

**A. INTRODUCTION**

This chapter assesses the Proposed Project’s potential effects on the socioeconomic character of the area within and surrounding the Project Site, and within a broader retail trade area. As described in the 2014 *City Environmental Quality Review (CEQR) Technical Manual*, the socioeconomic character of an area includes its population, housing, and economic activities. Socioeconomic changes may occur when a project directly or indirectly affects any of these elements.

As described in greater detail in Chapter 1, “Projection Description,” the Proposed Project is a mixed-use commercial center with the associated parking, open space, and street and infrastructure improvements. In accordance with *CEQR Technical Manual* guidelines, this chapter considers whether the Proposed Project could result in significant adverse socioeconomic impacts due to: (1) direct displacement of residential population from a project site; (2) indirect displacement of residential population in a study area; (3) direct displacement of existing businesses from a project site; (4) indirect displacement of businesses in a study area due to increased rents; (5) indirect business displacement within a Primary Trade Area due to retail market saturation; and (6) adverse effects on specific industries.

**PRINCIPAL CONCLUSIONS***DIRECT RESIDENTIAL DISPLACEMENT*

Based upon the screening-level assessment called for in the *CEQR Technical Manual*, the Proposed Project would not result in significant adverse impacts due to direct residential displacement. According to the *CEQR Technical Manual*, displacement of less than 500 residents would not typically be expected to alter the socioeconomic character of a neighborhood. The Project Site includes a single-family home that is owned by the Applicant and is unoccupied. Thus, the Proposed Project would not cause any direct residential displacement.

*DIRECT BUSINESS DISPLACEMENT*

Based upon the screening-level assessment called for in the *CEQR Technical Manual*, the Proposed Project would not result in significant adverse impacts due to direct business displacement. The Proposed Project would not result in the direct displacement of any businesses or employees.

*INDIRECT RESIDENTIAL DISPLACEMENT*

Based upon the screening-level assessment called for in the *CEQR Technical Manual*, the Proposed Project would not result in significant adverse impacts due to indirect residential

displacement. The Proposed Project would not include any residential development and therefore falls below the *CEQR Technical Manual's* 200-unit threshold warranting assessment.

*INDIRECT BUSINESS DISPLACEMENT DUE TO INCREASED RENTS*

Based upon the preliminary assessment called for in the *CEQR Technical Manual*, the Proposed Project would not result in significant adverse socioeconomic impacts due to indirect business displacement from increased rents. While the Proposed Project would add a substantial amount of retail to the Project Site, the Proposed Project would not be introducing new economic activities that would alter existing economic patterns in the study area. The proposed retail uses and cinema would generate additional consumer traffic to the study area, and existing businesses could be expected to capitalize on this increased customer base.

*INDIRECT BUSINESS DISPLACEMENT DUE TO RETAIL MARKET SATURATION*

Based upon the preliminary assessment called for in the *CEQR Technical Manual*, the Proposed Project would not result in significant adverse socioeconomic impacts due to retail market saturation. The 433,898 gross square feet (gsf) of local and destination retail introduced by the Proposed Project would increase capture rates<sup>1</sup> in the Primary Trade Area in the Shoppers' Goods (including Department Stores), Convenience Goods (including Grocery Stores), and Eating and Drinking Establishments retail categories.<sup>2</sup> However, these capture rates would remain below 100 percent, which is the CEQR threshold requiring a detailed analysis. Therefore, the Proposed Project would not capture retail sales in any of these categories of goods to the extent that the market for such goods would be saturated. Similarly, while the 55,000-gsf cinema introduced by the Proposed Project could compete with existing and planned cinema uses, it would not result in any significant adverse impacts due to indirect displacement.

*ADVERSE EFFECTS ON SPECIFIC INDUSTRIES*

Based upon the preliminary assessment called for in the *CEQR Technical Manual*, the Proposed Project would not result in any significant adverse impacts on specific industries since the Proposed Project would not result in significant indirect business displacement due to increased rents or retail market saturation, and would not substantially affect the economic viability or substantially reduce employment in any specific industry or category of business.

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<sup>1</sup> Capture rates—or retail sales divided by expenditure potential—are measures of business activity in a trade area, comparing the amount of consumer expenditures for retail goods to the amount of retail sales in the trade area. According to the *CEQR Technical Manual*, if the capture rate for specific, relevant categories of goods would exceed 100 percent, it may have the potential to saturate the market for particular retail goods, and a detailed analysis is warranted.

<sup>2</sup> Shoppers' Goods are usually higher value goods—such as clothing, electronics, or furniture—for which consumers compare quality and price at more than one store before making a purchase. Convenience Goods are usually lower value goods that are purchased frequently and immediately, often near the home or workplace, with little or no comparison shopping. Eating and Drinking Establishment category includes restaurants, bars, and other special food services, such as caterers.

## B. METHODOLOGY

### BACKGROUND

Socioeconomic changes are disclosed under CEQR if a project 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, irrespective of whether those changes are environmental impacts. In some cases, these changes may be substantial but not 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 adverse impact on the area's population, housing, and/or economic activities as compared with what would happen in the future without the Proposed Project (the No Action condition). In this case, the No Action condition assumes that no new development would occur on the Project Site.

An assessment of socioeconomic impacts distinguishes between impacts on the residents and businesses in an area and separates these impacts into direct and indirect displacement for both of those segments. Direct displacement occurs when residents or businesses are involuntarily displaced from the actual site of a project or sites directly affected by it. For example, direct displacement would occur if a currently occupied site were redeveloped for new uses or structures or if a proposed easement or right-of-way encroached on a portion of a parcel and rendered it unfit for its current use. In these cases, the occupants of a particular structure to be displaced can usually be identified, and therefore the disclosure of direct displacement focuses on specific businesses and a known number of residents and workers.

Indirect or secondary displacement occurs when residents, business, or employees are involuntarily displaced due to a change in socioeconomic conditions in the area caused by the proposed project. Examples include the displacement of lower-income residents who are forced to move due to rising rents caused by higher-income housing introduced by a proposed project. Examples of indirect business displacement include higher-paying commercial tenants replacing industrial uses when new uses introduced by a project cause commercial rents to increase. Unlike direct displacement, the exact occupants to be indirectly displaced are not known. Therefore, an assessment of indirect displacement usually identifies the size and type of groups of residents, businesses, or employees potentially affected.

Some projects may affect the operation and viability of a specific industry not necessarily tied to a specific location. An example would be new regulations that prohibit or restrict the use of certain processes that are critical to certain industries. In these cases, the CEQR review process may involve an assessment of the economic impacts of the project on that specific industry.

### DETERMINING WHETHER A SOCIOECONOMIC ASSESSMENT IS APPROPRIATE

According to the *CEQR Technical Manual*, a socioeconomic assessment should be conducted if a project may be reasonably expected to create socioeconomic changes in the area affected by the project that would not be expected to occur in the absence of the project. The following screening assessment evaluates the relevant circumstances identified in the *CEQR Technical Manual* (in bold, italics text below) in order to ascertain whether thresholds enumerated in the *CEQR Technical Manual* have been exceeded, thereby warranting further assessment and analysis.

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

The Proposed Project would not result in the direct displacement of any residents, and would eliminate only one unoccupied single-family home located on the Project Site. Therefore, the *CEQR Technical Manual* does not require an assessment of direct residential displacement.

2. ***Direct Business Displacement: Would the project directly displace more than 100 employees, or directly displace a business whose products or services are uniquely dependent on its location, are the subject of policies or plans aimed at its preservation, or serve a population uniquely dependent on its services in its present location? If so, assessments of direct business displacement and indirect business displacement are appropriate.***

The Proposed Project would not result in the displacement of any businesses or employees. Therefore an assessment of direct business displacement is not required.

