in a significant adverse impact. Mitigation measures to partially mitigate this impact will be explored in consultation with LPC. The potential significant adverse impacts to architectural resources would not adversely affect any character-defining features of the neighborhood.

The Proposed Project would not result in a combination of moderate effects to several elements that could cumulatively impact neighborhood character. Therefore, the Proposed Project would reflect the existing character of the neighborhood and would not result in any significant adverse impacts on neighborhood character.

CONSTRUCTION

Construction of new developments assumed in the Density-Dependent Scenario would result in temporary disruptions in the surrounding area. As described in detail below, construction activities associated with the Proposed Actions would result in temporary adverse transportation and historic and cultural resources impacts. Additional information for key technical areas is summarized below.

TRANSPORTATION

Traffic and Parking

The projected construction activities would yield less total traffic than the amount of traffic projected for the Proposed Project. However, significant adverse traffic impacts could still occur at some of the study area locations during construction, similar to the impacts identified in Chapter 11, “Transportation.” Construction activities would generate 130 construction worker auto trips, eight construction worker taxi trips, and 22 construction truck trips during the AM construction peak hour, and 130 construction worker auto trips, eight construction worker taxi trips, and four construction truck trips during the PM construction peak hour. Construction trucks would be required to use the New York City Department of Transportation (NYCDOT)-designated truck routes to get to the Project Area and would then use local streets to access the construction sites.

In addition, a portion of the Finger Buildings would be renovated and re-tenanted by the 2022 construction peak year. These operational trips (351 vehicle trips during the AM construction peak hour and 1,023 vehicle trips during the PM construction peak hour) were also incorporated into the 2022 With Action with

Construction analysis.

Eight key intersections were analyzed for potentially significant traffic impacts during the peak construction traffic hours. Three intersections were found to be significantly impacted in the AM construction peak hour, and five intersections were identified to be significantly impacted in the PM construction peak hour.

Where impacts during construction may occur, measures similar to the measures identified related to operational traffic impacts could be implemented early to aid in alleviating congested traffic conditions during construction. Significant impacts at the intersections of 2nd Avenue and 41st Street, 3rd Avenue and 32nd Street, and 4th Avenue and 39th Street could not be fully mitigated, similar to With Action conditions. The implementation of mitigation measures would result in the loss of approximately 21 parking or “standing” spaces during the AM and PM construction peak periods.

Construction workers would generate an estimated maximum daily parking demand for up to 163 spaces during the peak construction phase. This parking demand could be accommodated by Industry City’s existing off-street facilities along the west side of 2nd Avenue, which would be reorganized and include stackers to maximize the number of parking spaces. In addition, the existing powerhouse structure at the Building 11 site would be demolished and the site would be resurfaced to provide parking.

Transit and Pedestrians

Based on the 2000 Census reverse journey to work data for the Construction industry, it is anticipated that approximately 29 percent of construction workers would commute to the Project Area by subway, 7 percent would commute by bus, and 6 percent would walk to the Project Area; the remaining 58 percent of construction workers would drive or take taxis to the Project Area. It is expected that the vast majority of workers (80 percent) would arrive between 6 AM and 7 AM, and depart between 3 PM and 4 PM. Construction activities would be expected to generate 20 worker trips by bus, 82 worker trips by subway, and 16 walk only trips during the peak hours. The total number of transit and pedestrian trips generated would be 118 trips per peak hour. Since the number of transit and walk trips generated would be below the *CEQR Technical Manual* threshold of 200 pedestrian trips, construction activities are not expected to result in transit or pedestrian impacts.

AIR QUALITY

An emissions reduction program, which would be memorialized in the RD, would be implemented to minimize the effects of construction activities on the surrounding community. Measures would include—to the extent practicable—dust suppression measures, idling restrictions, clean fuel, diesel equipment reduction, and the implementation of *Best Available Tailpipe Reduction Technologies*. With the implementation of these emission reduction measures, the dispersion modeling analysis of construction-related air emissions for both non-road and on-road sources determined that particulate matter (PM_{2.5} and PM₁₀), annual-average nitrogen dioxide (NO₂), and carbon monoxide (CO) concentrations would be below their corresponding *de minimis* thresholds or National Air Quality Ambient Standards (NAAQS), respectively. Therefore, construction under the Proposed Actions would not result in significant adverse air quality impacts due to construction sources.

