

A. INTRODUCTION

This chapter describes changes in socioeconomic conditions resulting from the Proposed Action and evaluates whether such changes would result in significant adverse impacts. The Proposed Action would enable development of the Proposed Project, a mixed-use project that includes the 630,000-square-foot expansion to the existing Gateway retail center, 68,000 square feet (sf) of local retail, and the development of 649 residential units planned in the Fresh Creek Urban Renewal Area (FCURA) in the Spring Creek section of Brooklyn. The Proposed Action would also introduce a 1,226-seat intermediate/high school, a 16,000-square-foot day care, a 30,000-square-foot community facility, 36.5 acres of open space, and approximately 3,082 parking spaces. The analysis uses *City Environmental Quality Review (CEQR) Technical Manual* guidelines to evaluate whether the Proposed Action would result in significant adverse socioeconomic impacts due to: (1) direct displacement of residential population on the Project Site; (2) direct displacement of existing businesses on the Project Site; (3) indirect displacement of residential population in the study area; (4) indirect displacement of businesses in the study area; or (5) adverse effects on specific industries not necessarily tied to the project or to the study area.

The analysis finds that the Proposed Action would not result in significant adverse impacts on socioeconomic conditions.

B. METHODOLOGY

The 2001 *City Environmental Quality Review (CEQR) Technical Manual* sets forth guidelines to determine if a socioeconomic impact analysis is appropriate. The *CEQR Technical Manual* suggests that residential development in excess of 200 units or commercial development in excess of 200,000 sf should be assessed for their potential to cause significant adverse socioeconomic impacts. Since the Proposed Action would add approximately 698,000 gross square feet of local and regional retail space, a socioeconomic assessment was performed.

As prescribed by the *CEQR Technical Manual*, the analysis of these five areas of concern enumerated in Section A above begins with a preliminary assessment. The purpose of the preliminary assessment is to learn enough about the effects of the Proposed Action to either rule out the possibility of significant adverse impacts, or to determine that more detailed analysis will be required to resolve that issue. For four of the five areas of socioeconomic concern—direct residential displacement, direct business displacement, indirect residential displacement, and adverse effects on specific industries—a preliminary assessment was sufficient to conclude that the Proposed Action would not result in any significant adverse impacts on socioeconomic conditions. The preliminary assessment of indirect business displacement concluded that a detailed analysis was required to determine whether significant adverse impacts would result due to competition between the proposed retail development and neighborhood shopping districts.

The detailed analysis of indirect business displacement considers whether the Proposed Action would generate significant adverse impacts on neighborhood character due to displacement caused by competition with existing retail stores. The analysis is framed in the context of existing conditions and evaluations of a) the future without the Proposed Action and b) the future with the Proposed Action in 2013. Specific development projects that will occur in the area in the future without the Proposed Action are identified and the resulting socioeconomic changes, such as new commercial uses and changes in employment or retail sales, are described. Those conditions are then compared to the future with the Proposed Action to determine the potential for significant adverse impacts.

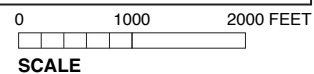
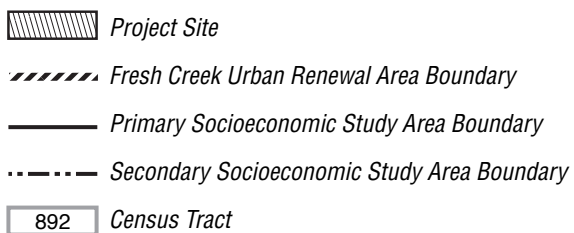
STUDY AREA AND DATA SOURCES