3. ***Indirect Displacement due to Increased Rents: Would the project result in substantial new development that is markedly different from existing uses, development, and activities within the neighborhood? Residential development of 200 units or less or commercial development of 200,000 square feet or less would typically not result in significant socioeconomic impacts. For projects exceeding these thresholds, assessments of indirect residential displacement and indirect business displacement are appropriate.***

The Proposed Project would not introduce any residential units; therefore, it would not have the potential to result in significant adverse impacts due to indirect residential displacement. However, the Proposed Project would introduce commercial uses in excess of 200,000 gsf; therefore, an assessment of potential indirect business displacement due to increased rents is warranted.

4. ***Indirect Business Displacement due to Retail Market Saturation: Would the project result in a total of 200,000 gsf or more of retail on a single development site or 200,000 gsf or more of region-serving retail across multiple sites? This type of development may have the potential to draw a substantial amount of sales from existing businesses within the study area, resulting in indirect business displacement due to market saturation.***

The Proposed Project would introduce retail uses in excess of 200,000 gsf; therefore, an assessment of potential indirect business displacement due to retail market saturation is warranted.

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

As the Proposed Project would result in development warranting an assessment of indirect business displacement, an assessment of adverse effects on specific industries is warranted.

Based on the screening assessment presented above, the proposed actions warrant analyses of: indirect business displacement due to increased rents; indirect business displacement due to retail market saturation; and adverse effects on specific industries.

### ANALYSIS FORMAT

Based on *CEQR Technical Manual* guidelines, the analyses of indirect business displacement and adverse effects on specific industries begin with a preliminary assessment. The objective of the preliminary assessment is to learn enough about the potential effects of the Proposed Project to either rule out the possibility of significant adverse impacts or determine that a more detailed analysis is required to fully determine the extent of the impacts. A detailed analysis, when required, is framed in the context of existing conditions and evaluations of the No Action and With Action conditions.

A preliminary assessment utilizing *CEQR Technical Manual* guidelines confirmed that the proposed actions would not result in any significant adverse socioeconomic impacts due to indirect business displacement or adverse effects on specific industries.

### STUDY AREA DEFINITION

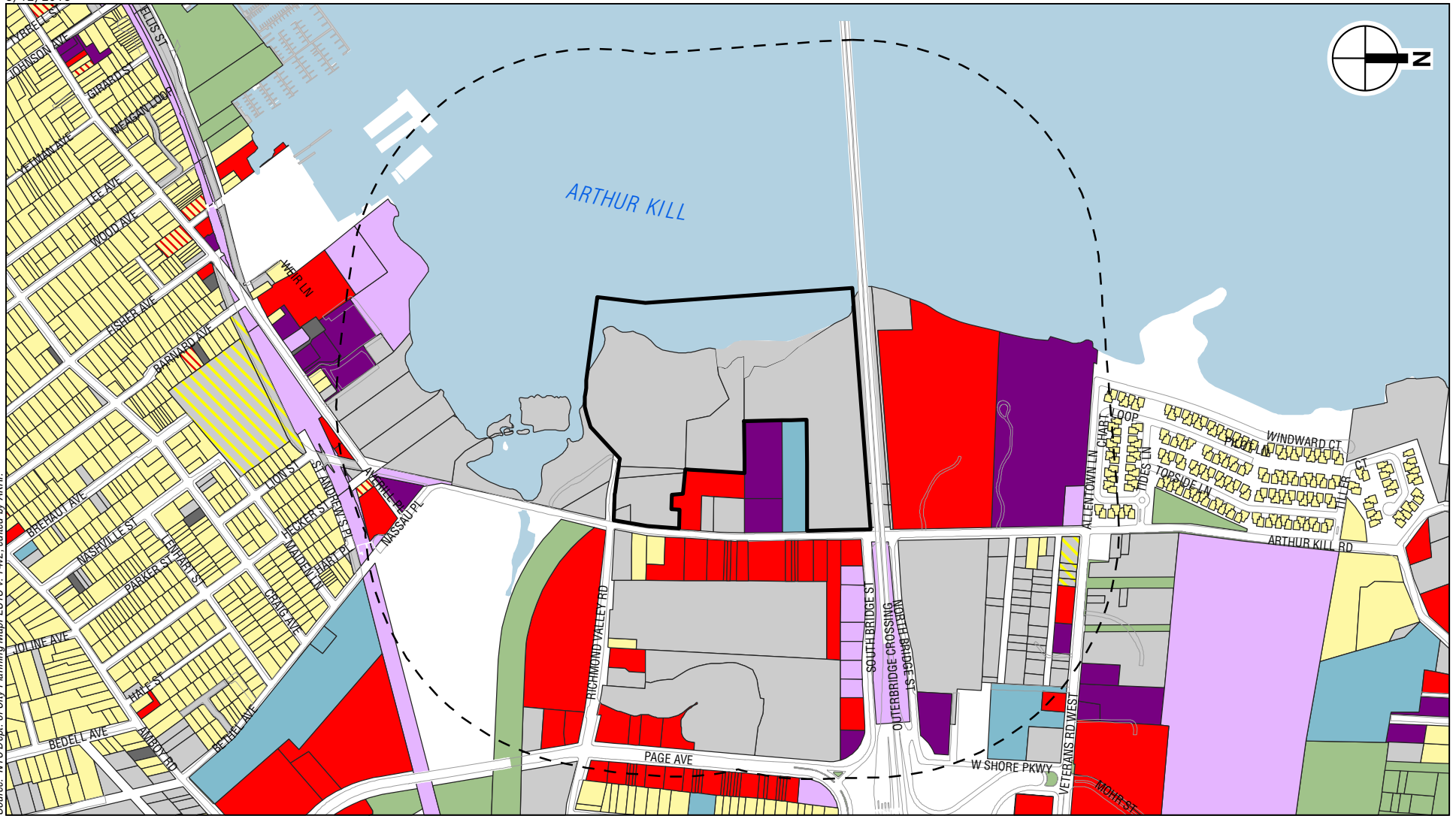
The socioeconomic analysis considers changes that could be generated by the Proposed Project within a study area surrounding the Project Site. As recommended by the *CEQR Technical Manual*, the study area used for the analysis of indirect business displacement due to increased rents mirrors the study area for the land use analysis, and therefore includes the area within an approximately ¼-mile perimeter of the Project Site (see **Figure 3-1**).

The analysis of potential adverse impacts on specific industries considers potentially affected industries Citywide.

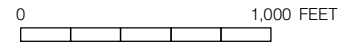
The assessment of indirect business displacement due to retail market saturation uses a “Primary Trade Area” surrounding the Project Site, rather than the ¼-mile study area described above. Primary Trade Areas are the areas within which the greatest numbers of repeat customers would be expected to be drawn. As defined by the Urban Land Institute’s *Shopping Center Development Handbook*, trade areas for shopping centers similar to the Proposed Project in size and potential tenant mix would generally extend 12 miles from the site, and typically can be reached within a 30-minute drive. As discussed in detail in Step 2 of “Indirect Business Displacement Due to Market Saturation,” because New York City has high population density and therefore a high concentration of consumer spending potential, as well as concentration of retail options, trade areas for New York City retail developments are generally on the lower end of, or below, these industrywide standard ranges. For these reasons, the Primary Trade Area for the preliminary assessment of indirect business displacement due to retail market saturation is defined as Staten Island (see **Figure 3-2**).

