

## 2.2 SOCIOECONOMIC CONDITIONS

### 2.2.1 INTRODUCTION

As stated in the *CEQR Technical Manual*, the socioeconomic character of an area is defined in part by its population, housing, and economic activity. Socioeconomic changes may occur when a project directly or indirectly changes any of these elements. Although socioeconomic changes may not result in impacts as defined under CEQR, they are disclosed if they would affect land use patterns, low-income populations, the availability of goods and services, or economic investment in a way that changes the socioeconomic character of the area. In some cases, these changes may be substantial but considered beneficial rather than adverse. In other cases, these changes may be good for some groups but bad for others. The objective of the CEQR analysis is to disclose whether any changes created by the project would have a significant impact compared to what would happen in the future without the project.

The assessment of socioeconomic conditions usually separates the socioeconomic conditions of area residents from those of area businesses, although projects may affect both in similar ways. Projects may directly displace residents or businesses or may indirectly displace them by altering one or more of the underlying forces that shape socioeconomic conditions in an area. Usually, economic changes alone need not be assessed; however, in some cases their inclusion in a CEQR review may be appropriate, particularly if a major industry potentially would be affected or if an objective of a project is to create economic change.

The *CEQR Technical Manual* states that socioeconomic assessments should be conducted if a project may be reasonably expected to create socioeconomic changes within the area affected by a project that would not be expected to occur without the project. Socioeconomic changes are disclosed if they affect the character of the area, even if they do not result in impacts under CEQR. A standard CEQR analysis evaluates the potential for the following socioeconomic impacts, as defined in the *CEQR Technical Manual*:

1. Direct residential displacement;
2. Direct displacement of businesses;
3. Indirect displacement of residents due to increased rents;
4. Indirect displacement of businesses due to increased rents;
5. Indirect displacement of businesses due to retail market saturation;
6. Adverse impacts on specific industries.

Direct displacement of residents or businesses is the involuntary displacement of residents or businesses from a site or sites directly affected by the proposed project. The extent of direct displacement is generally known, as are the exact businesses, residents and workers affected. Direct displacement would occur if an occupied site was redeveloped or if an action on one site limited the existing use of another site.

Indirect displacement is the involuntary displacement of residents, businesses, or employees that results from a change in socioeconomic conditions created by the proposed project. The indirect displacement of residents includes when lower-income residents are forced out due to increasing rents generated by the proposed development. An example of indirect displacement of businesses is when a new large retailer saturates the market and creates increased retail vacancy in other businesses. The assessment of indirect displacement determines the number and types of residents, businesses or employees potentially affected, but unlike direct displacement, the exact occupants are not known.

Some projects may also impact the operation of a major industry or commercial operation, but not directly or indirectly displace businesses. If a proposed project may impact a specific industry, an economic impact assessment may be necessary.

### 2.2.2 PRELIMINARY SCREENING

In determining whether a socioeconomic impact assessment is appropriate, the *CEQR Technical Manual* states that a socioeconomic assessment should be conducted if a project may be reasonably expected to create socioeconomic changes within the area affected by the project that would not be expected to occur without the project. The following circumstances would typically require a socioeconomic assessment:

- The project would directly displace residential population to the extent that the socioeconomic character of the neighborhood would be substantially altered. Displacement of less than 500 residents would not typically be expected to alter the socioeconomic character of a neighborhood. For projects exceeding this threshold, assessments of the direct residential displacement, indirect residential displacement, and indirect business displacement are appropriate.
- The project would directly displace more than 100 employees. If so, assessments of direct business displacement and indirect business displacement are appropriate.
- The project would directly displace a business that is unusually important because its products or services are uniquely dependent on its location; based on its type or location, it is the subject of other regulations or publicly adopted plans aimed at its preservation; or it serves a population uniquely dependent on its services in its present location.
- The project would result in substantial new development that is markedly different from existing uses, development, and activities within the neighborhood. Such a project may lead to indirect displacement. Residential development of 200 units or less or commercial development of 200,000 square feet or less would typically not result in significant socioeconomic impacts. For projects exceeding these thresholds, assessments of indirect residential displacement and indirect business displacement are appropriate.
- The project would add to, or create, a retail concentration that may draw a substantial amount of sales from existing businesses within the study area to the extent that certain categories of business close and vacancies in the area increase, thus resulting in a potential for disinvestment on local retail streets. Projects resulting in less than 200,000 square feet of retail on a single development site would not typically result in socioeconomic impacts. If the proposed development is located on multiple sites located across a project area, a preliminary analysis is likely only warranted for retail developments in excess of 200,000 square feet that are considered regional-serving. For projects exceeding these thresholds, an assessment of the indirect business displacement due to market saturation is appropriate.
- If the project is expected to affect conditions within a specific industry, an assessment is appropriate. For example, a citywide regulatory change that would adversely affect the economic and operational conditions of certain types of businesses or processes may affect socioeconomic conditions in a neighborhood in two ways: (1) if a substantial number of residents or workers depend on the goods or services provided by the affected businesses; or (2) if it would result in the loss or substantial diminishment of a particularly important product or service within the City.

As further discussed in **Chapter 1**, “Project Description”, the ~~Charleston Mixed-Use Development~~ (the Proposed Project) consists of a number of discrete project elements that will be undertaken by different entities, as follows:

- ~~Parkland: The NYC Department of Parks and Recreation~~ NYCDPR would develop a 23-acre park site with areas with active and passive recreation. This new park would be mapped along with an adjacent approximately 20-acre Conservation Area for an approximately 43 acres of new mapped parkland.
- Retail Site “A”: A private developer has been selected to develop this approximately 11-acre site with up to approximately 195,000 square feet of commercial space for medium- and large-format retail stores. This site will include an approximately 15,000-square-foot branch of the ~~New York Public Library~~ NYPL.

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- Retail Site “B”: This site consists of approximately 7.3 acres and will be privately developed in the future, with an anticipated 90,000 square feet of neighborhood retail space.
- Housing: The New York City Economic Development Corporation (NYCEDC) will offer this approximately 9.1-acre site for senior housing in the future for up to 162 units, consisting of 80 affordable multi-family rental units and 82 age-restricted for-sale detached units.
- Public School: The NYC School Construction Authority (NYCSCA) would construct a combined elementary/middle school on the approximately 5.9-acre site with an approximately 750-seat capacity for kindergarten through 8<sup>th</sup> grade.
- Street Mapping and Construction: Englewood Avenue will be mapped and constructed at a width of 80 feet for a distance of approximately 1,800 feet across the northern border of the Project Area and will connect Veterans Road West on the east to Arthur Kill Road on the west. The fully-constructed length of Englewood Avenue would be approximately 3,265 feet and would include bicycle and pedestrian facilities. For Retail Site “A”, access will be provided by the mapping of portions of Bricktown Way/Tyrellan Avenue that are within the Project Area.

Component developments of the Proposed Project are expected to be completed over two build years. Construction of Retail Site “A” and Fairview Park are expected to be completed by the year 2015. Construction of remainder of the Development Area is expected to be completed by the year 2020, including the developments of Retail Site “B”, the school, the senior housing, and the Englewood Avenue and other road constructions construction.

### 2.2.2.1 Direct Residential Displacement

According to the *CEQR Technical Manual*, direct residential displacement can be a significant impact if it displaces 500 or more residents, which can alter the socioeconomic character of the neighborhood. As further discussed in **Chapter 1**, “Project Description”, the Project Development Area is currently vacant and does not contain any residents or residential units. As such, direct residential displacement would not occur, and further related assessment is not warranted.

Although the Development Area is vacant, there are residential and commercial properties abutting the existing built portion of Englewood Avenue that may be affected by its mapping and reconstruction, as shown in Figure 4 of Chapter 1 (“Project Description”). The following properties are situated within this area (from west to east):

- Along the north side of Englewood Avenue: Block 7380, Lots 51, 47, 40, 35, 29, 25, 18, 12, 7 and 1; Block 7376, Lots 8, 7 and 1; and
- Along the south side of Englewood Avenue: Block 7465, Lots 75 and 1; Block 7464, Lots 1 and 6; Block 7460, Lot 1; Block 7459, Lot 1; Block 7379, Lot 15; Block 7375, Lot 22; and Block 7374, Lot 22.

Only four of those 22 properties are privately owned. The other 18 properties are currently owned by the City of New York and are within the Development Area.