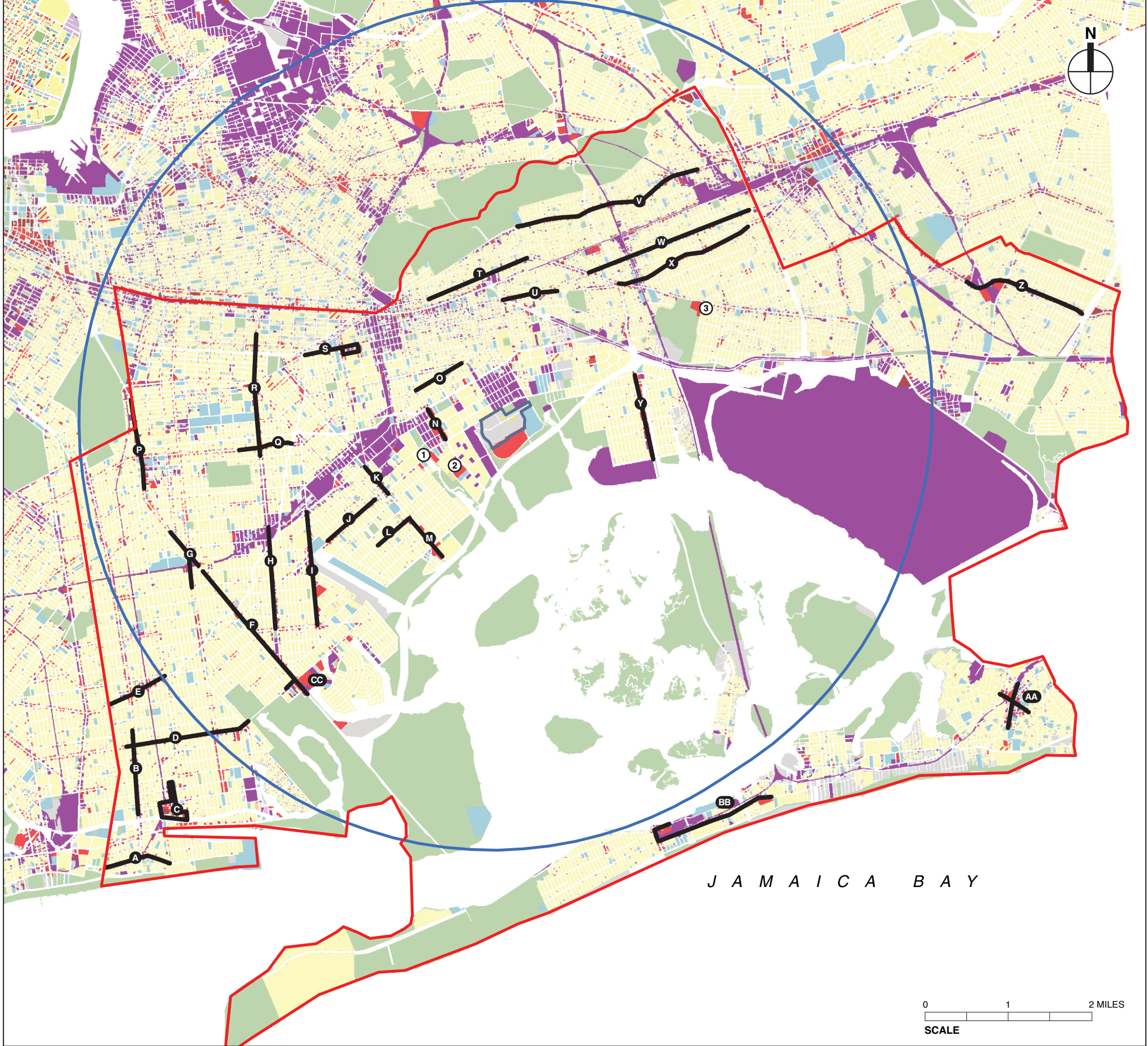
The Proposed Action has the potential to affect socioeconomic conditions within varying geographic study areas, depending upon the issue of concern. Therefore, the analyses use overlapping study areas in addition to the Project Site itself. The study areas used for the various components of the preliminary assessment mirror the ¼-mile and ½-mile study areas used in Chapter 2, “Land Use, Zoning, and Public Policy.” However, the exact boundaries of the socioeconomic study areas were modified to match the census tracts that most closely delineate a ½-mile and ¼-mile radius surrounding the Project Site (see Figure 3-1). By conforming to census tract boundaries, the socioeconomic analysis is able to more accurately apply 2000 Census data in depicting the demographic characteristics of the surrounding area. Employment trends presented in the detailed analysis are also based on census tracts.¹

The detailed assessment of indirect business displacement due to competition considers the potential for the Proposed Action to adversely affect the viability of neighborhood shopping areas within an area larger than the Primary and Secondary Study Areas. 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 the new store’s sales are likely to be derived. As described in detail in Section D below, for purposes of analysis the “Primary Trade Area” for the Proposed Project is defined as the area approximately five miles from the Project Site (see Figure 3-2), based on the regional attraction that would be created by the addition of approximately 698,000 sf of retail space (630,000 sf of the expanded shopping center and 68,000 sf of local retail) to an existing shopping center that has 640,000 square feet of retail stores.