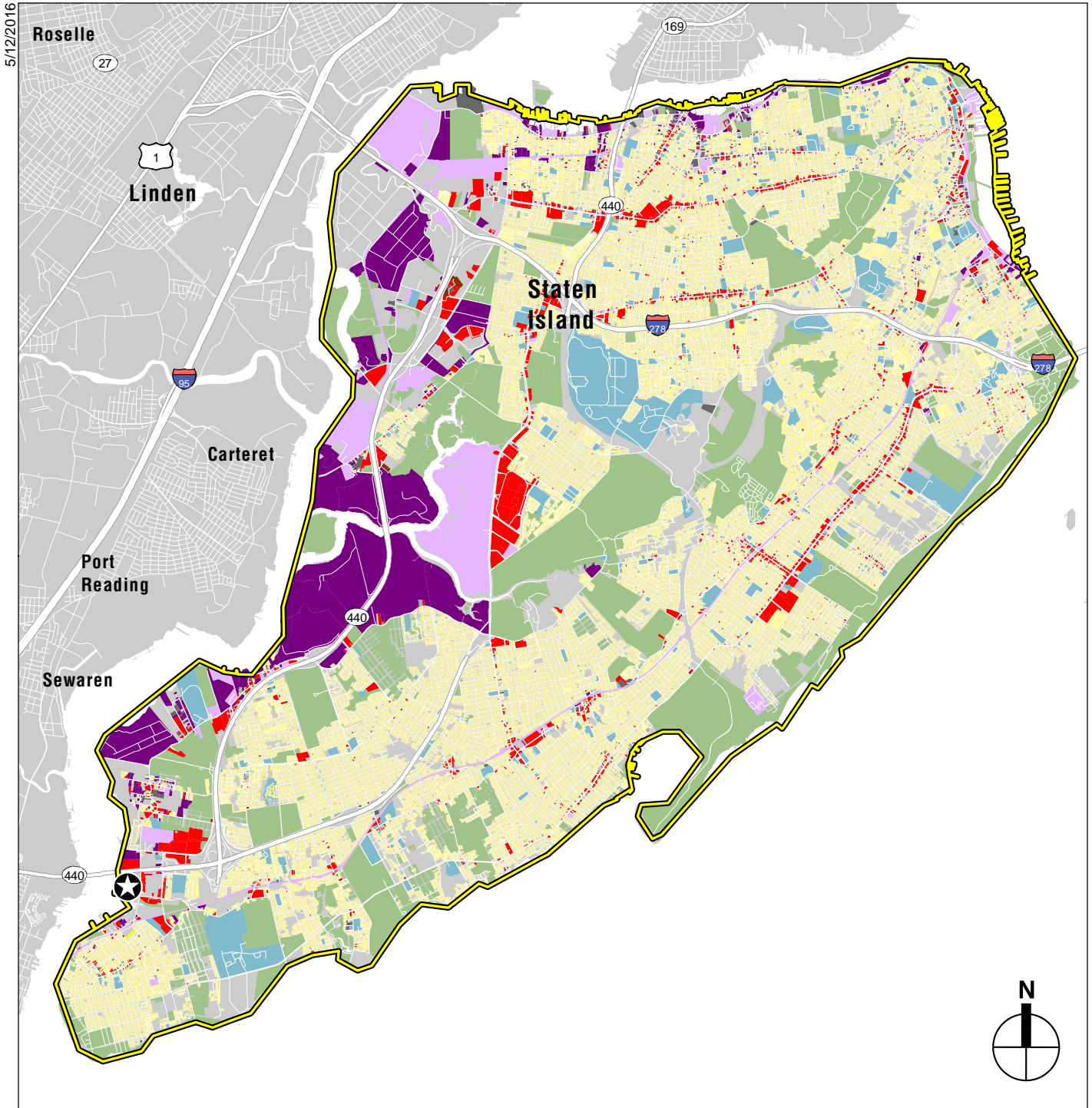
### DATA SOURCES















Employment, retail sales, and consumer retail expenditure potential data were obtained from ESRI, a commercial data provider. Estimates of retail sales for planned projects within the Primary Trade Area and the Proposed Project were based on May 2016 data for New York Metro Area Malls from the International Council of Shopping Centers, the Urban Land Institute’s 2008 *Dollars and Cents of Shopping Centers*, and online sources. Land use and parcel



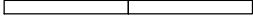
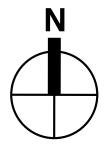
- Proposed Development Site
- Study Area (1/4-Mile boundary)
- Commercial and Office Buildings
- Industrial and Manufacturing
- Residential
- Open Space and Outdoor Recreation
- Parking Facilities
- Public Facilities and Institutions
- Transportation and Utility
- Vacant Land
- Residential with Commercial Below
- Under Construction





-  Project Site
-  Primary Trade Area
-  Commercial and Office Buildings
-  Hotels
-  Industrial and Manufacturing
-  Open Space and Outdoor Recreation
-  Parking Facilities
-  Public Facilities and Institutions
-  Residential
-  Residential with Commercial Below
-  Transportation and Utility
-  Vacant Land
-  Vacant Building
-  Under Construction

0 2 MILES

data were collected from the New York City Department of Finance’s Mass Appraisal System, updated February 26, 2016. Data were supplemented site visits.

## C. PRELIMINARY ASSESSMENT

### INDIRECT BUSINESS DISPLACEMENT DUE TO INCREASED RENTS

The preliminary assessment of indirect business displacement focuses on whether the Proposed Project could increase commercial property values and rents within the ¼-mile study area such that it would become difficult for some categories of businesses to remain in the area. The following three questions (numbered in italics below) consider circumstances that determine whether the Proposed Project has the potential for significant adverse indirect business displacement impacts.

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

As detailed in Chapter 2, “Land Use, Zoning, and Public Policy,” the ¼-mile study area contains a mix of commercial, light manufacturing, residential development, and highway infrastructure. Closest to the Project Site on Arthur Kill Road there are a variety of commercial uses that cater to the local residents, including limited-service and full-service restaurants, a nail salon, pharmacy, hardware store, dance studio, as well as professional offices such as a dentist, accountant, and a doctor’s office. There is also a concentration of commercial uses on Page Avenue. This concentration includes a mix of retail, including a hair salon, a gift store, specialty food store, women’s clothing store, and Eating and Drinking Establishments.

The employment data for the study area, presented in **Table 3-1**, reflects the composition of uses described above and shows that this area has a relatively high concentration of retail uses as compared to Staten Island as a whole. The ¼-mile study area has 1,075 employees, representing 0.9 percent of employment in Staten Island. Approximately 21.1 percent of employment in the ¼-mile study area is in the retail trade sector. This is higher than the percentage of employment in the retail trade sector in Staten Island (12.5 percent), and over two times the percentage in New York City as a whole (9.2 percent).

The Proposed Project would result in the development of 433,898-gsf of local and destination retail uses including Shoppers’ Goods stores, Convenience Goods stores, and restaurant space;<sup>3</sup> 55,000 gsf of cinema space; 1,500 gsf of office space in the second floor of the Cole House; 4,800 gsf of mechanical and operational space; and 94,421 sf of structured parking. While the Proposed Project would represent a substantial increase in retail offerings in the study area (based on New

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<sup>3</sup> Including general retail (300,128 gsf), restaurants (53,770 gsf), and a supermarket (a maximum of 80,000 gsf). See Table 1-3 for reference.