For most of the properties, only minor front yard portions are expected to be modified by the widening and realignment of Englewood Avenue. However, the widening will require acquisition of a portion of one property at 21 Englewood Avenue (Block 7380, Lot 51), located on the north side of Englewood Avenue, near the intersection with Arthur Kill Road. The proposed realignment of Englewood Avenue would encompass part of a two-story frame residential building with two residential units, with approximately 3,050 square feet of floor area on the approximately 28,054 square foot lot. The Proposed Project would directly displace these two residential units. As noted above, displacement is not typically considered significant unless it involves 500 or more residents. Therefore, the Proposed Project is unlikely to have significant impacts based on direct residential displacement and no further analyses are required.

### 2.2.2.2 Direct Business Displacement

Direct business displacement requires further assessment if a proposed project is expected to directly displace more than 100 employees or directly displace a business that is unusually important because its products or services are uniquely dependent on its location. The interior of the Development Area is currently vacant and does not contain any business or employees. As such, direct business and employment displacement would not occur, and further related assessment is not warranted.

As discussed above, although the Development Area is vacant, there are a few commercial properties abutting the existing built portion of Englewood Avenue that may be affected by its mapping and reconstruction. Portions of these properties adjacent to the roadway may be modified by the widening and realignment of Englewood Avenue, however, total displacement of these commercial uses would not occur. Although businesses on four properties (Block 7380, Lot 51; Block 7465, Lot 1; Block 7464, Lot 1; and on Block 7465, Lot 6) would lose a portion of their parking/front landscaping, no businesses would need to be relocated as part of the Proposed Project.

### 2.2.2.3 Indirect Residential Displacement

The *CEQR Technical Manual* notes that the objective of indirect residential displacement analysis is to determine if a proposed development will displace or lead to the displacement of lower income residents to the extent that the socioeconomic character of the area changes. Generally, an indirect residential displacement analysis is only conducted if the potential impact is experienced by renters living in market-rate, privately-owned units that are unprotected by rent control, rent stabilization, or other government regulations restricting rents, or whose incomes may not be able to support rent increases. The threshold for such an analysis is generally 200 units or more. The Proposed Project includes senior housing to be constructed by the year 2020, with a total of 162 dwelling units. As the Proposed Project would not introduce a sizable amount of new residences ~~over~~ exceed the CEQR threshold, further related assessment is not warranted.

Of note, the Proposed Project would include 80 affordable multi-family units that fall below existing market-rate units, and 82 age-restricted for-sale homes, which would not likely lead to rent increases. It is expected that the multi-family units would be occupied by households earning a range of low- to middle-incomes. The for-sale homes ~~on~~ within the ~~project site~~ proposed senior housing of the Development Area would attract residents above 55 years of age, many of whom may live alone, making an average household size of 1.5 more reasonable. In this case, the new residential units would bring approximately 272 new residents to the study area. However, for conservative analysis purposes, two adults per housing unit were ultimately used. This would add an estimated 324 new residents to the area by the year 2020 of the Proposed Project. The affordable units would likely have household incomes that are lower than Staten Island's average household income from the year 2011 of \$70,465.

### 2.2.2.4 Indirect Business Displacement

Development of the Proposed Project is expected to be completed over several years. Construction of Retail Site "A" and Fairview Park are expected to be completed by the year 2015. Construction of the remaining elements are expected to be completed by the year 2020, including the development of Retail Site "B", the school, the senior housing, and the mapping and construction of Englewood Avenue. In addition, an approximately 50-foot wide ~~access~~ Proposed Utility and utility corridor ~~Access Corridor~~, running directly north of an existing private utility easement for Bricktown Centre, would also be created for potential roadway or utility connections to Arthur Kill Road (approximately 1.9 acres), between Retail Sites "A" and "B". Unless such east-west connections were made in the future, this parcel would remain in its present natural state.

Development of Retail Site "A" would be completed by the year 2015, along with the development of the adjacent park (see **Chapter 1**). A private developer has been selected to develop this approximately 11-acre site with up to approximately 195,000 square feet of commercial space for medium- and large-format

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retail stores. It is currently expected that a series of five separate one-story buildings would be built on Retail Site "A", around the western, northern and eastern boundaries of that development site, with the majority of surface parking provided in the middle and southern sections. This site will also include a new library branch with approximately 15,000 square feet of floor area within one of the new buildings, which will share parking with the retail uses.

By the year 2020, the remaining portions of the Development Area would be developed, including Retail Site "B", the senior housing and public school components. A series of new one-story retail stores would be built on Retail Site "B" along the east side of Arthur Kill Road. This site consists of approximately 7.3 acres and will be privately developed in the future, with an anticipated 90,000 square feet of neighborhood retail space. A ~~utility easement~~ Proposed Utility Access Corridor from Arthur Kill Road would be provided eastward through the center of Retail Site "B", adjacent to the existing private utility easement.

In total, the Proposed Project would include up to approximately 285,000 square feet of new retail floor area, which is above the 200,000 square foot CEQR threshold. As such, further related assessments of indirect business displacement are warranted to examine existing conditions and then evaluate the changes under the Future With-Action condition as compared with those expected under the Future No-Action Condition for the 2015 and 2020 analysis years.

The detailed assessment considers potential indirect business displacement due to increased rents and indirect business displacement due to market saturation.

### 2.2.3 METHODOLOGY

To assess the potential for socioeconomic impacts of the ~~proposed Charleston Mixed-Use Development~~ Proposed Project, the analysis focused on the potential for significant adverse impacts due to increased rents and retail market saturation.

The analysis of indirect business displacement due to increased rents includes:

- A description of existing economic activity in the identified study area, including the number and types of businesses and institutions and employment by key sectors.
- A description of the physical characteristics of the existing commercial and manufacturing buildings in the study area, including the general size of the structures, configurations, and condition.
- A description of trends in commercial, manufacturing, and institutional use in the future without the Proposed Project.
- An estimation of net new employment and other economic activity in the study area under the identified reasonable worst-case development scenario (in this case, the Proposed Project).
- An estimation of the impact of indirect displacement of commercial businesses.
- An assessment of real estate market in the study area and the potential for the mix of land uses introduced by the Proposed Project to alter existing trends in rents and vacancy in the commercial rental market.

The analysis of indirect business displacement due to market saturation includes:

- A projection, to the extent possible, of whether the categories of goods to be sold within the proposed development stores are similar to the categories of goods sold in stores found on neighborhood retail streets within the study area.
- An identification of the trade area for the largest proposed stores that are expected to be the primary sources of added retail sales.
- A retail capture rate and gap analysis that includes:
  - An estimation of sales volume of relevant retail stores within the identified trade area.

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- A determination of the expenditure potential for relevant retail goods of households within the identified primary trade area.
- A comparison of the sales generated by proposed retailers and the expenditure profile developed for the primary trade area to determine whether the area is currently saturated with retail uses or whether there is likely to be an outflow of sales from the trade area.
- A determination of the supportable square footage in the primary trade area.
- A projection of the sales volume for the proposed anchor tenants.
- A comparison of the proposed sales volume with the dollars available within the trade area.

### 2.2.3.1 Adverse Effects on Specific Industries

The *CEQR Technical Manual* also states that it is possible that a project may affect the operation and viability of a specific industry. The following questions must be considered and clearly answered with a “no” to ensure that adverse impacts will not occur.

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

As shown in the above preliminary discussions of direct and indirect business displacement assessment, as well as the following assessment for indirect business displacement, the Proposed Project would not affect the retail businesses in the area to the extent that it would cause a socioeconomic impact. No businesses are being introduced by the Proposed Project that would potentially affect the viability of other industries or businesses.

2. *Would the project indirectly substantially reduce employment or impair the economic viability in the industry or category of businesses?*

The Proposed Project is expected to create approximately ~~687~~816 new jobs within the Project Development Area, increasing by the year 2020. New employment is projected for each of the development sites as follows:

- Retail Site “A”: 488 retail employees and 38 library employees. Assuming an average of one employee per 400 square feet of general retail or library floor area<sup>1</sup>. This site will also include an approximately 15,000-square-foot branch of the New York Public Library.
- Fairview Park: No additional park employees would be directly created for the park or for the adjacent Conservation Area to be mapped, as the NYCDPR expects to maintain the park areas with existing staff.
- Retail Site “B” 225 retail employees. The site consists of approximately 7.3 acres that would also be privately developed in the area—future with an anticipated 90,000 square feet of neighborhood retail space. Assuming the same average of one employee per 400 square feet of general retail floor area
- Senior Housing: 7 staff. The City will offer an approximately 9.1-acre site for senior housing in the future for up to 162 units. Assuming an average of 0.04 employees per dwelling unit of residential use, it is expected that the senior housing would generate the need for employees such as superintendents, doormen, handymen, porters, etc.
- Public school: 58 staff. The NYCSCA would also construct a combined elementary/middle school on an approximately 5.9-acre site with an approximately 750-seat capacity for kindergarten through 8<sup>th</sup> grade.