Given that specific tenants and store sizes for the proposed expansion have not yet been determined, for purposes of providing a conservative assessment of potential socioeconomic impacts this analysis is based on a reasonable worst-case program that includes the following as anchor tenants: one wholesale club with 167,900 sf of gross leaseable area (GLA); one discount department store with 143,200 GLA; and one home improvement store with 119,800 GLA. The remaining approximately 199,100 square feet of GLA is assumed to be tenanted with small and mid-sized retail stores. This analysis also assumes 68,000 sf of local retail, including a neighborhood grocery store with 37,415 GLA. Because of the size of the proposed expansion and the potential competitive overlap between anticipated retail uses and the existing retail base in the Primary Trade Area, the analysis considers the potential for indirect displacement of existing retail businesses.

¹ The Primary Socioeconomic Study Area includes: Census Tracts 1058, 1070, 1078, and 1106. The Secondary Socioeconomic Study Area includes the Census Tracts in the Primary Socioeconomic Study Area and Census Tracts 1100, 1102, 1110, 1112, 1214, and 1220.





Retail Concentrations

- A** Brighton Beach Boulevard between Ocean Parkway and Brighton 15 Street
- B** Coney Island Boulevard between Montauk Court and Avenue S
- C** Sheepshead Bay Road, Voorhies Avenue, 17th Street and Emmons Avenue
- D** Avenue U between Ocean Avenue and Burnett Street
- E** Kings Highway between Ocean Parkway and Ocean Avenue
- F** Flatbush Avenue between Avenue I and Avenue V
- G** Nostrand Avenue between Farragut Road and Avenue K and Flatbush Avenue between Farragut Road and Aurelia Court
- H** Utica Avenue between Avenue N and Farragut Avenue
- I** Ralph Avenue between Foster Avenue and Mill Street
- J** Flatlands Avenue between 78th Street and 94th Street
- K** Rockaway Parkway between Foster Avenue and Avenue J
- L** Avenue L between Rockaway Parkway and 91st Street
- M** Rockaway Parkway between Avenue M and Shore Parkway
- N** Pennsylvania Avenue between Linden Boulevard and Flatlands Avenue
- O** New Lots Avenue between Alabama Avenue and Linwood Avenue
- P** Flatbush Avenue between Cortelyou Road and Empire Boulevard
- Q** Church Avenue between Troy Avenue and 58th Street
- R** Utica Avenue between Park Place and Linden Boulevard
- S** Pitkin Avenue between Grafton Street and Christopher Avenue
- T** Fulton Street between Schenck Street and Eldert Lane
- U** Liberty Avenue between Euclid Avenue and 78th Street
- V** Jamaica Avenue between Eldert Avenue and 125th Street
- W** 101st Avenue between 88th Street and 134th Street
- X** Liberty Avenue between 91st Street and Van Wyck Expressway
- Y** Cross Bay Boulevard between 156th Avenue and 165th Avenue
- Z** Merrick Boulevard between Ursina Road and Hook Creek Boulevard
- AA** Far Rockaway: Surrounding Mott Street and Beach 20
- BB** Rockaway Parkland: Southside (Beach 116 Street and Rockaway Avenue, Beach 116 to Beach 84)
- CC** Kings Plaza Mall Center (at Flatbush Avenue and Avenue U)
- 1** Pathmark Shopping Center (at Flatlands Avenue and Louisiana Avenue)
- 2** Starrett at Spring Creek Shopping Center (on Twin Pines Drive)
- 3** Home Depot (at Rockaway Boulevard and 112th Street)

Legend

- | | |
|---|---|
| — Gateway Phase II Site | Public Facilities/Institutions/Community Facilities |
| — Retail Study Area | Open Space and Outdoor Recreation |
| — 5-Mile Perimeter around Phase II Site | Parking Facilities |
| — Retail Concentrations | Vacant Land |
| Residential | Vacant Building |
| Residential with Commercial Below | Under Construction |
| Hotels | |
| Commercial and Office Buildings | |
| Industrial and Manufacturing | |
| Transportation and Utility | |