**Table 3-1  
Employment by Industry Sector, 2014**

Type of Job by NAICS Category	¼-Mile Study Area		Richmond County		New York City	
	Employees	Percent	Employees	Percent	Employees	Percent
Agriculture, forestry, fishing and hunting	0	0.0%	57	0.0%	2,173	0.1%
Mining	0	0.0%	29	0.0%	1,107	0.0%
Utilities	0	0.0%	669	0.5%	6,974	0.2%
Construction	102	9.5%	7,753	6.4%	107,313	3.3%
Manufacturing	27	2.5%	3,550	2.9%	148,776	4.6%
Wholesale trade	71	6.6%	3,734	3.1%	151,302	4.7%
Retail trade	227	21.1%	15,282	12.5%	296,080	9.2%
Transportation and warehousing	38	3.5%	4,972	4.1%	101,471	3.2%
Information	12	1.1%	2,842	2.3%	148,807	4.6%
Finance and insurance	40	3.7%	4,403	3.6%	198,707	6.2%
Real estate and rental and leasing	41	3.8%	3,771	3.1%	123,439	3.8%
Professional, scientific, and technical services	121	11.3%	8,970	7.4%	368,167	11.5%
Management of companies and enterprises	3	0.3%	251	0.2%	20,385	0.6%
Administrative and support and waste management and remediation services	133	12.4%	11,208	9.2%	218,991	6.8%
Educational services	22	2.0%	11,715	9.6%	304,898	9.5%
Health care and social assistance	42	3.9%	18,842	15.5%	395,631	12.3%
Arts, entertainment, and recreation	19	1.8%	1,935	1.6%	59,312	1.8%
Accommodation and food services	59	5.5%	6,067	5.0%	158,544	4.9%
Other services (except public administration)	80	7.4%	7,389	6.1%	180,926	5.6%
Public administration	40	3.7%	8,478	7.0%	218,047	6.8%
Unclassified Establishments	0	0.0%	29	0.0%	1,406	0.0%
<b>Total</b>	<b>1,075</b>	<b>100.0%</b>	<b>121,946</b>	<b>100.0%</b>	<b>3,212,456</b>	<b>100.0%</b>
<b>Note:</b> Employees may not sum to total due to rounding.						
<b>Source:</b> ESRI Business Analyst Online, Inc., Business Summary Report, 2014 data.						

York City Department of Finance’s Mass Appraisal System data the study area currently has an estimated 193,245 square feet of retail uses<sup>4</sup>), it would not introduce a new trend given the presence of existing retail uses. The Proposed Project would attract additional consumers to the area that could lead to increases in business rents at certain locations surrounding the Project Site as property owners may seek to capitalize on this increased visitation. Existing retail and service uses could capture additional sales from increased consumer activity, which may offset potential rent increases. The potential for indirect business displacement due to increase rents in the study area is limited, and potentially vulnerable businesses do not provide goods or services that are essential to the local economy and that would no longer be available within a trade area, nor are they the subject of regulations or publicly adopted plans to preserve, enhance, or otherwise protect them.

**2. *Would the proposed project directly displace uses of any type that directly support businesses in the area or bring people to the area that form a customer base for local businesses?***

<sup>4</sup> There is an estimated 193,245 square feet of retail uses located on tax lots that have a majority of their area within a ¼ mile of the Project Site, and there is an estimated 290,283 square feet of retail uses including tax lots that intersect the ¼-mile study area boundary.

As described above, the Proposed Project would not result in the direct displacement of any businesses. The Proposed Project would be expected to draw new customers to existing businesses within the ¼-mile study area. The Proposed Project also would increase the customer base for existing businesses by adding new workers to the Project Site.

**3. *Would the proposed project directly or indirectly displace residents, workers, or visitors who form the customer base of existing businesses in the study area?***

As described above, the Proposed Project would not directly displace any businesses, nor would the project result in direct residential displacement that could affect the customer base of existing businesses. The Proposed Project would instead be expected to attract new customers and add new workers to the Project Site, increasing the customer base of existing businesses in the study area.

**CONCLUSION**

While the Proposed Project would add a substantial amount of retail to the Project Site, retail uses are common in the ¼-mile study area. Therefore, the Proposed Project would not introduce new economic activities to the Project Site or to the study area that would substantially alter existing economic patterns. The retail uses added by the Proposed Project would generate additional consumer traffic that could benefit nearby retail and services establishments (potential competitive effects are addressed in the section below). Similarly, the proposed cinema would add a new, complementary entertainment use that would be expected to increase the customer base surrounding the Project Site. Therefore, based on *CEQR Technical Manual* guidelines, the Proposed Project would not result in indirect business displacement due to increased rents.

**INDIRECT BUSINESS DISPLACEMENT DUE TO MARKET SATURATION**

As noted in the *CEQR Technical Manual*, competition resulting from the introduction of new retail uses does not necessarily result in environmental impacts, especially in New York City, where increases in retail supply can usually be supported by high population density, population growth, visitor-generated sales, and overall purchasing power. However, competition has the potential to generate a significant adverse impact if it could result in prolonged vacancy and disinvestment in neighborhood shopping areas, thereby affecting the character of the neighborhood.

The Proposed Project would include approximately 433,898 gsf of local and destination retail uses (Use Group 6 or 10, depending on the retail use and size of establishment), exceeding the 200,000-gsf CEQR threshold for a preliminary assessment of indirect business displacement due to market saturation. For projects exceeding the 200,000-gsf threshold, the *CEQR Technical Manual* prescribes a step-by-step preliminary assessment that is a “capture rate analysis” and is presented below. Capture rates are measures of business activity in a trade area, comparing the amount of consumer expenditures for retail goods to the amount of retail sales in the trade area. According to the *CEQR Technical Manual*, if a capture rate—or retail sales divided by expenditure potential—exceeds 100 percent, then there is the potential for market saturation and a detailed analysis is required to determine whether the Proposed Project may capture retail sales from existing businesses to the extent that vacancies and disinvestment on neighborhood commercial streets would occur, thereby affecting land use patterns and the economic viability of the neighborhood.

*STEP ONE:*

***Determine whether the categories of goods to be sold at the Proposed Project are similar to the categories of goods sold in stores found on neighborhood retail streets within the study area.***

Based on the RWCDs, the Proposed Project would introduce: 433,898 gsf of local and destination retail uses and a 55,000-gsf cinema use (1,088 seats). For purposes of this assessment, the 433,898 gsf of retail uses is assumed to include: 24,000 gsf of Department Store retail; 256,938 gsf of other (Non-department Store) Shoppers' Goods stores; 19,190 gsf of non-grocery Convenience Goods stores; 53,770 gsf of restaurant space; and an 80,000-gsf grocery store.<sup>5</sup> Specific tenants for the Proposed Project have not yet been determined.

Staten Island is home to several large concentrations of retail that would have categories of retail goods similar to Proposed Project's retail offerings. Closest to the Project Site are the Bricktown Center at Charleston, which is anchored by Target, Home Depot, Bed Bath & Beyond, T.J. Maxx, Michaels, and Christmas Tree Shops (and adjacent to Bricktown Center is a recently opened ShopRite grocery store); and South Shore Commons, which is anchored by a Modell's Sporting Goods store. Other examples of large retail concentrations include: the Staten Island Mall, which is an enclosed mall anchored by JCPenney, Macy's, and Sears; the Staten Island Pergament Mall, which is anchored by Stop & Shop, Bed Bath & Beyond, Raymour & Flanigan, Best Buy, and Michaels; the Richmond Shopping Center, which is anchored by Old Navy and Target; Hylan Plaza, which is anchored by Kmart, Toys"R"Us/Babies"R"Us, and United Artists Theater; Forest Avenue Commons, which is anchored by Lowe's and Kohl's; Forest Avenue Shoppers Town, which is anchored by T.J.Maxx, Michaels, and Party City; and Forest Promenade, which is anchored by ShopRite.