NOISE AND VIBRATION

Construction under the Proposed Actions is expected to result in elevated noise levels at the nearest receptors and noise due to construction that would at times be noticeable and potentially intrusive. However, at most receptors analyzed, noise from construction (including renovation and re-tenanting) would be intermittent and of limited duration, and interior noise levels would generally not exceed recommended interior noise levels, according to *CEQR Technical Manual* noise exposure guidelines for extended periods. Consequently, noise

produced by construction associated with the Proposed Actions would not rise to the level of a significant adverse impact at these receptors.

However, absent additional noise controls or a more refined analysis of construction noise, noise levels due to construction-related activities are predicted to result in noise levels at two receptors in the vicinity of the Proposed Project's work areas that would constitute a potential significant adverse construction-period noise impact. These receptors are the academic uses in Industry City Buildings 9 and 10 and the residential building at 968 3rd Avenue. At these receptors, construction could produce noise level increases that would be noticeable and potentially intrusive over the course of construction at the nearest construction work areas. The predicted construction noise levels at these locations have a magnitude and duration that would constitute a significant adverse impact.

Because construction associated with the Proposed Actions would not have the potential to result in vibration at a level that could result in architectural or structural damage to adjacent buildings and because construction would result in vibration at a level that would have the potential to be noticeable or annoying only for limited periods, vibration produced by construction associated with the Proposed Actions would not rise to the level of a significant adverse impact.

HISTORIC AND CULTURAL RESOURCES

In a letter dated December 12, 2017, the New York City Landmarks Preservation Commission (LPC) determined that the sites to be redeveloped by the applicant (i.e., the Project Area) do not possess archaeological sensitivity. Therefore, the Proposed Project would have no significant adverse impact on archaeological resources.

The Project Area included portions of the State and National Historic Registers (S/NR)-eligible Bush Terminal Historic District. The three-story factory building that would be demolished in both the Baseline and Overbuild Scenarios of the With Action condition is considered a contributing building to the Bush Terminal Historic District. Therefore, demolition of this building would constitute a significant adverse impact on the S/NR-eligible Bush Terminal Historic District, requiring that the Applicant develop appropriate measures to partially mitigate the adverse impact with LPC. In addition to the S/NR-eligible Bush Terminal Historic District, additional architectural resources have been identified in the study area. Construction-related activities in connection with the Baseline and Overbuild Scenarios for Projected Buildings 11 and 21, the Gateway Building, as well as the construction of rooftop additions floors on Buildings 3 through 8, 19, and 22 through 24 could result in significant adverse direct impacts on the architectural resources in the Project Area and study area. Therefore, to avoid inadvertent construction-related impacts to these architectural resources, a Construction Protection Plan (CPP), which would be memorialized in an RD, would be prepared in coordination with a licensed professional engineer.

ALTERNATIVES

NO ACTION ALTERNATIVE

The significant adverse impacts related to historic resources, transportation, air quality, and noise that would occur with the Proposed Actions would not occur with the No Action Alternative. Although some re-tenancing with conforming uses would be expected to occur at Industry City in the No Action Alternative, the Applicant believes that this alternative would fail to introduce the synergies necessary to enable the proposed "Innovation Economy District" to thrive due to the limited mix of allowable uses under existing zoning. The creation of substantial new commercial, retail, hospitality, academic, and other community facility uses (as well as new manufacturing uses) would not take place, and the establishment of the "Innovation Economy District" and its concurrent job creation would not occur. Overall, as compared to the Proposed Actions, the Applicant does not

believe that the purpose and need of the Proposed Project—including improved economic activity and general improvements to the Industry City infrastructure—would be realized with the No Action Alternative.