Trade Area Retail Concentrations
Figure 3-2

The detailed analysis of indirect business displacement focuses on the effects of introducing to the study area and trade area approximately 698,000 sf of retail from the following four broad categories: eating and drinking establishments, shoppers' goods stores, convenience goods stores, and home improvement stores. Convenience goods stores are those offering items such as groceries, personal care items, housekeeping products, prescription drugs, newspapers and magazines—goods that people tend to buy at the location most convenient to them. Stores classified as convenience stores can also include businesses that provide services rather than goods, such as laundromats, barber shops, and beauty salons. Shoppers' goods stores offer items such as furniture, clothing, electronics, and sports equipment—goods that people tend to make deliberate, planned trips to purchase. In general, people are more likely to comparison shop and travel longer distances to purchase shoppers' goods.

All retail employment, sales, and expenditure data presented in this chapter reflect only those retail sectors noted above. These data exclude employment, sales, and expenditures at businesses such as gasoline stations and automobile dealers. Therefore, the retail analysis is organized according to the four broad retail categories: shoppers' goods stores, convenience goods stores, eating and drinking establishments, and home improvement stores.

Information used in the preliminary assessment was gathered from demographic and housing data from the US Census Bureau's 1990 and 2000 Census, New York City Department of Finance's Real Property Assessment Data 2006 database, and from field visits to the study area. Information used in the detailed analysis of indirect business displacement was gathered from a variety of sources. Characterizations of the retail stores in the Primary Trade Area are based on detailed field surveys conducted by AKRF, Inc. in March and April 2007 (retail survey summary forms are provided in Appendix A, "Socioeconomic Conditions"). Information on current retail rental rates in the study area was obtained from local real estate brokerage firms, including Prudential Douglas Elliman, ERA Real Estate, and Massey Knakal. Historic and current retail employment and sales data was obtained from the US Census Bureau's Census of Retail Trade (1987, 1992, and 1997) and County Business Patterns (2004). Additional information on retail composition and average sales per square foot for department stores in the Eastern United States was obtained from the Urban Land Institute's *Dollars & Cents of Shopping Centers: 2006*. Retail sales and expenditure data for the Primary Trade Area, Brooklyn, Queens, and New York City were obtained from ESRI, a national provider of geographic planning data¹.

¹ ESRI is a geographic information system (GIS) software provider. ESRI Business Analyst is set of GIS tools and data designed for business applications, such as analyzing retail sales within a trade area. ESRI's business data is extracted from a comprehensive list of businesses licensed from infoUSA®, as well as data from the Directory of Major Malls, Inc. The business list contains information on more than 11 million U.S. businesses including name and location, franchise code, SIC code, number of employees, and sales volume. The data is current as of January 2007. infoUSA® compiles business data from annual reports, county courthouse filings, SEC and 10k filings, and Secretary of State data and confirms it with phone calls to businesses.

C. PRELIMINARY ASSESSMENT

DIRECT RESIDENTIAL DISPLACEMENT

The Project Site does not contain any dwelling units; thus, no direct residential displacement would occur under the Proposed Action and an analysis of direct residential displacement is not required.

DIRECT BUSINESS AND INSTITUTIONAL DISPLACEMENT

Since the Project Site is currently vacant and does not contain businesses or institutions, no direct business and institutional displacement would occur under the Proposed Action. An analysis of direct business and institutional displacement is not required.

INDIRECT RESIDENTIAL DISPLACEMENT

The analysis of indirect residential displacement evaluates whether an action would increase property values and thus rents throughout the study area, making it difficult for some existing residents to afford their homes. Under the Proposed Action, 1,027 residential units would be developed by 2011. Under the 1996 Plan, up to 2,385 affordable residential units were approved but have not yet been completed. Absent the approvals of the Proposed Action, 378 units would be built by 2011. By 2013, both the Proposed Action and the 1996 Plan would result in the development of 2,385 affordable housing units. This section first presents a demographic profile of the Primary and Secondary Study Areas, followed by responses to the preliminary assessment criteria as outlined in Section 322.1 of the *CEQR Technical Manual*.