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<sup>1</sup> Based on rates used in the Environmental Impact Statements for the Willets Point and 161<sup>st</sup> Street rezoning projects.

The following indirect business displacement analysis considers impacts on employment and businesses in more detail. As shown in the discussion, the Proposed Project would not indirectly substantially reduce employment or impair the economic viability in the industry or category of businesses. As such, further related assessment is not warranted.

### 2.2.4 EXISTING CONDITIONS

The objective of indirect business displacement analysis is to determine whether the proposed project may introduce trends that make it difficult for businesses that provide products or services essential to the local economy, or are targeted for preservation, to remain in the area. To assess if the proposed project has the potential to introduce such a trend, existing conditions were analyzed and the following conditions evaluated: indirect business displacement due to increased rents; and indirect business displacement due to market saturation.

Information used in the following analyses was gathered from a variety of sources, including demographic and employment data from the U.S. Census Bureau's 2010 and 2000 surveys, the 2006-2010 American Community Survey, and the Environmental Systems Research Institute, Inc. ("ESRI") Business Analyst Online-<sup>2,3</sup>. Retail market data was obtained from CoStar, a national real estate market data aggregator, and from site visits to the area and surrounding retail centers. Retail sales and expenditure data for the identified Primary Trade Area (discussed below) were obtained from ESRI and the Bureau of Labor Statistics ("BLS"). Sales per square foot data was obtained from the Urban Land Institute ("ULI") Dollars & Cents of Shopping Centers, 2008 (the most recent available). Average sales per square foot data for neighborhood retail and medium- to large-format retail (most similar to super community/community shopping centers<sup>4,5</sup>) in the Northeast geographic area was used.

The detailed assessment considers the existing categories of businesses and number of employees in each category to determine those potentially vulnerable to displacement.

#### 2.2.4.1 Existing Employment in Staten Island

According to ESRI data from 2011, there were approximately 135,316 employees working in Staten Island. The service industry accounted for 48.3 percent of employees; this represents a higher portion of employees than in the study area and New York City. Retail trade, which includes restaurants, grocery, and non-food retail, accounted for 20.6 percent of employees. The remaining 31.1 percent of workers were employed primarily in the finance, real estate, and government sectors. Employment in Staten Island represents 3.6 percent of total employment in New York City.

#### 2.2.4.2 Existing Employment in the Study Areas

To determine potential impacts of the indirect displacement for businesses, study areas of one-quarter mile radiuses around the proposed development sites of the Proposed Project were reviewed for the socioeconomic analyses in this chapter, as recommended in the *CEQR Technical Manual*. The analysis

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<sup>2</sup> Block groups are the smallest areas for which complete Census data is reported. ESRI uses the business address to assign it to a census block, and apportions block group data based on the percentage of the block group area covered by the site.

<sup>3</sup> Block groups are the smallest areas for which complete Census data is reported. ESRI uses the business address to assign it to a census block, and apportions block group data based on the percentage of the block group area covered by the site.

<sup>4</sup> A super community/community shopping center is defined as "any center of 100,000 square feet or more of GLA with neither a traditional department store nor the trade area of a regional shopping center. This includes traditional community shopping centers (referred to by ICSC in previous SCORE publications as "community centers"), power centers, town centers, lifestyle centers, and outlet/off-price centers that meet these criteria."

<sup>5</sup> A super community/community shopping center is defined as "any center of 100,000 square feet or more of GLA with neither a traditional department store nor the trade area of a regional shopping center. This includes traditional community shopping centers (referred to by ICSC in previous SCORE publications as "community centers"), power centers, town centers, lifestyle centers, and outlet/off-price centers that meet these criteria."

considers two study areas based on the two analysis years of the Proposed Project, as shown in **Figure 2.2-1**, “Socioeconomic Study Areas”. The first study area is a one-quarter mile area around the development sites of Retail Site “A” and the proposed Park. The second study area is a one-quarter mile area around the entire area for development, including Retail Site “B” and the proposed senior housing and public school components.

### ***Study Area #1 – One-Quarter of a Mile Around Retail Site “A” and Fairview Park***

In 2011, there were approximately 1,190 employees working within this identified study area.<sup>6</sup> Retail trade accounted for approximately 23.7 percent of employees, construction accounted for approximately 16.5 percent, service industries accounted for approximately 14.8 percent, and transportation accounted for approximately 10.7 percent. There is slightly more diversity in this study area than in Staten Island as a whole, although the construction, transportation and retail trade sectors accounted for a higher percentage of employees in this study area than in Staten Island and New York City overall. Total employment in the study area represented approximately 0.9 percent of total employment in Staten Island and approximately 0.03 percent of total employment in New York City.

### ***Study Area #2 - One-Quarter of a Mile Around the Entire Project Area***

In 2011, there were approximately 1,322 employees working within this identified study area.<sup>8</sup> The primary employment industries are similar to the first identified study area. Retail trade accounted for approximately 23.8 percent of employees, construction jobs accounted for approximately 16.3 percent, service industries accounted for approximately 15.0 percent, and transportation accounted for approximately 10.9 percent. The construction, transportation and retail trade sectors accounted for a higher percentage of employees in the study area than in Staten Island and New York City. Total employment in the study area accounted for approximately 1.0 percent of total employment in Staten Island and approximately 0.04 percent of total employment in New York City.

**Table 2.2-1**, “Employment by Industry, 2011”, presents a detailed breakdown of employment by industry in each study area, as well as in Staten Island and New York City overall.

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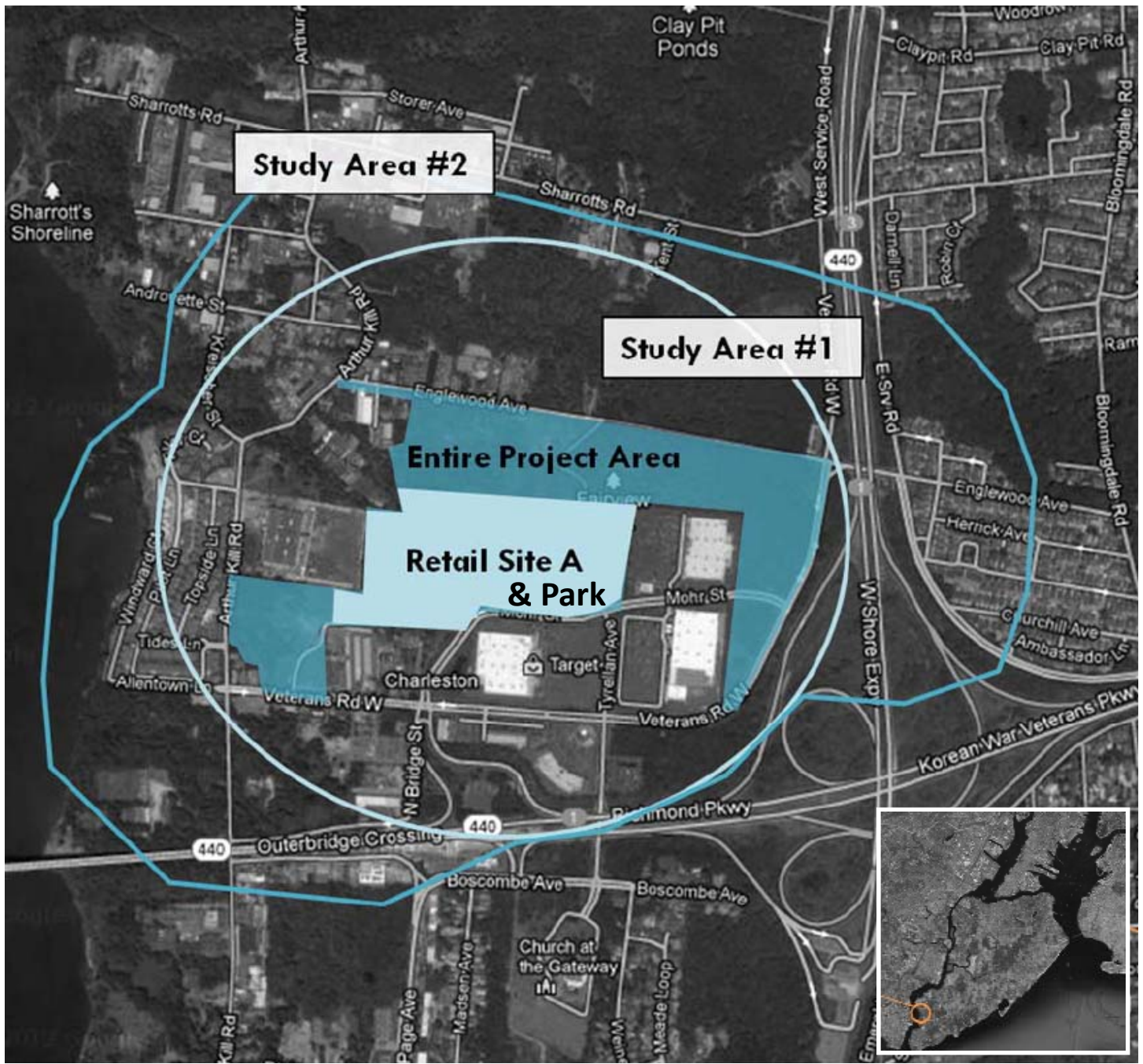
<sup>6</sup> Employment in the Phase I study area is a percentage of Census block groups 36085-0226.001 and -0226.002, as reported by ESRI.