*STEP TWO:*

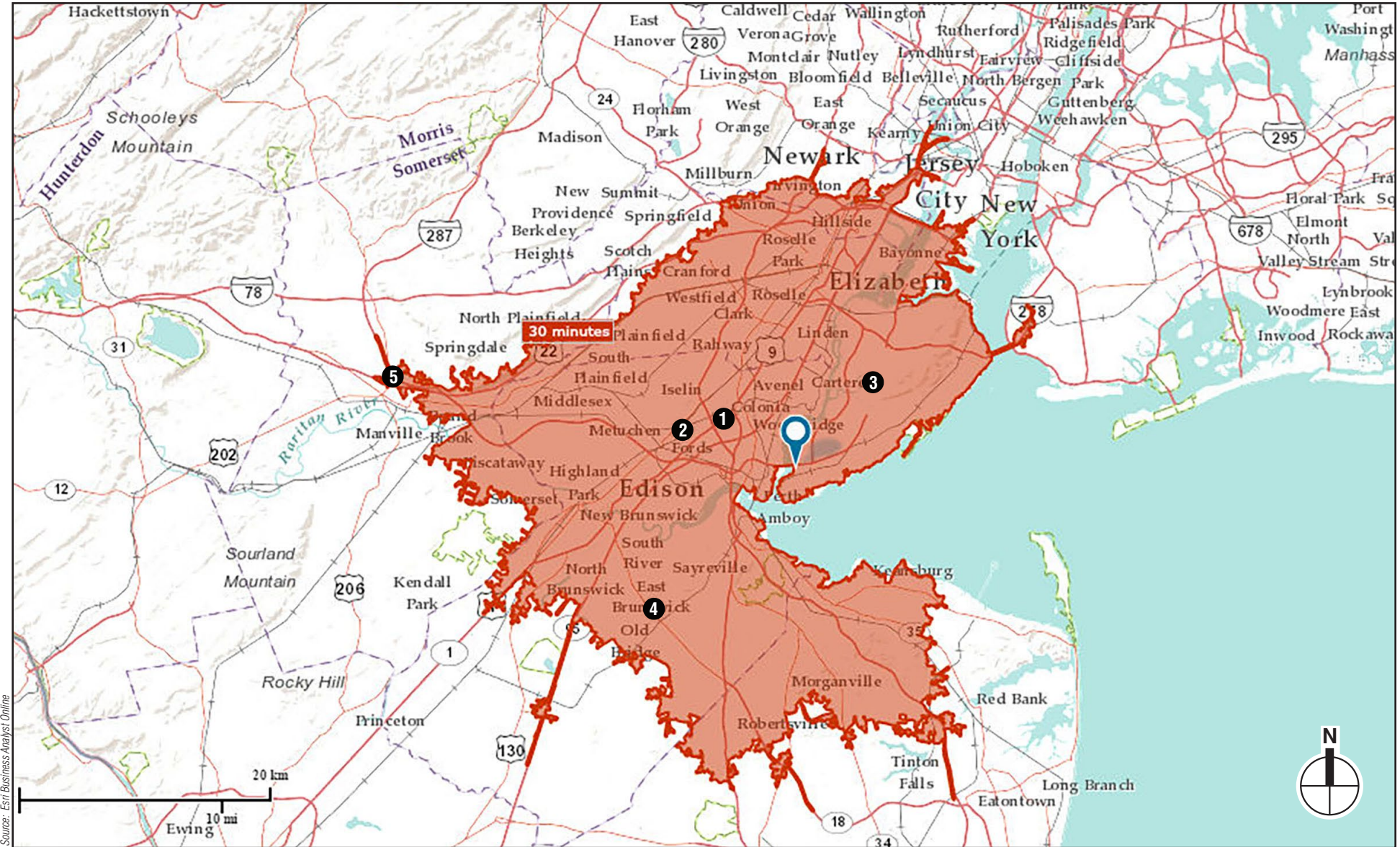
***Determine a Primary Trade Area for the proposed "anchor" stores—the largest stores in the Proposed Project that are expected to yield the largest proportion of retail sales.***

As described in the *CEQR Technical Manual*, an analysis of the potential effects of competition should encompass a Primary Trade Area from which the bulk of new stores' sales are likely to be derived. Delineating the appropriate Primary Trade Area depends on the size and the type of stores in the Proposed Project, as well as the transportation access, including roads and mass transit, physical barriers, and the location of large competitive retail facilities that might preclude the need to shop at the Proposed Project.

As defined by the Urban Land Institute's *Shopping Center Development Handbook*, trade areas for shopping centers similar to the Proposed Project in size and potential tenant mix would generally extend 12 miles from the site, and would typically be a 30-minute drive. Because New York City has high population density and therefore high concentration of consumer spending potential, trade areas for New York City retail developments are generally on the lower end of, or below, these industrywide standard ranges. In addition to population density, the New York City region has a concentration of retail options that limit the need to drive 30 minutes to reach major retail offerings. In particular, as shown in **Figure 3-3**, there are several regional or super-

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<sup>5</sup> Providers of business sales and household expenditure data do not typically consider entertainment uses to be retail and do not report data for those uses as part of their retail reports. Therefore, the potential competitive effects of the proposed cinema use are addressed separately, below.



Source: Esri Business Analyst Online



Waterfront Commons Site

- 1 Woodbridge Center Mall
- 4 Brunswick Square Mall
- 2 Menlo Park Mall
- 5 Bridgewater Commons
- 3 Staten Island Mall

Shopping Centers within a 30-Minute Drive of the Project Site  
**Figure 3-3**

regional shopping centers located within a 30-minute drive of the Project Site, including Staten Island Mall, north-east of the Project Site on Staten Island; Woodbridge Center Mall, in Woodbridge, New Jersey; Menlo Park Mall, in Edison, New Jersey; Brunswick Square Mall, in East Brunswick, New Jersey; and Bridgewater Commons, in Bridgewater, New Jersey.

A Primary Trade Area defined by a 30-minute drive time would therefore not be appropriate since many of those traveling from the more distant reaches of the trade area would be closer to existing regional shopping centers than the Proposed Project, and some would be traveling past existing regional shopping centers of equal or greater size to reach the Project Site. For example, residents in Sayreville or South River would be more likely to regularly visit Woodbridge Center Mall or Menlo Park Mall than the Proposed Project. Residents in East Brunswick would be more likely to visit Brunswick Square Mall than the Proposed Project. In addition, there are many smaller shopping centers within a 30 minute drive of the Project Site, such as regional shopping plazas and power centers, which contain similar retail in a slightly smaller format.

In addition, the location of the Project Site on southern Staten Island limits its attraction for residents of other New York City boroughs and New Jersey. While the network of roadways and bridges makes the Project Site easily accessible to areas outside of Richmond County (New Jersey via Outerbridge Crossing, Goethals Bridge, and Bayonne Bridge and Brooklyn via the Verrazano Bridge), tolls and trip length tend to limit Richmond County's attractiveness as a shopping destination for those outside the county.

For these reasons, the Primary Trade Area for the preliminary assessment of indirect business displacement due to retail market saturation is defined as Staten Island (see Figure 3-2). The Staten Island Primary Trade Area is the area from which the greatest numbers of repeat customers would be expected to be drawn.

**STEP THREE:**

***Estimate sales volumes 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 described above, specific tenants for the Proposed Project have not yet been determined. Based on the RWCDS, the Proposed Project would include Shoppers' Goods, including Department Store and Non-department Store retail; Convenience Goods stores, including a Grocery Store; and Eating and Drinking Establishments.<sup>6</sup> Shoppers' Goods are usually higher value goods—such as clothing, electronics, or sporting goods—for which consumers compare quality and price at more than one store before making a purchase. Convenience Goods are usually lower value goods that are purchased frequently and immediately, often near the home or workplace, with little or no comparison shopping. The Eating and Drinking Establishment category includes restaurants.