DEMOGRAPHIC PROFILE

This section describes the population and housing characteristics of the study areas, presents trend data since 1989, and compares study area characteristics to the Borough and City as a whole.

The population in the Primary Study Area decreased by 3.5 percent from 24,473 residents in 1990 to 23,620 residents in 2000 (see Table 3-1). The Secondary Study Area experienced a 3.1 percent decrease in its population, from 40,493 residents in 1990 to 39,224 residents in 2000. The populations in Brooklyn and New York City as a whole, however, increased during this time period. Brooklyn's population increased by 7.2 percent from 2.3 million in 1990 to 2.5 million in 2000. New York City's population increased by 9.4 percent from 7.3 million in 1990 to 8.0 million in 2000.

Table 3-1
1990 and 2000 Population

	Total Population		Absolute Change (1990 to 2000)	Percent Change (1990 to 2000)
	1990	2000		
Primary Study Area	24,473	23,620	-853	-3.5%
Secondary Study Area	40,493	39,224	-1,269	-3.1%
Kings County	2,300,664	2,465,326	164,662	7.2%
New York City	7,322,564	8,008,278	685,714	9.4%
Sources: 1990 and 2000 U.S. Census, Summary File 1.				

Table 3-2 shows the age distribution of residential populations in 1990 and 2000. Nearly 30 percent of the population in the Secondary Study Area was under 18 years old. This was slightly higher than Brooklyn (27 percent) and New York City as a whole (24 percent). Between 1990 and 2000, this age group decreased by 6.1 percent in the Primary Study Area and by 4.2 percent in the Secondary Study Area. In contrast, this age group increased in Brooklyn by 9.4 percent and in New York City by 15.0 percent.

Table 3-2
1990 and 2000 Age Distribution

	Primary Study Area		Secondary Study Area		Kings County		New York City	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
2000								
Total Residents	23,620		39,224		2,465,326		8,008,278	
Under 18	6,146	26	11,480	29	662,499	27	1,940,269	24
18 to 24 years old	2,169	9	3,763	10	253,141	10	803,012	10
25 to 34 years old	2,909	12	5,174	13	389,714	16	1,368,021	17
35 to 49 years old	4,608	20	7,556	19	529,846	21	1,794,398	22
50 to 64 years old	4,122	17	6,262	16	347,468	14	1,164,721	15
65+ years old	3,666	16	4,989	13	282,658	11	937,857	12
1990								
Total Residents	24,473		40,493		2,300,664		7,322,564	
Under 18	6,546	27	11,988	30	605,554	26	1,686,718	23
18 to 24 years old	2,533	10	4,648	11	247,897	11	777,938	11
25 to 34 years old	3,157	13	5,595	14	404,962	18	1,369,410	19
35 to 49 years old	5,626	23	8,660	21	458,851	20	1,531,599	21
50 to 64 years old	3,341	14	5,198	13	298,343	13	1,003,582	14
65+ years old	3,270	13	4,404	11	285,057	12	953,317	13
Sources: 1990 and 2000 U.S. Census, Summary File 1.								

The Primary and Secondary Study Areas had higher percentages of persons older than 50 years of age in 2000 (33 percent and 29 percent, respectively) compared with Brooklyn (25 percent) and New York City (27 percent). This age group experienced the greatest change from 1990 to 2000 in the study areas. The Primary Study Area's population in this age group increased by 17.8 percent from 6,611 in 1990 to 7,788 in 2000; and the Secondary Study Area's population above 50 years of age increased by 17.2 percent from 9,602 in 1990 to 11,251 in 2000. This age group in the Primary and Secondary Study Areas experienced more growth compared to Brooklyn (8.0 percent) and New York City (7.4 percent).

Table 3-3 shows income characteristics, including median household income and poverty status. The median household income in the Primary Study Area was \$21,985 in 1999, which was 32 percent lower than Brooklyn's median household income (\$32,135) and 43 percent lower than New York City's median household income (\$38,293). The median household income in the Secondary Study Area was even lower at \$20,815; this was 35 percent lower than Brooklyn's median household income and 46 percent lower than New York City's median household income.