<sup>7</sup> Employment in the Study Area #1 is a percentage of Census block groups 36085-0226.001 and -0226.002, as reported by ESRI.

<sup>8</sup> The Phase II study area is larger to take into account the additional build out. Employment in the Phase II study area is reported as a percentage of Census block groups 36085-0226.00, -0226.002, and -0248.002

<sup>9</sup> The Study Area #2 is larger to take into account the additional build out. Employment in the Study Area #2 is reported as a percentage of Census block groups 36085-0226.00, -0226.002, and -0248.002





Sources: Google; HR&A.



Charleston Mixed-Use  
Development

**Figure 2.2-1**  
**Socioeconomic**  
**Study Areas**

**Table 2.2-1  
Employment by Industry, Year 2011**

Industry	Study area #1		Study area #2		Staten Island		New York City	
	Employees		Employees		Employees		Employees	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Agriculture & Mining	6	0.5%	8	0.6%	699	0.5%	7,901	0.2%
Construction	196	16.5%	215	16.3%	6,429	4.8%	100,482	2.6%
Manufacturing	22	1.9%	25	1.9%	4,409	3.3%	212,792	5.6%
Transportation	127	10.7%	144	10.9%	5,384	4.0%	120,853	3.2%
Communication	6	0.5%	6	0.5%	888	0.7%	58,412	1.5%
Utility	13	1.1%	15	1.1%	543	0.4%	7,530	0.2%
Wholesale Trade	81	6.8%	90	6.8%	3,179	2.3%	122,303	3.2%
Retail Trade	282	23.7%	315	23.8%	27,824	20.6%	714,958	18.8%
Finance, Insurance, Real Estate	130	10.9%	142	10.8%	10,750	7.9%	487,838	12.9%
Services	176	14.8%	199	15.0%	65,409	48.3%	1,778,817	46.9%
Government	140	11.8%	153	11.6%	8,314	6.1%	128,749	3.4%
Other	10	0.8%	11	0.8%	1,488	1.1%	55,017	1.4%
<b>Total</b>	<b>1,190</b>	<b>100%</b>	<b>1,322</b>	<b>100%</b>	<b>135,316</b>	<b>100%</b>	<b>3,795,652</b>	<b>100%</b>

Source: ESRI 2011; HR&A

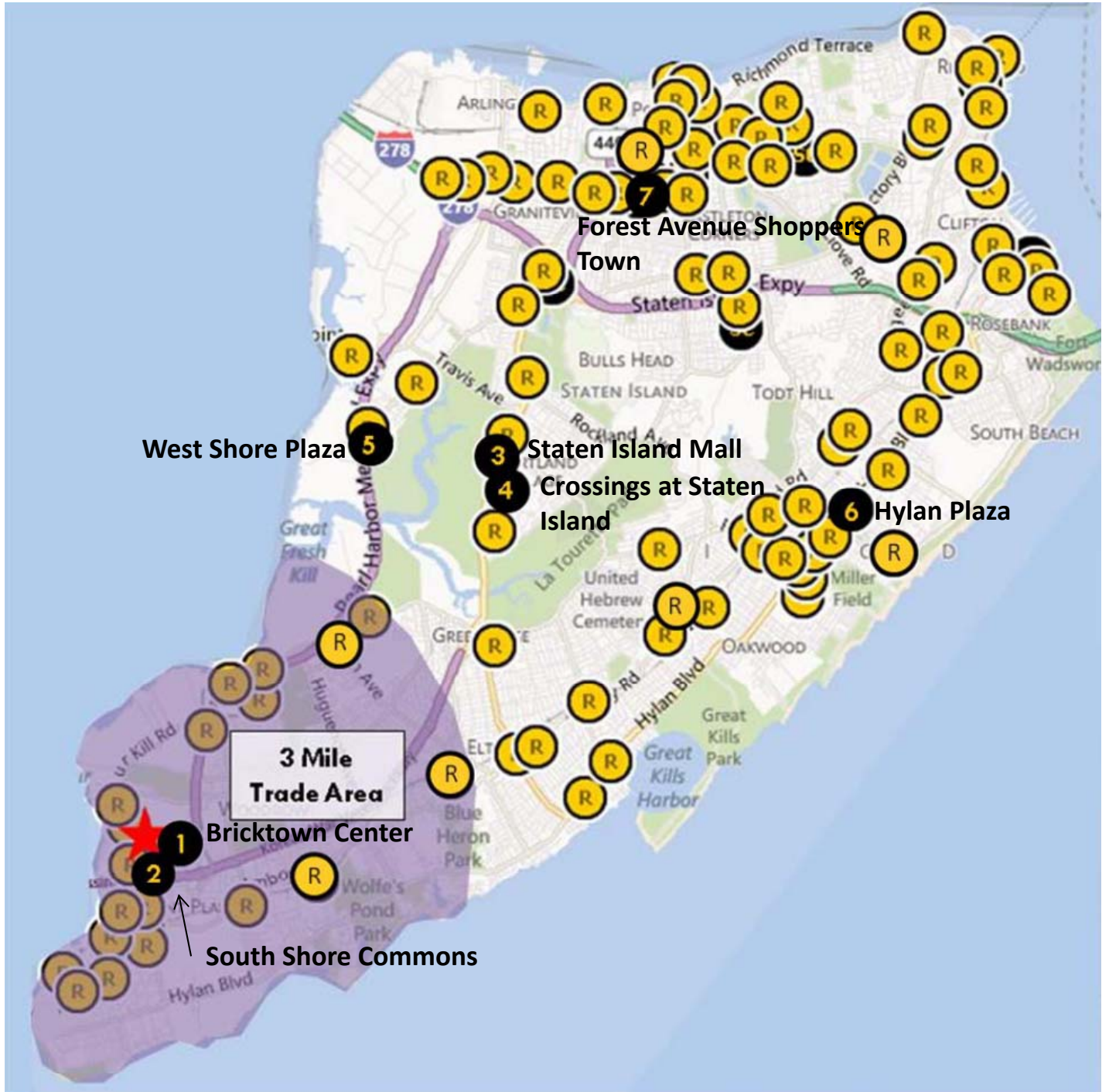
### 2.2.4.3 Existing Retail in Staten Island

Staten Island has a wide range of retail offerings, including neighborhood retail, medium- to large-format retail, department stores, and regional shopping centers. There are approximately 3.3 million square feet of retail located on Staten Island, according to data obtained from CoStar, and the vacancy rate is at approximately 15.6 percent. The more dense concentrations of retail are located outside of the 5-mile boundary from the Project Area, along Richmond Avenue, Hylan Boulevard, and Forest Avenue.


**Figure 2.2-2** shows existing retail corridors and shopping centers on Staten Island, in comparison to the Project Area. The main retail centers, keyed to the figure, are as follows:

1. Bricktown Centre (Anchors: Target, Bed Bath & Beyond, Home Depot).
2. South Shore Commons (Anchors: Modell's, Gamestop, Verizon).
3. Staten Island Mall (Anchors: Macy's, Sears, JC Penney).
4. The Crossing at Staten Island (Anchors: Outback Steakhouse, TGIF, Babies R' US).
5. West Shore Plaza (Anchors: Burlington Coat Factory, Modell's).
6. Hylan Plaza (Anchors: Modell's, ~~KMart~~ Kmart).
7. Forest Avenue Shoppers Town/Retail Corridor (Anchors: Pathmark, Radio Shack, TJ Maxx, Party City, Michael's).