NO UNMITIGATED IMPACT ALTERNATIVE

As described above, there is the potential for the Proposed Project to result in significant adverse impacts to historic and cultural resources, transportation, air quality, and noise (construction period and operational). The significant adverse impacts to air quality and operational noise could be fully mitigated with the measures identified in the DEIS. However, the measures identified would only partially mitigate the anticipated significant adverse impacts related to historic and cultural resources, transportation (traffic, transit, and pedestrians) and construction-period noise. Therefore, the Proposed Project is anticipated to have unmitigated significant adverse impacts related to historic and cultural resources, transportation, and construction-period noise. As described in detail in the Alternatives Chapter of the DEIS, no reasonable alternative could be developed which eliminates the unmitigated impacts without substantially compromising the stated goals of the Proposed Project.

Historic and Cultural Resources

In the Baseline and Overbuild Scenarios, the Proposed Project would demolish the three-story factory building on Block 706, Lot 20, resulting in significant adverse impact to the Bush Terminal Historic District. In order to fully mitigate this impact, the building would need to be retained and thus Building 21 could not be developed as proposed, substantially compromising the goals of the Proposed Project. In addition, LPC has determined that the scale of the proposed Gateway Building and Building 11 appear out of context with the neighboring Finger Buildings within the Bush Terminal Historic District and would result in a significant adverse impact. In order to conform to the Secretary's Standards and Guidelines for new construction in a historic district, LPC recommended that the maximum building height of the new buildings match or be within 1–2 stories higher than the Finger Buildings. LPC also recommended that the proposed Gateway Building and Building 11 be compatible with the significant design features of the Finger Buildings—flat roofs with pedimented rooflines that produce a regular rhythm along the street—by reducing uneven bulk and massing at the roof levels and introducing some reference to the existing rhythm, size, and shape of the pedimented roofs. An approximate 50 percent reduction in purpose-built academic space at Building 11 would substantially compromise Industry City's ability to attract sufficient academic uses, and an approximate 50 percent reduction in purpose-built hotel space in the Gateway Building would substantially compromise Industry City's ability to attract sufficient hotel uses. Therefore, reducing the height of the proposed Gateway Building and Building 11 to the extent recommended by LPC would substantially compromise the goals of the Proposed Project.

Transportation

Specific to transportation, considering all transportation modes (vehicle, pedestrian, and transit), an increase in development of just 14 percent of the Proposed Project would be the determinant of the size of a project that would not create unmitigated significant impacts. Such a substantial reduction in the development program—from the proposed 3,141,676 sf of development down to approximately 440,000 sf—would prevent the construction of new purpose-built buildings and would eliminate the proposed academic and hotel uses as well as almost all supportive retail and the vast majority of anticipated additional jobs. Thus, such a reduction would substantially compromise the goals of the Proposed Project.

Construction-Period Noise

The Proposed Project would result in significant adverse construction noise impacts at the academic uses in Industry City Buildings 9 and 10 and the residential building at 968 3rd Avenue. The proposed mitigation measures (i.e., offers of window air-conditioning units to allow for the maintenance of a closed window condition) would partially mitigate significant project impacts (and substantially reduce construction-related

noise levels) at these locations. However, absent the implementation of additional mitigation measures and/or refined analyses which demonstrate lower noise levels during construction, there is no feasible alternative that could fully avoid these impacts. Even accounting for the types of measures incorporated into the Proposed Project to reduce construction noise, any building construction comparable to that included in the Proposed Project (i.e., multi-year construction at a single building location including substantial below-grade excavation) would have the potential to result in unmitigated significant adverse impacts at these two locations.

MITIGATION

The DEIS identifies significant adverse impacts related to historic and cultural resources (architectural), transportation (traffic, transit, pedestrian), air quality, noise, and construction (noise). The DEIS identifies mitigation, which will be determined in consultation with DCP and involved agencies and finalized in the FEIS.

HISTORIC AND CULTURAL RESOURCES

Measures have been identified to mitigate the potential significant adverse impacts related to historic and cultural resources and will be explored further in the FEIS. If practicable and feasible mitigation measures are not identified to fully mitigate the impacts, the impact would remain unmitigated.