Table 3-3
Income Characteristics

	Median Household Income			Poverty Status		
	1989	1999	Change	1989	1999	Change
Primary Study Area	\$28,430	\$21,985	-22.7%	24.8%	29.1%	17.3%
Secondary Study Area	\$26,825	\$20,815	-22.4%	27.1%	32.8%	21.0%
Kings County	\$34,809	\$32,135	-7.7%	22.7%	25.1%	10.6%
New York City	\$40,419	\$38,293	-5.3%	19.3%	21.3%	10.4%
Note: Median Household Income in 1989 is presented in 1999 dollars.						
Sources: 1990 and 2000 U.S. Census, Summary File 3.						

Between 1989 and 1999, the median household income in the Primary Study Area decreased by 22.7 percent, from \$28,430 in 1989 to \$21,985 in 1999. The median household income in the Secondary Study Area also decreased by 22.4 percent from \$26,825 in 1989 to \$20,815 in 1999. City and county incomes decreased during this time period but at a slower rate. Brooklyn's median household income decreased by 7.7 percent to \$32,135 and New York City's decreased by 5.3 percent \$38,293 in 2000.

Higher percentages of the populations in the study areas were living below the poverty level in 1999 compared to Brooklyn and New York City as a whole. As shown in Table 3-3, 29.1 percent of the Primary Study Area and 32.8 percent of the Secondary Study Area were living below the poverty level, rates that were higher than Brooklyn (25.1 percent) and New York City (21.3 percent).

The median household income in Brooklyn was \$32,135 (see Table 3-3). Households with incomes below Brooklyn's median household income were overrepresented in the study areas. As shown in Table 3-4, in 1999, households with incomes below \$30,000 represented 59 percent of households in the Primary Study Area and 61 percent of households in the Secondary Study Area. However, this income category made up only 47 percent of households in the county and 41 percent of households in the city as a whole. Also, households in the higher income categories were underrepresented in the study areas. Only 8 percent of households in the Primary and Secondary Study Areas had incomes above \$75,000. The share of households with incomes above \$75,000 was higher in Brooklyn and New York City at 17 percent and 23 percent, respectively.

Table 3-4
Household Income Distribution: 1989, 1999

	Less than \$30,000		\$30,000-\$74,999		\$75,000-\$124,999		\$125,000 and Over	
	1989	1999	1989	1999	1989	1999	1989	1999
Primary Study Area	67%	59%	30%	33%	4%	6%	0%	2%
Secondary Study Area	68%	61%	29%	30%	3%	6%	0%	2%
Kings County	56%	47%	35%	36%	7%	12%	2%	5%
New York City	50%	41%	37%	37%	9%	14%	4%	9%
Sources: 1990 and 2000 U.S. Census, Summary File 3.								

The Primary Study Area contained 10,075 housing units in 2000—an increase of 7.6 percent over 1990 (see Table 3-5). The number of housing units in the Secondary Study Area increased

by 8.6 percent to 15,911 units in 2000. Between 1990 and 2000, the number of housing units increased at a slower rate compared to the county (6.6 percent increase) and the city (7.0 percent increase). The 2000 vacancy rate in both study areas was 4.1 percent, which was slightly lower than the vacancy rates in Brooklyn (5.4 percent) and New York City (5.6 percent). Owner occupancy rates were lower in the study areas than in Brooklyn and New York City. In the Primary Study Area, 7.2 percent of the housing units were owner occupied, while 9.8 percent were owner occupied in the Secondary Study Area. Owner occupancy rates in Brooklyn and New York City were more than three times the occupancy rates of the study areas at 27.1 percent and 30.2 percent, respectively.

Table 3-5
Housing Unit Characteristics

	Total Housing Units			2000 Vacancy Rate		2000 Tenure, All Occupied Units	
	1990	2000	% Change	% Occupied	% Vacant	% Owner Occupied	% Renter Occupied
Primary Study Area	9,365	10,075	7.6%	95.9%	4.1%	7.2%	92.8%
Secondary Study Area	14,652	15,911	8.6%	95.9%	4.1%	9.8%	90.2%
Kings County	873,671	930,866	6.5%	94.6%	5.4%	27.1%	72.9%
New York City	2,992,169	3,200,912	7.0%	94.4%	5.6%	30.2%	69.8%
Sources: 1990 and 2000 U.S. Census, Summary File 1.							