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<sup>6</sup> The cinema space is not included as retail for the purpose of the quantified capture rate analysis.

According to ESRI, a national provider of geographic planning and business data, retail sales at stores in the Staten Island Primary Trade Area totaled approximately \$2.99 billion in 2016 for the retail categories analyzed (see **Table 3-2**). Approximately 44 percent of these sales (\$1.33 billion) were at Shoppers’ Goods stores. Of this amount, sales totaled approximately \$403.58 million at Department Stores. Convenience Goods accounted for approximately 40 percent of sales (\$1.20 billion), including \$616.50 million in sales at Grocery Stores. Eating and Drinking Establishments accounted for approximately 16 percent of total sales (\$467.33 million).

**Table 3-2**  
**Estimated Retail Sales in the Primary Trade Area, 2016**

Retail Category	Total Sales (Millions of 2016 Dollars)
Shoppers’ Goods <sup>1</sup>	\$1,326.54
<i>Department Stores</i>	<i>\$403.58</i>
Convenience Goods <sup>2</sup>	\$1197.01
<i>Grocery Stores</i>	<i>\$616.50</i>
Eating and Drinking Establishments	\$467.33
<b>Total<sup>3</sup></b>	<b>\$2,990.88</b>
<b>Notes:</b>	
1. Shoppers’ Goods include: furniture and home furnishings stores; electronics and appliance stores; clothing and clothing accessories stores; sporting goods, hobby, book, and music stores; general merchandise stores; office supply, stationary, and gift stores; and used merchandise stores.	
2. Convenience Goods include: food and beverage stores (including grocery stores), health and personal care stores, florists, and other miscellaneous stores.	
3. Total does not reflect total for all retail—only those retail categories included in Shoppers’ Goods, Convenience Goods, and Eating and Drinking Establishments. Retail establishments not included in this total are: Auto-Related Businesses, Building Materials and Garden Supply, and Non-Store Retailers. Entertainment uses are also not included.	
<b>Sources:</b> ESRI Business Analyst Online; AKRF, Inc.	

**STEP FOUR:**

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

Retail demand for any retail concentration can originate from a variety of sources, including local households and workers, businesses, tourists, and online sales. Data sources that report on both retail demand and sales tend to focus on demand from households in a defined geography and do not always address demand from workers, businesses, or tourists, which can be more difficult to pinpoint and relate directly to retail sales. (The U.S. Census Bureau compiles data on household expenditures by retail category but does not have a corresponding data set for spending by workers or tourists for defined geographies, and many data providers rely heavily on information from the U.S. Census Bureau.) It should be noted that the data sets available for this analysis provide retail demand estimates for the Staten Island Primary Trade Area’s residential population (i.e., Staten Island residents), but do not include retail demand from workers, tourists, or other visitors who live outside of the Staten Island Primary Trade Area. Therefore, the data provided in this analysis may not capture the true magnitude of expenditure potential within the Staten Island Primary Trade Area. In this respect the analysis is conservative in that it underestimates the amount of demand for retail in the Primary Trade Area.

In 2016, households in the Primary Trade Area spent an estimated \$5.41 billion on goods for the retail categories analyzed (see **Table 3-3**). Approximately 46 percent was spent on Shoppers’ Goods and 39 percent was spent on Convenience Goods. On a per household basis, Staten Island Primary Trade Area residents spent an estimated \$14,662 annually on Shoppers’ Goods, of which an estimated \$3,785 was spent at Department Stores. Primary Trade Area households spent an estimated \$12,680 annually at Convenience Goods stores (including \$6,807 at Grocery Stores) and \$4,839 annually at Eating and Drinking Establishments.

**Table 3-3**  
**Estimated Retail Demand in the Primary Trade Area**

Retail Category	Total Demand (Millions of 2016 Dollars)	Demand per Household (2016 Dollars)
Shoppers’ Goods <sup>1</sup>	\$2,466.97	\$14,661.6
<i>Department Stores</i>	\$636.83	\$3,784.9
Convenience Goods <sup>2</sup>	\$2,133.52	\$12,680.1
<i>Grocery Stores</i>	\$1,145.32	\$6,807.0
Eating and Drinking Establishments	\$814.31	\$4,839.7
<b>Total<sup>3</sup></b>	<b>\$5,414.80</b>	<b>\$32,181.7</b>

**Notes:**

1. Shoppers’ Goods include: furniture and home furnishings stores; electronics and appliance stores; clothing and clothing accessories stores; sporting goods, hobby, book, and music stores; general merchandise stores; office supply, stationary, and gift stores; and used merchandise stores.
2. Convenience Goods include: food and beverage stores (including grocery stores), health and personal care stores, florists, and other miscellaneous stores.
3. Total does not reflect total for all retail—only those retail categories included in Shoppers’ Goods, Convenience Goods (including Grocery Stores), and Eating and Drinking Establishments. Retail establishments not included in this total are: Auto-Related Businesses, Building Materials and Garden Supply, and Non-Store Retailers. Entertainment uses are also not included.

**Sources:** ESRI Business Analyst Online; AKRF, Inc.

**STEP FIVE:**

***Compare retail sales (Step Three) with retail demand (Step Four) to develop a “capture rate,” which can help 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.***

Capture rates measure business activity in a given trade area by indicating the percentage of consumer expenditures for retail goods that are being captured by retailers in that area. If the total sales in the trade area are much lower than the area’s expenditure potential, then it is likely that residents are spending a large portion of their available dollars outside of the trade area, and the capture rate is low. If sales are closer in value to expenditure potential, then area residents are likely spending a higher proportion of their available resources within the trade area, and the capture rate is high. As shown in **Table 3-4**, the total capture rate for all retail categories analyzed is 55.2 percent, with a capture rate of 53.8 percent for Shoppers’ Goods, 63.4 percent for Department Stores, 56.1 percent for Convenience Goods, 53.8 percent for Grocery Stores, and 57.4 percent for Eating and Drinking Establishments.

**Table 3-4**

**Household Retail Expenditures and Total Retail Sales, Primary Trade Area<sup>1</sup>**

<b>Retail Category</b>	<b>Retail Sales in Primary Trade Area (\$ millions)</b>	<b>Retail Demand from Primary Trade Area Households (\$ millions)</b>	<b>Amount Not Being Captured in Primary Trade Area (\$ millions)</b>	<b>Primary Trade Area Capture Rate</b>
Shoppers' Goods	\$1,326.54	\$2,466.97	\$1,140.44	53.8%
<i>Department Stores</i>	\$403.58	\$636.83	\$233.26	63.4%
Convenience Goods	\$1,197.01	\$2,133.52	\$936.50	56.1%
<i>Grocery Stores</i>	\$616.50	\$1,145.32	\$528.82	53.8%
Eating and Drinking Establishments	\$467.33	\$814.31	\$346.98	57.4%
<b>Total<sup>2</sup></b>	<b>\$2,990.88</b>	<b>\$5,414.80</b>	<b>\$2,423.92</b>	<b>55.2%</b>

**Notes:**

- All values are in millions of 2016 dollars.
- Total does not reflect total for all retail—only those retail categories included in Shoppers' Goods, Convenience Goods, and Eating and Drinking Establishments. Retail establishments not included in this total are: Auto-Related Businesses, Building Materials and Garden Supply, and Non-Store Retailers. Entertainment uses are also not included.