The three-story factory (116 39th Street, Block 706, Lot 20) building that would be demolished in the Baseline and Overbuild Scenarios is considered to be a contributing building to the Bush Terminal Historic District, which has been determined eligible for listing on the State and National Registers of Historic Places (S/NR). Therefore, demolition of this building would constitute a significant adverse impact on the Bush Terminal Historic District. The Applicant will consult with the New York City Landmarks Preservation Commission (LPC) to develop and implement appropriate mitigation measures to partially mitigate this impact. Mitigation measures are expected to include Historic American Buildings Survey (HABS) documentation of the factory building.

LPC has determined that the scale of the proposed Gateway Building and Building 11 appear out of context with the neighboring Finger Buildings within the Bush Terminal Historic District and would result in a significant adverse impact. Measures to mitigate the impacts of the Proposed Project on the Bush Terminal Historic District will be developed in consultation with DCP and LPC, and will be formalized as project commitments in the RD. If measures to mitigate the impact are not identified, the impact would remain unmitigated.

To avoid inadvertent demolition and/or construction-related damage from ground-borne construction period vibrations, falling debris, collapse, etc., a Construction Protection Plan (CPP) would be developed in coordination with LPC for the Baseline and Overbuild Scenarios and implemented in consultation with a licensed professional engineer. The Applicant is expected to enter into a Restrictive Declaration, which will establish environmental mitigation conditions as necessary for the Proposed Project, including the need for the CPP.

TRANSPORTATION

Measures have been identified to mitigate the potential significant adverse transportation impacts related to traffic, transit and pedestrian elements and will be explored further in the FEIS. If practicable and feasible mitigation measures are not identified to fully mitigate the impacts, the impact would remain unmitigated.

Traffic

Of the 41 intersections analyzed, the Proposed Project would create significant impacts at 15 intersections during the weekday AM peak hour, 15 intersections during the weekday midday peak hour, 22 intersections during the weekday PM peak hour, and 14 intersections during the Saturday peak hour. The major overall finding of the traffic mitigation analysis is that the vast majority of the intersections analyzed would either not be significantly impacted or could be fully mitigated with readily implementable traffic improvement measures described in this chapter. The traffic analysis studied 41 intersections over 4 peak time periods, for a total of 164 “intersection analysis scenarios.” Of the 164 intersection analysis scenarios, 134 revealed either no significant impacts or impacts that could be fully mitigated.

Mitigation was successfully identified for the following impacted intersections:

- AM peak hour: 8 out of 15 impacted intersections;
- Weekday midday peak hour: 9 out of 15 impacted intersections;
- PM peak hour: 11 out of 22 impacted intersections; and
- Saturday peak hour: 8 out of 14 impacted intersections.

With respect to intersections that could not be fully mitigated: seven, six, eleven, and six intersections could not be fully mitigated in the weekday AM, midday, PM, and Saturday peak hours, respectively.

The following intersections could not be fully mitigated in at least one peak hour:

- 1st Avenue and 42nd Street (weekday PM peak hour);
- 2nd Avenue and 37th Street (weekday midday, PM, and Saturday peak hours);
- 2nd Avenue and 39th Street (weekday AM, midday, PM, and Saturday peak hours);
- 2nd Avenue and 41st Street (weekday PM and Saturday peak hours);
- 2nd Avenue and 44th Street (weekday AM peak hours);
- 3rd Avenue and Prospect Avenue (weekday midday and PM peak hours);
- 3rd Avenue and 32nd Street (weekday PM peak hour);
- 3rd Avenue and 33rd Street (weekday AM and PM peak hours);
- 3rd Avenue and 35th Street (weekday AM peak hour);
- 3rd Avenue and 37th Street (weekday PM peak hour);
- 3rd Avenue and 44th Street (weekday PM peak hour);
- 4th Avenue and 37th Street (Saturday peak hour);
- 4th Avenue and 38th Street (weekday AM, midday, PM, and Saturday peak hours); and
- 4th Avenue and 39th Street (weekday AM, midday, PM, and Saturday peak hours).

The mitigation measures identified in the DEIS —such as signal phasing and timing modifications, and selected parking regulation changes to add a travel lane at intersections, where necessary, and others— represent some of the standard traffic capacity improvements that are typically implemented by DOT. Implementation of the recommended traffic engineering improvements is subject to review and approval by NYCDOT.