A larger percentage of study area housing units were within large-scale, multi-family buildings (20 or more units) compared to Brooklyn and New York City as a whole. They represented the largest share of housing types in the Primary Study Area with 86 percent of all housing units in 1990 and 85 percent of all housing units in 2000 (see Table 3-6 and Figure 3-1). This housing type was also common in the Secondary Study Area (77 percent in 1990 and 2000). In comparison, only 34 percent of housing structures in Brooklyn and 47 percent of housing structures in New York City were large-scale, multi-family buildings in 2000. In 2000, medium-scale, multi-family buildings with between 3 and 19 units were more common in Brooklyn (34 percent) and New York City (23 percent) than the Primary and Secondary Study Areas (8 percent and 11 percent, respectively).

Table 3-6
Units per Structure

	Total Units		Single Family Homes		Townhouses		Medium-Scale Multi-Family Building		Large-Scale Multi-Family Building		Other	
			1, detached		1 or 2 units		3 to 19 units		20 or more units		Mobile Home, Boat, RV, van, etc.	
	1990	2000	1990	2000	1990	2000	1990	2000	1990	2000	1990	2000
Primary Study Area	9,365	10,075	0%	1%	6%	6%	6%	8%	86%	85%	2%	0%
Secondary Study Area	14,574	15,904	1%	2%	11%	10%	9%	11%	77%	77%	2%	0%
Kings County	873,671	930,866	4%	5%	26%	27%	33%	34%	35%	34%	2%	0%
New York City	2,992,169	3,200,912	8%	10%	19%	20%	22%	23%	49%	47%	2%	0%
Sources: 1990 and 2000 U.S. Census, Summary File 3.												

According to New York City Department of Finance's Real Property Assessment Data 2006 database, which includes data up to December 2005, the Secondary Study Area gained 352

residential units since the 2000 Census. No units were added to the Primary Study Area between 2000 and 2005. Thus, as of December 2005, the total number of housing units was 10,075 in the Primary Study Area and 16,256 units in the Secondary Study Area.

Assuming that the 352 housing units that were added to the study area since 2000 have the same occupancy rates as study area units in 2000, 338 housing units are occupied. It is likely that the households that occupy these units have the same average household size as study area units in 2000 (2.54). Thus, these additional housing units added approximately 857 persons to the Secondary Study Area, increasing the population to 40,081.

Table 3-7 shows Households and Housing Value Characteristics in 1990 and 2000. The median contract rents in the Primary and Secondary Study Areas were significantly lower than median contract rents in Brooklyn and New York City. In 2000, the median contract rent in the Primary Study Area was \$432.6, which was 30.3 percent lower than Brooklyn and 33.0 percent lower than New York City. The median contract rent in the Secondary Study Area was \$413.9, which was 33.4 percent lower than the median contract rent in Brooklyn and 35.9 percent lower than New York City. Further, the median contract rents in the study areas decreased from 1990 to 2000; however, contract rents increased in Brooklyn and New York City during this time frame. Median contract rents decreased by 17.2 percent in the Primary Study Area and by 15.0 percent in the Secondary Study Area between 1990 and 2000. However, Brooklyn's median contract rent increased by 10.1 percent and New York City's increased by 9.4 percent.

Table 3-7
Households and Housing Value Characteristics

	Total Households			Median Contract Rent			Median Housing Value	
	1990	2000	% Change	1990 ¹	2000	% Change	1990 ²	2000
Primary Study Area	9,115	9,666	6.0%	\$522.7	\$432.6	-17.2%	NA	\$160,191
Secondary Study Area	14,265	15,256	6.9%	\$486.7	\$413.9	-15.0%	NA	\$173,147
Kings County	828,199	880,727	6.3%	\$564.0	\$621.0	10.1%	NA	\$229,200
New York City	2,819,401	3,021,588	7.2%	\$590.3	\$646.0	9.4%	NA	\$221,200
Notes: ¹ 1990 values presented in constant 2000 dollars. ² The 1990 median housing value is not reported because the 1990 value is based on specified owner occupied housing units only, while the 2000 median was based on all-owner occupied housing units. The two data sets are not comparable. Sources: 1990 and 2000 U.S. Census, Summary File 1 and Summary File 3.								