According to CoStar, approximately 40 percent of retail stores on Staten Island were built prior to 1960, and many have not been renovated since that time.



**Legend**

-  Development Area
-  Major Retail Center
-  Other Retail Center

Sources: ESRI 2011; HR&A



Charleston Mixed-Use  
Development

**Figure 2.2-2**  
**Existing  
Retail Areas**



### 2.2.4.4 Existing Retail in the Study Areas

Key retail centers were identified within Study Area #2, the one-quarter mile study area surrounding the entire Project Area.<sup>10</sup> Retail in the study areas can be characterized as neighborhood, convenience retail, as well as big box retail. The following shopping centers were located directly adjacent to or across the street from the Project Area:

- Bricktown Centre is a 400,000 square foot power shopping center situated on 42 acres along Veteran's Road West. Tenants include Home Depot, Applebees, Christmas Tree Shop, Bed, Bath & Beyond, Harmon Discount Beauty, Petco, and Target. The center was completed in 2006.
- South Shore Commons is a neighborhood retail center across Veteran's Road West, between Tyrellan Ave and North Bridge Street. Tenants include Modell's, Modern Male, Gamestop, Sushi restaurant, Verizon, Famous Footwear, Carters, Dickies. The retail center includes approximately 111,000 square feet of floor area and was completed in 2007.

According to CoStar, there are approximately 428,082 square feet of rentable retail space in Study Area #2. Nearly all space is occupied, with vacancy at approximately 0.18 percent. The low vacancy rate indicates that there is a lack of opportunity for new tenants to rent within the area, unless current tenants vacate existing space or new development is provided that includes additional retail space.

For the analysis of indirect business displacement due to market saturation, the *CEQR Technical Manual* also recommends a three-mile radius for projects that may result in indirect impacts that are expected to extend beyond a half-mile boundary. Given the scale of the retail development, at a total of up to approximately 285,000 square feet by the year 2020, a Primary Trade Area was also identified that includes a three-mile radius from the Project Area that best reflects the areas likely to be affected by the Proposed Project. This methodology is detailed in Section 2.2.6.2.

## 2.5 FUTURE NO-ACTION CONDITION

The technical analyses and considerations forecasts socioeconomic conditions for the analysis years of 2015 and 2020, for the purposes of determining potential impacts. The assessments below include future conditions without the Proposed Project in both the years 2015 and 2020 (the "Future without the Proposed Project" or "Future No-Action Condition") and the future with the proposed project (or "With Action Condition").

Under the Future No-Action Condition, if the Proposed Project is not approved, the Development Area is expected to remain in its existing vacant condition. No other projected or potential development is planned or considered likely to occur in the Development Area by the 2015 or 2020 build years of the Proposed Project.

Several other land use changes are anticipated to occur within the study area by the years 2015 and 2020. Staff and records from the NYCEDC, NYCDPC, and other sources were consulted to identify new construction projects that are proposed in the study area. In total, it is anticipated that there will be approximately 70 new residential units and approximately ~~206,724~~219,462 square feet of added commercial space, including approximately ~~493,724~~206,462 square feet of retail space. Within the identified surrounding study area, known projects that are planned to occur in the future without the Proposed Project are listed below, as well as further discussed in **Chapter 2.1**, "Land Use, Zoning and Public Policy".

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<sup>10</sup> The Analysis II study area (year 2020) captures the Analysis I study area (year 2015).

<sup>11</sup> The Study Area #2 (year 2020) captures the Study Area #1 (year 2015).

### 2.2.5.1 Year 2015 Analysis

- *236 Richmond Valley Road.* Approximately 5,000 square feet of commercial office development is planned at 236 Richmond Valley Road.
- *245 Richmond Valley Road:* Approximately 8,000 square feet of commercial office development with 28 parking spaces is planned at 245 Richmond Valley Road.
- *Veterans Road West at Tyrellan Avenue:* Approximately 58,030 square feet of commercial retail space with 193 parking spaces is planned for development in the southeast corner of the Veterans Road West/Tyrellan Avenue intersections, currently a vacant site.
- *4830 Arthur Kill Road:* Approximately 14,674 square feet of new floor area would be constructed as an extension to an existing commercial retail development, along with an additional 48 parking spaces, is planned at 4830 Arthur Kill Road.

### 2.2.5.2 Year 2020 Analysis

- *Veterans Plaza Food Store:* An approximately 70,000 square foot supermarket is planned on a parcel north of Veterans Road West on the western side of Bricktown Way. The proposal includes a zoning change from M1-1 to C8-2. The proposed rezoning would allow for a food store with accessory surface parking for 233 vehicles.
- *Gateway Cathedral Residential Project:* Approximately 70 residential units with 105 parking spaces are planned as part of the Gateway Cathedral residential development project at 200 Boscombe Avenue. On the community facility portion of that site, the proposal reduced parking from 715 spaces to 618 spaces to allow room for a soccer and ball field.
- *Veterans Road Realty:* Approximately 51,020 square feet of floor area is proposed within two primarily retail commercial buildings along with 170 accessory parking spaces, on a site located on the north side of Veterans Road West, east of Waunner Street. *Veterans Road West Commercial Development by Westbridge Properties. Approximately 12,738 square feet of commercial retail space and 42 accessory parking spaces is planned for a 32,289 square foot vacant site at 3021 Veterans Road West, located at the southwest corner of the intersection with Bricktown Way/North Bridge Street.*

It is estimated that the developments noted above under the Future No-Action Condition would introduce approximately 548,549 new employees, with 485,517 such employees as new retail employees. The net new employment is based on the approximation of 2.5 employees per 1,000 square feet of all retail and other commercial development.

## 2.2.6 FUTURE WITH-ACTION CONDITION

Development of the Development Area is expected to be completed over several years. Construction of Retail Site "A" and Fairview Park are expected to be completed by the year 2015. Construction of the remaining elements of the Development Area are expected to be completed by the year 2020, including the development of Retail Site "B", the school, the senior housing, and Englewood Avenue and other road constructions.

### 2.2.6.1 Indirect Business Displacement due to Increased Rents

The objective of indirect business displacement analysis due to increased rents is to determine if a proposed development will increase the value of commercial properties and rents to the extent that existing retailers are unable to remain in the area. The *CEQR Technical Manual* considers the following circumstances when evaluating the potential for significant displacement of businesses and workers:

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- Whether the businesses to be displaced provide products or services essential to the local economy that would no longer be available in their “trade area” to local residents or businesses due to the difficulty of relocating.
- Whether the category of businesses is the subject of other regulations or publically adopted plans to preserve, enhance, or otherwise protect them.

The Proposed Project is not expected to indirectly displace existing retail due to increased rents. Generally, existing retail businesses within a one-quarter mile of new development benefit from the increase of retail concentration that draws more consumers to the area. There is already a variety of retail options in the study area, and the proposed amounts of new retail uses would not be large enough to create a substantially different customer base for the area that would induce significant rent changes.

Increases in rents typically also occur in response to significant increases in demand for goods and services within an area that has limited retail space. The retail stores most vulnerable to displacement are small, local stores that specifically cater to the tastes and preferences of a neighborhood. The Project Area is mainly surrounded by national and regional stores that are not dependent on that location for their business. The development of the area would likely produce an additional retail mix that is not competitive to the existing tenants at the Bricktown Centre and South Shore Commons and demand similar rents. If anything, an identified 64 percent increase in retail space in ~~the Phase II study area~~ Study Area #2, which will result from up to approximately 285,000 square feet of additional retail space, would create downward pressure on rents that would make the area more affordable for other tenants. As described in the retail gap analysis that follows, there is significant unmet demand by area residents in all categories of retail, so both existing and proposed retail may be supported.

Additionally, existing retail can capture spending from the new employees in the area. This analysis estimated that the Proposed Project would introduce approximately 713 new retail employees, with approximately 488 new retail employees at Retail Site “A” that would be developed by the year 2015, and approximately 225 new retail employees at Retail Site “B” that would be developed by the year 2020. The net new employment is based on the total retail build out of up to 285,000 square feet and the approximation of 2.5 employees per 1,000 square feet of retail development.