GOWANUS EXPRESSWAY

The Proposed Project would result in significant adverse traffic impacts to the northbound Gowanus Expressway during the weekday AM peak hour (in the segment between 40th Street and 49th Street) and in the weekday midday peak hour (in the segment between 38th Street and 49th Street). It should be noted that these segments operate at congested LOS E or LOS F under existing conditions during the weekday AM and midday peak hours. The Proposed Project would add to these segments of the Gowanus Expressway about two cars per minute during the weekday AM peak hour and three cars per minute during the weekday midday peak hour (i.e., one car or less per lane per minute). The southbound Gowanus Expressway would not be significantly

impacted during any of the peak hours.

Potential measures to provide more capacity along the northbound Gowanus Expressway, such as widening of the highway to provide an additional travel lane, would be cost prohibitive. As such, significant impacts identified are considered unmitigated per *CEQR Technical Manual* criteria.

SUBWAY TRANSIT

The Proposed Project would result in significant adverse impacts at the 36th Street station during the weekday AM and PM peak hours (the P3 and P4 stairways, which connect the mezzanine to the station platforms; the S3 stairway, which connects the street surface with the mezzanine; and, during only the weekend PM peak hour, the M1A/M1B mezzanine level stairways located between the S1 and S3 stairways and the fare control area). Measures to fully mitigate these impacts would likely require long-term capital improvements, such as the widening of stairways, the feasibility and practicability of which would require detailed engineering feasibility studies. Before issuance of the FEIS, mitigation measures such as these will be studied further in conjunction with NYCT. If these measures are deemed infeasible and no alternative mitigation measures can be identified, then the identified significant adverse stairway impacts would be unmitigated.

BUS TRANSIT

The Proposed Project would result in a capacity shortfall of five passengers on the westbound B70 bus route during the weekday AM peak hour. This impact could be mitigated by the addition of one standard bus along the westbound B70 bus route in the weekday AM peak hour. The general policy of NYCT is to provide additional bus service where demand warrants, taking into account financial and operational constraints.

PEDESTRIANS

The majority of the pedestrian elements analyzed would either not be significantly impacted or could be fully mitigated with readily implementable pedestrian improvement measures described in the DEIS. The pedestrian analysis studied 77 elements (e.g., crosswalks, sidewalks, and corner reservoir areas) over four peak time periods, for a total of 308 analysis scenarios. Of the 308 analysis scenarios, 273 revealed either no significant impacts or impacts that could be fully mitigated.

Of the 77 pedestrian elements analyzed, the Proposed Project would result in significant adverse pedestrian impacts at 6 pedestrian elements during the weekday AM peak hour, 14 pedestrian elements during the weekday midday peak hour, 18 pedestrian elements during the weekday PM peak hour, and 12 pedestrian elements during the Saturday peak hour.

Mitigation was successfully developed for the following impacted pedestrian elements:

- AM peak hour: 3 out of 6 impacted pedestrian elements
- Weekday midday peak hour: 5 out of 14 impacted pedestrian elements
- PM peak hour: 5 out of 18 impacted intersections
- Saturday peak hour: 2 out of 12 impacted intersections

With respect to pedestrian elements that could not be fully mitigated, 3, 9, 13, and 10 pedestrian elements could not be fully mitigated in the weekday AM, midday, PM and Saturday peak hours, respectively.

The following types of pedestrian elements could not be fully mitigated in at least one peak hour:

- Two sidewalks and one crosswalk in the weekday AM peak hour

- One sidewalk, six crosswalks, and two corners in the weekday midday peak hour
- Three sidewalks, eight crosswalks and two corners during the PM peak hour
- Three sidewalks, five crosswalks and two corners during the Saturday peak hour

It should be noted that the levels of service at the vast majority of pedestrian elements would operate at LOS E or better. Locations that would operate at LOS E or F reflect the change from a quiet area to a busy and vibrant commercial area. Pedestrian flow in these parts would be slower due to added activity in the area, but there would generally be adequate area for pedestrians to travel along. Only two pedestrian elements would be expected to operate at LOS F: the west sidewalk of 3rd Avenue between 36th Street and 37th Street during the weekday PM peak hour, and the south crosswalk of the intersection of 2nd Avenue and 39th Street during the weekday midday, PM, and Saturday peak hours. Although these pedestrian elements would operate at LOS F, there would be adequate space to accommodate overall pedestrian flows. The sidewalk analysis focuses on the narrowest section of the sidewalk, but the remainder of the sidewalk is less constrained and would have more sidewalk area for pedestrians to utilize. Although there would be constrained flow through the crosswalk, the connecting corners would have sufficient area for pedestrians to queue in. Again, these conditions are reflective of a busy and vibrant commercial area. Implementation of the recommended traffic engineering improvements is subject to review and approval by NYCDOT.