**Sources:** ESRI Business Analyst Online; AKRF, Inc.

**STEP SIX:**

*Assess factors that will affect conditions in the Primary Trade Area in the build year even absent the proposed project. Such factors typically include population changes, which could increase expenditure potential and generate additional demand for retail goods, and new retail projects, which would expand the retail inventory.*

Capture rate analyses use information on known residential and retail projects to quantify new retail sales and household demand in a trade area. These changes are layered onto the existing conditions to determine changes in capture rates between the existing conditions and the future without the Proposed Project. Sales and household demand from the Proposed Project are then added to estimate capture rates in the future with the Proposed Project.

There are several large retail and residential development projects expected to be built in the Primary Trade Area by the 2019 build year. The St. George Waterfront Redevelopment will add approximately 350,955 gsf of retail to two sites just north of the Staten Island Ferry St. George Terminal, including an approximately 340,000-sf retail outlet center. While it is expected that the outlet center would draw a portion of its sales from residents living outside of the Primary Trade Area, the capture rate analysis conservatively attributes all projected sales to residents within the Primary Trade Area. The Bricktown Center at Charleston recently added approximately 195,000 gsf of medium- and large-format retail, a ShopRite recently opened immediately adjacent to Bricktown Center<sup>7</sup>, and the Hylan Plaza Shopping Center will be redeveloped, resulting in a net addition of approximately 56,000 gsf of destination retail, 17,000

<sup>7</sup> Although the approximately 195,000 gsf of retail at Bricktown Center and the estimated 63,000-gsf ShopRite are already operating, it is unknown whether the sales of these retail uses are captured in ESRI Business Analyst Online retail sales estimates. For purposes of a conservative analysis, estimates sales from these retail uses are included in the future without the Proposed Project, i.e., the No Action condition.



gsf of Grocery store, and 24,000 gsf of cinema use. A retail center anchored by a BJ’s Wholesale is also planned by 2019. In addition, there are plans to enlarge the Staten Island Mall by approximately 298,700 gsf. These and other planned developments will also add an estimated 1,809 residential units to the Primary Trade Area by 2019.

As shown in **Table 3-5**, these planned developments will increase the total capture rate for all of the retail categories analyzed, as well as for each retail category. The total capture rate for retail categories analyzed would increase by 11.1 percentage points, with the highest increases in the categories of Grocery Stores (15.2 percentage points) and Eating and Drinking Establishments (13.3 percentage points). The lowest increase will be in the Department Stores category (0.9 percentage points).

**Table 3-5**  
**Household Retail Expenditures and Total Retail Sales, Primary Trade Area,**  
**No Action Condition<sup>1</sup>**

<b>Retail Category</b>	<b>Retail Sales in Primary Trade Area</b>	<b>Retail Demand from Primary Trade Area Households</b>	<b>Amount Not Being Captured in Primary Trade Area</b>	<b>Primary Trade Area Capture Rate</b>
Shoppers' Goods	\$1,639.95	\$2,493.50	\$853.54	65.8%
<i>Department Stores</i>	\$413.45	\$643.68	\$230.23	64.2%
Convenience Goods	\$1,411.54	\$2,156.45	\$744.92	65.5%
<i>Grocery Stores</i>	\$798.58	\$1,157.64	\$359.06	69.0%
Eating and Drinking Establishments	\$581.78	\$823.07	\$241.29	70.7%
<b>Total<sup>2</sup></b>	<b>\$3,633.27</b>	<b>\$5,473.02</b>	<b>\$1,839.75</b>	<b>66.4%</b>
<b>Notes:</b>				
1. All values are in millions of 2016 dollars.				
2. Total does not reflect total for all retail—only those retail categories included in Shoppers' Goods, Convenience Goods, and Eating and Drinking Establishments. Retail establishments not included in this total are: Auto-Related Businesses, Building Materials and Garden Supply, and Non-Store Retailers. Entertainment uses are also not included.				
<b>Sources:</b> ESRI, Inc.; ICSC; AKRF, Inc.				

*STEP SEVEN:*

***Project the sales volume for the proposed project’s retail uses.***

As described above under Step One, the Proposed Project would introduce approximately 433,898 gsf of local and destination retail and 55,000 gsf of cinema use. For purposes of this assessment, the 433,898 gsf of retail it is assumed to include 24,000 gsf of Department Store retail; 256,938 gsf of other (Non-department Store) Shoppers’ Goods stores; 19,190 gsf of non-grocery Convenience Goods stores; 53,770 gsf of restaurant space; and an 80,000-gsf supermarket. Specific tenants for the Proposed Project have not yet been determined. **Table 3-6** shows the breakdown of retail and the projected sales assumed under this analysis. As shown in Table 3-6, retail sales resulting from the Proposed Project are projected to be approximately \$267.62 million annually.

**Table 3-6**

**Estimated Sales at Stores Introduced with the Proposed Project**

Retail Category	Square Feet	Estimated Sales (Millions of 2016 Dollars)
<b>Shoppers' Goods</b>	<b>280,938</b>	<b>\$163.13</b>
Department Store	24,000	\$157.39
Non-department Store Retail	256,938	\$5.74
<b>Convenience Goods</b>	<b>99,190</b>	<b>\$69.04</b>
Grocery Store	80,000	\$7.89
Other Convenience Goods	19,190	\$61.15
<b>Eating and Drinking Establishments</b>	<b>53,770</b>	<b>\$35.45</b>
<b>Total<sup>1</sup></b>	<b>433,898</b>	<b>\$267.62</b>
<b>Note:</b>	1. In addition to the uses listed above, the Proposed Project is anticipated to include a 55,000-gsf cinema. Sales from the cinema were not included in this analysis.	
<b>Sources:</b>	Total retail square footage provided by the Applicant. Sales were estimated based on data from ICSC Sales Productivity for Non-Anchor Tenants in New York Metro Area Malls for May 2016.	

The Proposed Project would not introduce any residential uses, and therefore the residential expenditure potential in the Primary Trade Area would not change as a result of the Proposed Project.

*STEP EIGHT:*

*Develop a capture rate for the Primary Trade Area in the future with the proposed project. According to the CEQR Technical Manual, if the capture rate for relevant categories of goods would exceed 100 percent, it may have the potential to saturate the market for particular retail goods and a detailed assessment is warranted.*

As described above under Step Seven, the Proposed Project would increase retail sales in the Primary Trade Area by an estimated \$267.62 million annually, and would not change household retail expenditure potential. **Table 3-7** compares Primary Trade Area retail sales, demand, and capture rates for existing conditions with those for the future with the Proposed Project.

As shown in **Table 3-7**, the total retail capture rate would increase 4.9 percentage points, from 66.4 percent to 71.3 percent in the future with the Proposed Project. The capture rate for Shoppers' Goods would increase by 6.5 percentage points to 72.3 percent, and the capture rate for Department Stores would increase by 0.9 percentage points to 65.1 percent. The capture rate for Eating and Drinking Establishments would increase by 4.3 percentage points to 75.0 percent, and the capture rate for Convenience Goods stores would increase 3.2 percentage points to 68.7 percent. The capture rate for Grocery Stores would increase by 5.3 percentage points to 74.3 percent.

In the future with the Proposed Project, capture rates for each of the broad retail categories analyzed would remain well below 100 percent. As described above, capture rates are not an exact measure of retail sales and expenditure potential in any area, and this analysis has focused by necessity on the household expenditure potential component of retail demand, not quantifying additional demand from other sources such as workers, tourists and other visitors, or internet sales. Despite these uncertainties, it is not expected that the Proposed Project would capture retail sales in any of these categories of goods to the extent that the market for such goods would be saturated.