Of note, not all businesses would be able to capture spending from the increase in customers. The retail stores that are vulnerable to displacement are typically those whose uses are less compatible with emerging trends or those located away from the retail concentration. The retail stores that are at risk of displacement do not offer essential goods and services to the local economy. Should some of the existing retailers close, none of them depend on their current location to operate, and would be able to relocate. There are also currently no regulations or plans to preserve, enhance or protect the retail categories in the study area.

### 2.2.6.2 Indirect Business Displacement due to Market Saturation (Retail Capture Analysis)

New retail offerings in an area have the potential to draw substantial sales from existing businesses. An assessment of the potential for market saturation within a particular category of goods, leading to increased vacancy and disinvestment, was conducted through a retail capture rate analysis.

As described in the *CEQR Technical Manual*, projects above 200,000 square feet that add to or create retail concentration may draw a substantial amount of sales from existing businesses within the study area to the extent that businesses close and vacancies increase, leading to disinvestment. The *CEQR Technical Manual* outlines the following steps to follow in order to conduct a retail capture rate analysis:

*Step 1: Determine whether the categories of goods to be sold at the proposed development are similar to the categories of goods sold in stores found on neighborhood retail streets within the study area.*

The Proposed Project would introduce up to approximately 195,000 square feet of medium- to large-format retail floor area by the year 2015, and up to an additional 90,000 square feet of

## 2.2 SOCIOECONOMIC CONDITIONS

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neighborhood retail floor area by the year 2020. Specific tenants and categories of retail are not yet determined, but the new retail will provide a variety of goods and services.

Within the larger study area of one-quarter mile around the Project Area, there is approximately 428,081 square feet of existing rentable retail space. This includes the developments built between 2005-2007, such as Target, Home Depot, PETCO, Bed Bath & Beyond, and Applebees within Bricktown Centre, as well as South Shore Commons. The proposed total of 285,000 square feet of retail as part of the Proposed Project would be an approximately 64 percent increase over existing retail.

*Step 2: Determine a Primary Trade Area for the proposed “anchor” stores- the largest stores in the proposed development that are expected to yield the largest proportion of retail sales.*

The *CEQR Technical Manual* recommends a three-mile radius for projects that may result in indirect impacts that are expected to extend beyond a half-mile study area boundary. Since the Proposed Project will introduce an approximately 64 percent increase over existing retail space, it is significant enough to extend the Primary Trade Area to a three-mile radius from the Project Site-Development Area. The three-mile radius corresponds with a 10 minute drive from the Project Site and best captures the surrounding areas likely to be affected by the Proposed Project. The three-mile radius does not include New Jersey.

The businesses located within the three-mile radius, including the Bricktown Centre and South Shore Commons, Tottenville Square, Richmond Valley Plaza, Amboy Plaza, and Rossville Shopping Center, could potentially be impacted by the new retail development of the Proposed Project. This analysis identified 23 retail centers in the three-mile Primary Trade Area, as shown in **Figure 2.2-3**. Outside of the three miles, there are retail corridors and regional shopping centers that are unlikely to compete with the proposed new retail space. **Figure 2.2-2** previously provided shows existing retail corridors and shopping centers in the Primary Trade Area and on Staten Island. The regional shopping centers, such as the Staten Island Mall and The Crossing at Staten Island, are located approximately five-miles from the proposed project site-Development Area, an approximately 20 minute drive. Residents living beyond the three-mile Primary Trade Area are unlikely to travel to the proposed project site to shop, when a wide array of shopping options already exists in the immediate area. However, those within three-miles may decide to travel north to the existing retail centers or south to the Proposed Project. Therefore, a three-mile Primary Trade Area was identified for the analysis of potential indirect business displacement due to market saturation.

Within the three-mile Primary Trade Area, the total population from the 2010 U.S. Census indicates that there are approximately 70,334 persons residing within the three-mile area, an increase of approximately 11.2 percent from the 63,279 persons indicated from the 2000 U.S. Census of the area. The Primary Trade Area contained approximately 24,587 households and 18,571 families per the 2010 U.S. Census, with a median age of 38.4 years old and an average household income of approximately \$107,469.<sup>12</sup>

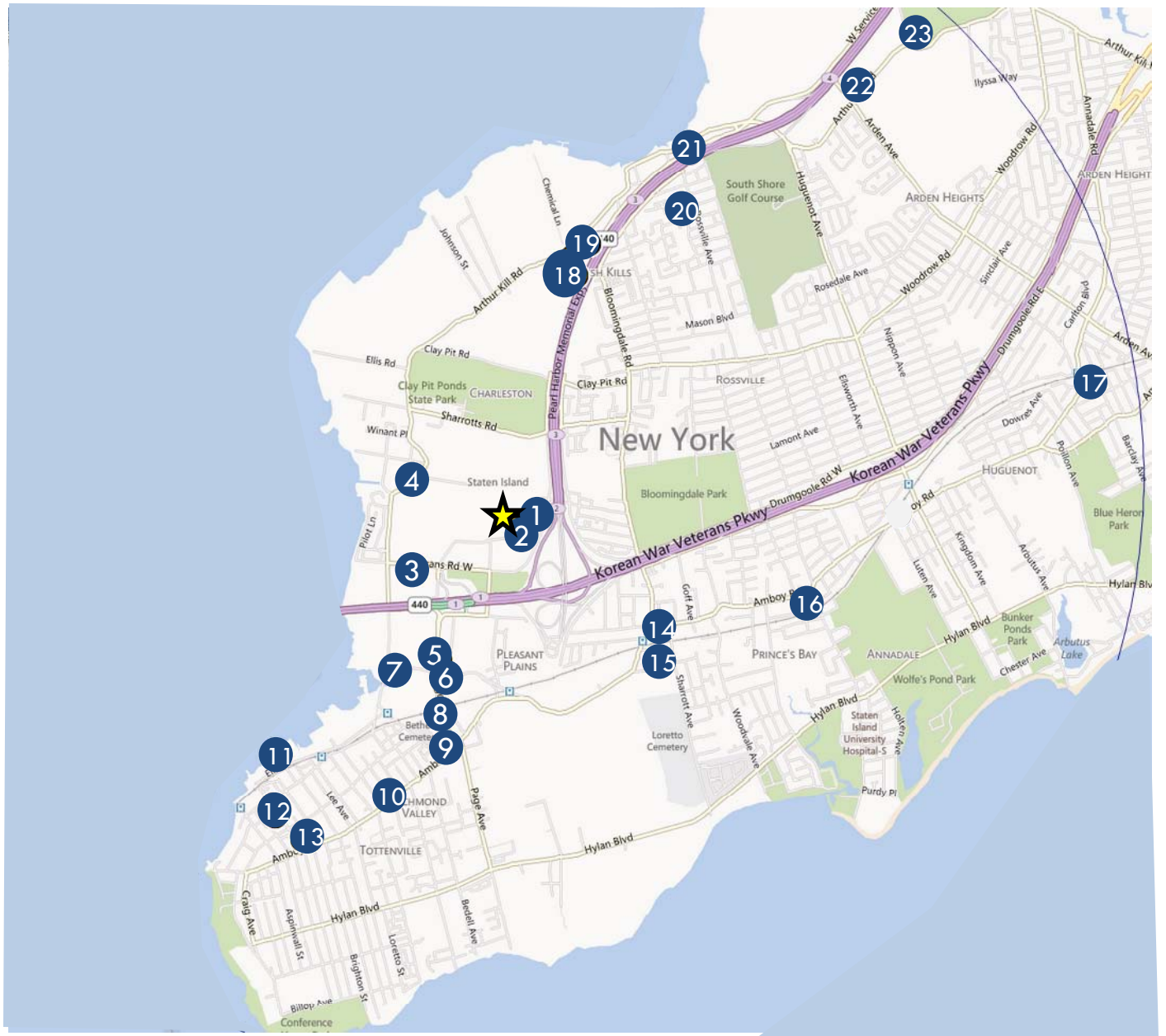
*Step 3: Estimate sales volume for relevant retail stores within the Primary Trade Area, i.e. stores that sell categories of goods similar to those expected to be offered by stores introduced by the proposed project.*

As stated above, the Proposed Project is expected to provide a variety of goods and services in neighborhood and medium- to large-format retail, including possible convenience stores, fast food and full-service restaurants, neighborhood services, and grocery stores. This analysis accounts for all categories of retail.

According to ESRI 2010 estimates, retail sales at stores in the three-mile Primary Trade Area totaled approximately \$213.8 million. This includes information from 290 businesses and accounts for spending by residents, workers, and visitors from outside of the three-mile trade area. While only approximately 9 percent (25 businesses) were food and beverage stores, including grocery, specialty food, and beer, wine and liquor, sales on these items accounted for approximately 28 percent (\$59.3 million) of the total. Sales

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<sup>12</sup> ESRI market profile for the three-mile Primary Trade Area, as provided by HR&A Advisors.