AIR QUALITY

As discussed in the Air Quality Chapter of the DEIS, the Proposed Project could result in a significant adverse air quality impact at the intersection of 1st Avenue and 39th Street, 2nd Avenue and 39th Street, and 3rd Avenue and 39th Street, which are each predicted to exceed the annual $PM_{2.5}$ *de minimis* criterion for $PM_{2.5}$ of $0.1 \mu\text{g}/\text{m}^3$.

As discussed in the DEIS, the results of a mobile source analysis with the proposed traffic mitigation measures that were developed to reduce congestion and increase speeds along 39th Street as well as other locations in the affected area indicate that the maximum annual incremental concentrations of $PM_{2.5}$ would be significantly lower than the With Action condition, and would not exceed the *de minimis* criteria for $PM_{2.5}$. Therefore, no unmitigated significant adverse air quality impacts would remain upon incorporation of the traffic mitigation measures.

NOISE

A significant adverse noise impact is predicted to occur at the residential building on 41st Street between 1st and 2nd Avenues (166 41st Street). This impact would be fully mitigated by making window air conditioning units available to apartments that do not already have an alternate means of ventilation. With the existing insulated glass windows and the provided alternate means of ventilation, interior noise levels would be below 45 dBA L_{10} , which would be considered acceptable for residential use according to CEQR noise exposure guidance. Therefore, the provision of window air conditioning units by the applicant would fully mitigate the significant adverse noise impacts predicted to occur at this building.

CONSTRUCTION NOISE

Significant adverse noise impacts are predicted to occur at the residential building at 968 3rd Avenue as a result of construction of the proposed Gateway Building and at Industry City Buildings 9 and 10 as a result of construction of the proposed Building 11. To mitigate the significant adverse noise impacts at 968 3rd Avenue, window air conditioning units would be made available by the Applicant to apartments that do not already have an alternate means of ventilation, which would allow for the maintenance of a closed-window condition providing approximately 25 dBA of window/wall attenuation. To mitigate the significant adverse noise impacts at this Industry City Buildings 9 and 10, a minimum of 28 dBA window/wall attenuation would be provided for newly introduced academic spaces in these buildings, along with an alternate means of ventilation. The

provision of this level of window/wall attenuation by the Applicant would partially mitigate the significant adverse noise impacts predicted to occur at these locations.

GROWTH-INDUCING ASPECTS OF THE PROPOSED ACTIONS

The Proposed Actions would allow a broader range of land uses within Industry City, but would not introduce a new economic activity that would substantially alter economic patterns in the surrounding area. As detailed in the Socioeconomics Chapter of the DEIS, the potential for indirect retail displacement is expected to be limited as Industry City's own retail program is anticipated to capture much of the newly created demand introduced by the Proposed Project, thereby reducing the scale and extent of demand for new retail in the surrounding area. A comparison of business compositions along the Study Area's major retail corridors between 2007 and 2017 has shown that previous investments at Industry City had only a marginal impact on turnover and vacancies outside of the Project Area, and did not result in a change in character along the major avenues. The limited indirect retail displacement that could result from increased rents brought about by the Proposed Project would therefore not lead to major changes in the composition of nearby commercial strips.

The Proposed Actions would not include the introduction or expansion of infrastructure capacity (e.g., sewers, central water supply) that would induce development; any proposed infrastructure improvements would be made to support development of the Project Area itself. Overall, the Proposed Actions are not expected to induce any significant additional growth beyond that identified and analyzed in the EIS.