**Table 3-7**

**Comparison of Estimated Retail Capture Rates in the Primary Trade Area:  
Existing, No Action, and With Action Conditions**

	Retail Sales in Primary Trade Area <sup>1</sup>	Retail Demand from Primary Trade Area Households <sup>1</sup>	Primary Trade Area Capture Rate
<b>Existing Conditions</b>			
Shoppers' Goods	\$1,326.54	\$2,466.97	53.8%
<i>Department Stores</i>	\$403.58	\$636.83	63.4%
Convenience Goods	\$1,197.01	\$2,133.52	56.1%
<i>Grocery Stores</i>	\$616.50	\$1,145.32	53.8%
Eating and Drinking	\$467.33	\$814.31	57.4%
<b>Total<sup>2</sup></b>	<b>\$2,990.88</b>	<b>\$5,414.80</b>	<b>55.2%</b>
<b>Future Without the Proposed Project</b>			
Shoppers' Goods	\$1,639.95	\$2,493.50	65.8%
<i>Department Stores</i>	\$413.45	\$643.68	64.2%
Convenience Goods	\$1,411.54	\$2,156.45	65.5%
<i>Grocery Stores</i>	\$798.58	\$1,157.64	69.0%
Eating and Drinking	\$581.78	\$823.07	70.7%
<b>Total<sup>2</sup></b>	<b>\$3,633.27</b>	<b>\$5,473.02</b>	<b>66.4%</b>
<b>2019 With the Proposed Project</b>			
Shoppers' Goods	\$1,803.08	\$2,493.50	72.3%
<i>Department Stores</i>	\$419.19	\$643.68	65.1%
Convenience Goods	\$1,480.58	\$2,156.45	68.7%
<i>Grocery Stores</i>	\$859.72	\$1,157.64	74.3%
Eating and Drinking	\$617.24	\$823.07	75.0%
<b>Total<sup>2</sup></b>	<b>\$3,900.90</b>	<b>\$5,473.02</b>	<b>71.3%</b>
<b>Notes:</b>			
1. All dollar values are in millions of 2016 dollars.			
2. Total does not reflect total for all retail—only those retail categories included in Shoppers' Goods, Convenience Goods, and Eating and Drinking Establishments. Retail establishments not included in this total are: Auto-Related Businesses, Building Materials and Garden Supply, and Non-Store Retailers. Entertainment uses are also not included.			
<b>Sources:</b> ESRI, Inc.; AKRF, Inc. Sales were estimated based on data from ICSC Sales Productivity for Non-Anchor Tenants in New York Metro Area Malls for May 2016.			

*CINEMA SPACE*

In addition to the retail uses addressed above, the Proposed Project would introduce an approximately 55,000-gsf, 1,088-seat cinema. The cinema added by the Proposed Project would increase competitive pressure on some existing and planned cinemas within the Primary Trade Area (Staten Island). This section considers whether the cinema added by the Proposed Project could saturate the market for cinemas within the Primary Trade Area, and if so, whether the indirect displacement of existing or planned cinemas could have adverse neighborhood character impacts.

There are three existing cinemas within the Primary Trade Area: Atrium Stadium Cinemas, which has 12 screens and is located an approximately 5.5-mile drive from the Project Site; United Artists Staten Island Stadium 16 RPX, which has 16 screens and is located an approximately 10-mile drive from the Project Site; and United Artists Hylan Plaza 5, which has 5 screens and is an approximately 9-mile drive from the Project Site. Of these three existing

cinemas, only the United Artists Hylan Plaza 5 serves as an anchor for a neighborhood retail concentration (Hylan Plaza Shopping Center). Retail uses adjacent to the Atrium Stadium Cinemas and United Artists Staten Island Stadium 16 RPX are limited and their viability is not dependent on cinema traffic.

In addition to the movie theaters that are currently in the Primary Trade Area, by 2019 a 54,488-gsf cinema with an estimated 12 screens will be introduced at the Staten Island Mall, a seven-mile drive from the Project Site. Also by 2019, the United Artists Hylan Plaza 5 cinema will be demolished and replaced with a new approximately 44,000-gsf cinema at the same shopping center, a nine-mile drive from the Project Site.

ESRI, the data provider utilized for the retail capture rate analysis, does not provide sales and household expenditure data for entertainment uses such as cinemas. However, based on a review of business and search engine sites such as manta.com and google.com, the spatial distribution of cinemas within the Primary Trade Area suggests that there is a potential market for a cinema in the Primary Trade Area such that the planned cinema would not have significant competitive effects on existing cinemas. The Proposed Project's cinema would add a limited supply of theater space; although the Applicant estimates 10 to 12 screens, the individual theaters would be small by current industry standards (the proposed 1,088-seat cinema equates to approximately four screens using a standard capacity of 250 to 300 seats per screen). The proposed cinema would be the only one in southwest Staten Island, which is a portion of the trade area that has experienced nearly 30 percent growth in residential population since 2000. The closest potentially-competitive cinema use would be the Atrium Stadium Cinemas, located over five miles from the Project Site. Even if the Proposed Project competed with the Atrium Stadium Cinema and contributed to its indirect displacement, the Atrium Cinema is not an anchor for a neighborhood retail concentration, and therefore would not be expected to lead to significant adverse impacts from broader neighborhood disinvestment.

AKRF analysis of cinemas in neighboring trade areas (including Queens, Kings, and Nassau Counties in New York and Essex County in New Jersey) found that the ratios of screen times to population varies considerably, with the Primary Trade Area having a similar ratio to that of neighboring Essex County in New Jersey (approximately 0.25 screenings per day per 1,000 residents) but higher ratios than other areas. Brooklyn and Queens, which had far more cinemas and screen times overall, had a greater diversity of offerings in terms of movie times and movie types (i.e., blockbuster films, arthouse, second runs, dinner theater). With the growth in cinema uses on Staten Island in the future with the Proposed Project, potential competitive effects could be offset by individual cinemas adjusting screen times, the types of movie offerings, and/or the overall visitor experience to create a niche within the local market.

### *CONCLUSION*

As described above, the 433,898-gsf of local and destination retail introduced by the Proposed Project would increase capture rates in the Primary Trade Area in the Shoppers' Goods (including Department Stores), Convenience Goods Stores (including Grocery Stores), and Eating and Drinking Establishments retail categories. However, these capture rates would remain well below 100 percent. Therefore, it is not expected that the Proposed Project would lead to vacancies and disinvestment on neighborhood commercial streets, nor would it affect land use patterns and the economic viability of the neighborhood. Similarly, as discussed above, the 55,000-gsf cinema introduced by the Proposed Project would not be expected to lead to significant adverse neighborhood character impacts due to competitive effects.

## ADVERSE EFFECTS ON SPECIFIC INDUSTRIES

According to the *CEQR Technical Manual*, a project may result in a significant adverse impact if it would measurably diminish the viability of a specific industry that has substantial economic value to the city's economy. An example as cited in the *CEQR Technical Manual* would be new regulations that prohibit or restrict the use of certain processes that are critical to certain industries. Following *CEQR Technical Manual* guidelines, the analysis of effects on specific industries considers the following issues (numbered in italics below) to determine the potential for significant adverse impacts.

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

The Proposed Project would not directly displace any businesses, and would not result in indirect business displacement that could significantly affect business conditions in any industry or category of business. While limited indirect business displacement due to increased rents or retail market saturation cannot be ruled out, the businesses that could potentially be displaced do not represent a critical mass of businesses within any City industry or category of business.

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

As described above, the Proposed Project would not result in significant indirect business displacement due to increased rents or retail market saturation, and would not substantially affect a specific industry or category of business. Therefore, the Proposed Project would not affect the economic viability or substantially reduce employment in any industry or category of business.

## CONCLUSION

Based on this preliminary assessment, the Proposed Project would not have the potential to have a significant adverse impact on specific industries within the study area. \*