1. Bricktown Center (Anchors: Target, Bed Bath & Beyond, Home Depot)
2. South Shore Commons (Anchors: Modell's, Gamestop, Verizon)
3. Auto repair
4. Ottavio Furniture
5. Richmond Valley Plaza (Brooklyn Bagel, Cabo, Casale's Bakery, Mancini Guiffre, Zio Tuto, Cigar Vault Emporium)
6. Sun Factory, Dog Salon
7. Pizzeria, Perfect Image, Sunrise Nail Beauty Salon
8. CVS, Legends Sporting Goods
9. Tottenville Square (Cleaners, Blow Out Hair Studio, Cosmic Mails, Intoxx Fitness, Page Ave Body Building, Pudgie's Famous Chicken, Thirtway Tottenville, Villa Monte Pizzeria)
10. Locksmith
11. Restaurant (225 Ellis St)
12. Metro Electronics
13. Hair Salon, Nail Salon
14. Cleaners, Tuxedo, Salon
15. Amboy Plaza (Anchors: Rite Aid, Waldbaum's, A&P Pharmacy, Blockbuster, Cleaner, Dunkin Donuts, Flowers, Salon, Pizzeria,, Northfield Savings Bank, Wendy's)
16. CVS + Pizzeria, Tailors, Bagel Store
17. Annadale Plaza (Cleaners, Nail Salon, Laundromat, Pizzeria, Restaurant)
18. Lowe's, Pathmark, Richmond County Savings Bank
19. Bloomingdale's Plaza (Tailor, Bagel Store, Pizzeria)
20. Rossville Shopping Center (Locksmith, Blockbuster, Nail Salon, Edible Arrangements, Cleaners, McDonald's, Bagels, Pudgie's Famous Chicken, Woodrow Cleaners, Pharmacy, Wine, and Diner)
21. Gym
22. Blake Center (Bar/Lounge, Dance Studio, Pizzeria)
23. Arden Heights Shopping Center (Nails, Best Deal Discounts, Restaurant)

Sources: Google; ESRI 2011; HR&A.



## Charleston Mixed-Use Development

**Figure 2.2-3**  
**Three-Mile Retail Trade Area**



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at restaurants and bars accounted for approximately 18 percent (\$37.5 million), and approximately 12 percent (\$26.3 million) of sales were spent at gas stations. Only approximately 2 percent of sales were from clothing and accessories, indicating that residents shop elsewhere for their clothing, shoes, and other accessories. **Table 2.2-2** provides a breakdown of sales by industry group.

*Step 4: Estimate expenditure potential, or retail demand, for relevant retail goods of shoppers within the Primary Trade Area.*

According to ESRI, households in the three-mile Primary Trade Area spent approximately \$860.2 million on retail goods in 2010. ESRI only considers the expenditure potential of households, but it does not include the additional expenditure potential from employees and residents or visitors from outside of the study area. Thus, additional expenditure should be expected from these consumer groups. Similar to the trends in sales, the highest demand is projected for the food and beverage stores at approximately 18 percent of total demand, restaurants and bars at 15 percent and gas stations at approximately 12 percent.

*Step 5: Compare retail sales (Step 3) with retail demand (Step 4) to develop a “capture rate,” to determine whether the Primary Trade Area is currently saturated with retail uses or whether there is likely to be an outflow of sales from the area.*

A retail gap measures the amount of potential spending that is not being captured by retail offerings in the Primary Trade Area, and is the difference between the retail demand and existing supply. The analysis shows positive retail gaps in each category of retail. Despite being the largest source of sales in the area, the analysis still shows a high retail gap for food and beverage stores, restaurants and bars, and gas stations.

**Table 2.2-2  
Retail Demand, Supply, Gap and Capture Rate  
in the 3-Mile Primary Trade Area, Year 2010**

Industry Group	Demand	Supply	Retail Gap	Capture Rate
Motor Vehicle & Parts Dealers	\$168,833,482	\$20,679,173	\$148,154,309	12%
Furniture & Home Furnishings Stores	\$23,613,413	\$6,253,787	\$17,359,626	26%
Electronics & Appliance Stores	\$25,442,540	\$11,437,176	\$14,005,363	45%
Bldg Materials, Garden Supply Stores	\$33,211,693	\$15,301,700	\$17,909,993	46%
Food & Beverage Stores	\$157,125,188	\$59,315,022	\$97,810,167	38%
Health & Personal Care Stores	\$36,311,129	\$11,298,049	\$25,013,080	31%
Gasoline Stations	\$98,975,298	\$26,312,199	\$72,663,098	27%
Clothing & Clothing Accessories Stores	\$40,162,760	\$4,683,655	\$35,479,105	12%
Sporting Goods, Hobby, Book & Music Stores	\$9,163,242	\$1,257,495	\$7,905,747	14%
General Merchandise Stores	\$73,917,099	\$11,478,287	\$62,438,812	16%
Miscellaneous Store Retailers	\$17,305,098	\$4,989,064	\$12,316,034	29%
<del>Nonstore</del> Non-store Retailers	\$43,985,233	\$3,327,709	\$40,657,523	8%
Food Services & Drinking Places	\$132,173,876	\$37,467,288	\$94,706,587	28%
<b>Total</b>	<b>\$860,220,051</b>	<b>\$213,800,604</b>	<b>\$646,419,445</b>	<b>25%</b>

Notes: Demand (retail potential) estimates the expected amount spent by households within the 3-mile Primary Trade Area at retail establishments. Supply (retail sales) estimates sales to consumers by establishments. Sales to businesses are excluded. Supply and demand estimates are in 2011 dollars. Capture rate is defined by the *CEQR Technical Manual* as “the percentage of available sales currently derived by existing stores.”

Sources: ESRI 2010; HR&A

Similar to retail gap, capture rates measure the percentage of expenditures that are being captured by retailers in the study area. If the total sales in the trade area are significantly lower than the area's expenditure potential, then it can be assumed that households are shopping outside of the trade area. In this case, the capture rate would be low. A high capture rate indicates that spending has primarily occurred in the trade area. Since the supply values account for all consumer groups (residents, employees, and visitors), while expenditure potential only accounts for households, higher capture rates do not necessarily mean that residents are driving spending in the trade area. **Table 2.2-2** shows the capture rates in the three-mile trade area. In all industries, capture rates are well below 100 percent, showing that market saturation will not cause indirect displacement of existing retail.

This retail analysis also determines the amount of additional retail square footage that could be supported in the Primary Trade Area. The retail gap was converted into an approximate supportable square footage by using an average sales productivity value for the Northeast.<sup>13</sup> This analysis shows that approximately 2.5 million square feet of retail space could be supported in the three-mile Primary Trade Area either in new construction or in repositioning to capture more of the residential demand. The breakdown by retail category is presented in **Table 2.2-3**.

**Table 2.2-3  
Retail gap, Supportable Square Feet in the 3-Mile Primary Trade Area, 2010**

Industry Group	Retail Gap	Sales Productivity	Supportable SF
Motor Vehicle & Parts Dealers	\$148,154,309	\$406	364,912
Furniture & Home Furnishings Stores	\$17,359,626	\$156	111,280
Electronics & Appliance Stores	\$14,005,363	\$302	46,375
Bldg Materials, Garden Supply Stores	\$17,909,993	\$408	43,897
Food & Beverage Stores	\$97,810,167	\$485	201,670
Health & Personal Care Stores	\$25,013,080	\$297	84,219
Gasoline Stations	\$72,663,098	\$406	178,973
Clothing & Clothing Accessories Stores	\$35,479,105	\$220	161,269
Sporting Goods, Hobby, Book & Music Stores	\$7,905,747	\$209	37,827
General Merchandise Stores	\$62,438,812	\$141	442,828
<del>Nonstore</del> Non-store Retailers	\$40,657,523	\$100	406,575
Food Services & Drinking Places	\$94,706,587	\$249	380,348
<b>Total</b>	<b>\$646,419,445</b>	<b>-</b>	<b>2,547,521</b>

Source: ESRI 2010; ULI Dollars & Cents of Shopping Centers, 2008; HR&A

*Step 6: Determine whether any factors would emerge that would affect conditions within the trade area absent of the proposed project. These may include factors not associated with the proposal, such as projected increases in population that would provide a stronger base of shoppers, other projected retail developments, or anticipated store closings or rising incomes.*

As previously noted under the Future No-Action Condition, approximately 442,704,206,462 square feet of new retail space, approximately 13,000 square feet of new office space and 70 residential units will be introduced within the three-mile Primary Trade Area. Estimated retail sales from households under the Future No-Action condition were determined using an average value of \$285 per square foot of retail in the Northeast, which is estimated based on a weighted average of Urban Land Institute (“ULI”) \$/SF for

<sup>13</sup> ULI Dollars & Cents of Shopping Centers, 2008

retail types in the Northeast (*ULI Dollars & Cents of Shopping Centers, 2008*). As such, there would be approximately \$40.758.8 million of additional retail sales under the Future No-Action Condition.