IRREVERSIBLE AND IRRETRIEVABLE COMMITMENT OF RESOURCES

The commitments of resources and materials are weighed against the benefits of the Proposed Actions. The Proposed Actions would allow expansion of Industry City that the Applicant believes will result in a substantial number of new jobs through the expansion of manufacturing, office, retail, academic, and hotel uses, as well as event space. The Proposed Actions also would introduce a broader range of land uses at Industry City, consistent with the Applicant's long-term commitment to economic growth in Sunset Park and the City's policy of encouraging and retaining technology- and industry-based employment.

UNAVOIDABLE ADVERSE IMPACTS

HISTORIC AND CULTURAL RESOURCES

As discussed in Chapter 6, "Historic and Cultural Resources," and Chapter 20, "Mitigation," in the Baseline and Overbuild Scenarios the Proposed Project would demolish the three-story factory building on Block 706, Lot 20, resulting in significant adverse impact to the Bush Terminal Historic District and is considered a contributing resource to the district. Therefore, the Proposed Actions would result in significant adverse impact to the Bush Terminal Historic District. The Applicant will consult with the New York City Landmarks Preservation Commission (LPC) to develop and implement appropriate mitigation measures to partially mitigate this impact. Mitigation measures are expected to include Historic American Buildings Survey (HABS) documentation of the factory building. In order to fully mitigate this impact, the building would need to be retained, and thus Building 21 could not be developed as proposed, substantially compromising the goals of the Proposed Project. Should measures to fully mitigate the impact not be identified, the impact would be unavoidable.

To avoid inadvertent demolition and/or construction-related damage from ground-borne construction period vibrations, falling debris, collapse, etc., a Construction Protection Plan (CPP) would be developed in coordination with LPC for the Baseline and Overbuild RWCDs scenarios and implemented in consultation with a licensed professional engineer. The Applicant is expected to enter into a Restrictive Declaration, which will establish environmental mitigation conditions as necessary for the Proposed Project, including the need for

the CPP.

LPC has determined that the scale of the proposed Gateway Building and Building 11 appear out of context with the neighboring Finger Buildings within the Bush Terminal Historic District and would result in a significant adverse impact. In order to conform to the Secretary's Standards and Guidelines for new construction in a historic district, LPC recommended that the maximum building height of the new buildings match or be within 1–2 stories higher than the Finger Buildings. Measures to mitigate the impacts of the Proposed Project on the Bush Terminal Historic District will be developed in consultation with DCP and LPC, and will be formalized as project commitments in the RD. If measures to mitigate the impact are not identified, the impact would be unavoidable.

TRANSPORTATION

Traffic

As discussed in the DEIS, the Proposed Project would result in significant adverse traffic impacts at a total of 14 intersections (seven intersections during the weekday AM peak hour, six intersections during the weekday midday and Saturday peak hours, and eleven intersections during the weekday PM peak hours) within the study area that could not be fully mitigated with standard traffic capacity improvement measures. Because of existing congestion, substantial increases in projected background vehicle trips, and background roadway improvement projects in the area, even a modest increase in project-generated traffic at these intersections would result in unmitigated impacts. A sensitivity analysis determined that, for the weekday PM peak hour, the addition of vehicle trips generated by just 14 percent of the Proposed Project would result in a significant adverse impact that could not be mitigated. This level of traffic increase would result from almost any significant new development within the Project Area. Therefore, as no feasible mitigation was identified, the significant adverse traffic impacts at these 14 intersections would be unavoidable.

The Proposed Project also would result in significant adverse traffic impacts to the northbound Gowanus Expressway during the weekday AM peak hour (in the segment between 40th Street and 49th Street) and in the weekday midday peak hour (in the segment between 38th Street and 49th Street). It should be noted that these segments operate at congested Level of Service (LOS) E or LOS F under existing conditions during the weekday AM and midday peak hours. The Proposed Project would add to these segments of the Gowanus Expressway about two cars per minute during the weekday AM peak hour and three cars per minute during the weekday midday peak hour (i.e., one car or less per lane per minute). The southbound Gowanus Expressway would not be significantly impacted during any of the peak hours. Potential measures to provide more capacity along the northbound Gowanus Expressway, such as widening of the highway to provide an additional travel lane, would be cost prohibitive. Therefore, this impact is considered unavoidable.

Transit

As discussed in the DEIS, the Proposed Project would result in significant adverse impacts at three subway station elements at the 36th Street subway station during the weekday AM and PM peak hours: the P3 and P4 stairways, which connect the mezzanine to the station platforms, and the S3 stairway, which connects the street surface to the mezzanine. A fourth subway station element, the M1A/M1B mezzanine stairway, which connects the S1 and S3 stairways to the fare control area, would be impacted only during the weekday PM peak hour. Measures to fully mitigate these impacts would likely require capital improvements, such as the widening of stairways, the feasibility and practicability of which would require detailed engineering feasibility studies. Before the issuance of the FEIS, mitigation measures such as these will be studied further in conjunction with New York City Transit. If these measures are deemed infeasible and no alternative mitigation measures can be identified, then the identified significant adverse stairway impacts would be unavoidable.

Pedestrians

As discussed in the DEIS, three, nine, 13, and 10 pedestrian elements could not be fully mitigated in the weekday AM, midday, PM and Saturday peak hours, respectively. It should be noted that the levels of service at the vast majority of pedestrian elements would operate at LOS E or better; locations that would operate at LOS E or F reflect the change from a quiet area to a busy and vibrant commercial area. Pedestrian flow in these parts would be slower due to added activity in the area, but in general there would be adequate area for pedestrians to travel. As no feasible mitigation was identified, the significant adverse pedestrian impacts at these locations would be unavoidable.

CONSTRUCTION

Noise

As discussed in the DEIS, even with the proposed mitigation measures to be implemented at the residential building at 968 3rd Avenue (for noise during construction of the proposed Gateway Building) and at Industry City Buildings 9 and 10 (for noise during construction of proposed Building 11), interior $L_{10(1)}$ noise levels at these buildings would at times during the construction period exceed CEQR noise exposure guidelines. Therefore, the significant adverse construction noise impacts would be only partially mitigated. Because these impacts cannot be fully mitigated, the impacts would constitute an unavoidable impact.

CONCEPTUAL ANALYSIS

In response to public comments on the Draft Scope of Work, a Conceptual Analysis presents and analyzes a scenario in which a new school could be created at Industry City through a future discretionary action. As detailed in the Project Description and the Final Scope of Work for the DEIS, the proposed Special Industry City District text amendment would allow for the application of a special permit to allow for a school use pursuant to a special permit. The Applicant does not contemplate a school at Industry City and has not included a school in the special permit application, and thus the Reasonable Worst-Case Development Scenario (RWCDS) for the DEIS does not include this use for impact assessment purposes. To assess the potential effects of such a school use at Industry City, however, this analysis has been provided.

Neither specific programming nor a specific location have been identified for the potential school use. The Conceptual Analysis assumes the following details:

- Any school seeking the proposed special permit would not be permitted to exceed Industry City's overall maximum zoning floor area. Therefore, the analysis assumes that the potential school would displace an equivalent amount of square footage in the proposed development program.
- It is anticipated that a new school would most likely need to be located in a new-construction building. The Applicant currently controls only one of the three parcels within Industry City where new building construction would occur. Therefore, this analysis assumes that the potential school use could be located within the proposed new Building 11, which the RWCDS assumes would be occupied predominantly by Academic uses.
- One of the stated goals of the Proposed Actions is for the proposed Academic use to provide a venue for innovators and scholars to interface on research, design, training, and education, and provide a feeder of educated and trained employees to serve Innovation Economy uses on site and elsewhere within the City. Therefore, consistent with this goal and in response to public comments on the Draft Scope, this conceptual analysis assumes that the potential school use could be a 400-seat, specialized high school focused on innovation and technology. As described above, the potential high school is assumed to displace approximately 50,000 square feet of Academic space, compared to the Baseline Scenario.

The Conceptual Analysis for a scenario in which a new school could be created at Industry City would not result in any additional adverse impacts as the Proposed Actions. Similar to the Proposed Actions, the Conceptual Analysis finds that this scenario would result in unmitigated impacts to historic resources and transportation. Detailed environmental review would be conducted at the time of potential future application for the special permit including school use.



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