Estimated retail demand from the new households was also determined under the Future No-Action Condition. The retail demand was based on the 2011 Average Median Income (“AMI”) in Staten Island and assumes that all 70 units are market rate. According to BLS and ESRI spending data, households earning close to \$74,000 per year spent approximately 26 percent of their total pre-tax household income on retail goods. Thus, new demand amounted to approximately \$1.3 million under the Future No-Action Condition. As shown in **Table 2.2-4**, the new households would bring approximately \$1.3 million of retail spending to Staten Island.

**Table 2.2-4**  
**Estimated Retail Demand Under the Future No-Action Condition**

2011 AMI*	\$70,465
# Market Rate Units	70
Total HH Income from New Units	\$4,932,550
% Spent on general retail	26%
Additional Demand	\$1,282,463
Existing Demand	\$860,220,051
Future No-Action Demand	\$861,502,514

*Source: ESRI 2011; BLS; HR&A*

*Step 7: Project the sales volume for the project’s anchor tenants.*

The Proposed Project would add a total of up to approximately 285,000 square feet of new retail, including both medium- to large-format retail space. As the specific retail breakdown is unknown, the average sales per square foot by retail format was used to estimate sales volume. **Table 2.2-5** shows the breakdown of retail sales resulting from the proposed projects.

**Table 2.2-4**  
**Estimated Retail Demand Under the Future No-Action Condition**

2011 AMI*	\$70,465
# Market Rate Units	70
Total HH Income from New Units	\$4,932,550
% Spent on general retail	26%
Additional Demand	\$1,282,463
Existing Demand	\$860,220,051
Future No-Action Demand	\$861,502,514

*\*Area is Staten Island*

*Source: ESRI 2011; BLS; HR&A*

The ~~proposed~~ retail portion of the ~~development~~ Proposed Project would result in annual sales of approximately \$96.8 million annually, including approximately \$64.1 million from the addition of 195,000 square feet of retail space by the year 2015 and approximately \$32.7 million from the addition of 90,000 square feet of neighborhood retail space by the year 2020. The combined \$96.8 million of new sales

represents over 44 percent of existing sales in the three-mile Primary Trade Area, which is estimated at \$213.8 million.

**Table 2.2-5  
Estimated Sales at the Proposed Retail Developments**

	Retail Square Feet	Average Sales per SF of Gross Lease Area	Estimated Sales
Analysis I (Year 2015): Medium- to Large- Format Retail	195,000	\$ 329	\$64,155,000
Analysis II (Year 2020): Neighborhood Retail	90,000	\$ 363	\$32,670,000
<b>Total</b>	285,000	-	\$96,825,000

Source: ULI Dollars & Cents of Shopping Centers, 2008; HR&A

Step 8: Compare the project sales volume with the dollars available within the trade area.

By the year 2020, the Proposed Project would also add 162 residential units, including 80 affordable multi-family rental units and 82 age-restricted for-sale detached units. The new demand from these residential units was determined by calculating the total household income from the new units, treating the market rate senior units and affordable units separately. This analysis first determined the household demand for those households occupying the 82 proposed senior housing units, based on the AMI in Staten Island. As described above in Step 6, households spent approximately 26 percent of their pre-tax income on retail goods. The breakdown of retail spending into neighborhood versus medium- to large-format retail was derived from 2011 expenditure data from ESRI and BLS. As shown in **Table 2.2-6**, retail demand from households in the senior housing units will be approximately \$1.5 million.

**Table 2.2-6  
Estimated Retail Demand under the Future With-Action Condition**

<b>New Market Rate Units</b>	82
2011 AMI*	\$70,465
HH Income from market rate units	\$5,778,130
% Spent on neighborhood retail	9%
% Spent on med- to large- format retail	17%
Additional Retail Demand	<b>\$1,502,314</b>
<b>New Affordable Units</b>	80
80% AMI*	\$56,372
Total HH Income from Affordable Units	\$4,509,760
% Spent on neighborhood retail	11%
% Spent on med- to large- format retail	21%
Additional Retail Demand	<b>\$1,443,123</b>
<b>Future With-Action Retail Demand</b>	<b>\$2,945,437</b>

\*Area is Staten Island  
Source: ESRI 2011; BLS; HR&A

The household income for the 80 affordable units was measured based on the City requirement that eligible households have a maximum of 80 percent AMI. Households in this income bracket spend

approximately 32 percent of their income on retail, with 11 percent on neighborhood stores and 21 percent on medium- to large-format stores. As shown in **Table 2.2-6**, the additional retail demand from these households was approximately \$1.4 million. Together, the 162 residential units will increase retail demand by approximately \$2.9 million by the year 2020.

Using the Future No-Action Condition as a baseline, this analysis determined capture rates under the year 2015 and the year 2020 (the build out) of the Proposed Project, within the three-mile Primary Trade Area. As shown in **Table 2.2-7**, the full build out of up to approximately 285,000 square feet of retail space and 162 units of housing would increase the capture rate for retail goods to approximately 4041 percent. Under all conditions, the projected capture rates would remain well below market saturation, indicating that many residents would still travel at least three-miles from the area to fulfill their shopping needs.

**Table 2.2-7  
Comparison of Estimated Retail Capture Rates in the Primary Trade Area**

	<b>Sales*</b>	<b>Demand*</b>	<b>Capture Rate</b>
<b>Existing Conditions</b>	\$213,800,604	\$860,220,051	25%
<b>Future No-Action</b>	<del>\$253,931,823</del> 58,555,726	\$861,502,514	<del>2930</del> %
<b>Analysis I (Year 2015)</b>	<del>\$314,796,823</del> 19,420,717	\$861,502,514	37%
<b>Analysis 2 (Year 2020 at Full Build Out)</b>	<del>\$347,466,823</del> 52,090,717	\$864,447,951	<u>4041</u> %

\*In 2011 Dollars  
Source: ESRI 2010 & 2011; ULI Dollars & Cents of Shopping Centers, 2008; HR&A

**2.2.6.3 Conclusions**

This analysis concludes that the Proposed Project would not result in any significant adverse socioeconomic impacts.

- Development of the currently vacant Development Area would not result in significantly adverse direct residential or business displacements.
- The 162 age-restricted residential units added by the Proposed Project would be less than the 200-unit CEQR threshold requiring further assessment for potential indirect residential displacement.
- The proposed affordable multi-family and senior housing units would not raise market rents in the area.
- The assessment of the potential for indirect business displacement due to increased rents and retail market saturation showed that indirect displacement of businesses due to increased rents is unlikely. This was based on the very low retail vacancy rate near the ~~project site~~Development Area and the fact that existing retailers near the new development would likely benefit from the increased flow of consumers into the area due to the proposed retail development.
- The retail gap analysis showed that after accounting for other projected residential and commercial development in the area and the likely impact of the ~~proposed project's~~Proposed Project's residential and retail uses, the capture rate for retail would increase to over 4041 percent within the three-mile Primary Trade Area. This value indicates that with the proposed development in place, the existing and projected retail outlets in that area would only meet roughly 4041 percent of the projected retail demand generated by the trade area's residents and business.

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- The data provided shows that the three-mile Primary Trade Area is underserved for retail.
- The data for demographics show that the Primary Trade Area is continuing to grow in population.
- The lack of retail services in the Primary Trade Area likely causes area residents to leave the area to go shopping, either to other locations in Staten Island or to New Jersey
- While the new retail stores of the Proposed Project might divert some shoppers from visiting the other retail centers in Staten Island, many of these stores are of a different character than those that are expected to locate in the Development Area.
- Residents within the Primary Trade Area would still be expected to continue make shopping trips to other areas within Staten Island after the Proposed Project is completed.
- The Proposed Project would be expected recapture some volume of trade area sales that are now going to New Jersey.