As shown in Table 3-7, the 2000 median housing values in Brooklyn (\$229,200) and New York City (\$221,200) were significantly higher than the median housing value in the Primary Study Area (\$160,191) and in the Secondary Study Area (\$173,147).

CEQR ASSESSMENT CRITERIA

(1) Would the Proposed Action add substantial new population with different socioeconomic characteristics compared to the size and character of the existing population?

As described above, the Proposed Action would not result in an increase in total residential units over the 1996 Plan, but would introduce 649 of the total 2,385 units two years earlier, in 2011 rather than 2013. In accordance with the 1996 Plan, 378 residential units are currently under construction or are in the design phase. These 378 units would be constructed on the Project Site by 2011 absent the approval of the Proposed Action. With the implementation of the Proposed Project, a total of 1,027 residential units would be constructed on the Project Site by 2011,

thereby accelerating the development of 649 units. All of these accelerated 2011 units would be affordable and would not add substantial new population with different socioeconomic characteristics compared to the size and character of the existing population. As stated above, the total number of units introduced by 2013 would be the same as what was analyzed in the 1996 Plan. The 1,358 units introduced between 2011 and 2013 would also be affordable and would not add substantial new population with different socioeconomic characteristics compared to the size and character of the existing population.

(2) Would the Proposed Action directly displace uses or properties that have had a “blighting” effect on property values in the area?

Indicators that a property has had a “blighting” effect on property values in an area may include: limited development around the property, high vacancy rates in the study area, or stagnant or decreasing housing values and contract rents in the study area. The proposed development parcels are currently vacant but have not had a “blighting” effect on property values in the study area.

According to several real estate firms,¹ new housing is currently being developed in the area. Demand for housing in this area is evident by the length of time homes are on the market, typically less than 3 months. Home values in this area have increased since 2000. Adjusting the 2000 median housing value in the Secondary Study Area to 2006 dollars, the median housing value was \$209,389. According to ERA, a two-family unit typically sells for \$450,000 to \$750,000. Century 21’s price range for newly constructed two-family homes ranged from \$579,000 to \$635,000. The current sales prices are more than double the median housing value in 2000, indicating that the Project Site does not have a blighting effect on property values in the study area.

According to Prudential Douglas Elliman, the current vacancy rate in zip codes 11207 and 11208 is 8 percent. This vacancy rate, which is higher than the 2000 vacancy rate (4.1 percent), could suggest that demand for housing in the study area has decreased. However, recent home sales listed by Prudential Douglas Elliman increased between 2004 and 2007, indicating a demand for housing in the area.² As shown in Table 3-8, the 2007 median sales price in 11208 was \$560,000, which was a 62.3 percent increase since 2004. The median sales price in 11207 increased by 69.0 percent from \$304,821 in 2004 to \$515,000 in 2005. The median sales price in 11239 increased by 2.7 percent from \$280,000 in 2005 to \$287,500 in 2006. The rising sales prices in residential neighborhoods surrounding the Project Site indicate that the Project Site does not have a blighting effect on property values in the area.

According to KJ Realty and Exit Realty, the rental vacancy rate in the Spring Creek Area is low and it is hard to rent an apartment in this area. Exit Realty attributed the low vacancy rate to residents’ tendency to stay in their homes for a long time.

¹ Real estate firms interviewed include: Century 21, ERA Top Service Real Estate, Exit Realty, and KJ Realty.

² The secondary study area overlaps three zip codes. The southern portion of the study area is in 11239, the north-eastern portion of the study area is in 11208, and the north-western portion of the study area is in 11207.

Table 3-8
Recent Home Sales by Zip Code

Year	11207			11208			11239		
	Total Sold	Average Price	Median Price	Total Sold	Average Price	Median Price	Total Sold	Average Price	Median Price
2004	782	\$306,021	\$304,821	792	\$340,160	\$345,000	NA	NA	NA
2005	659	\$429,412	\$432,600	775	\$413,172	\$422,500	2	\$280,000	\$280,000
2006	626	\$481,895	\$499,000	757	\$494,472	\$515,000	6	\$224,333	\$287,500
2007	85	\$500,808	\$515,000	106	\$514,283	\$560,000	NA	NA	NA
Source: "Recent Home Sales," Prudential Douglas Elliman, 18 December 2006 and 28 May 2007, http://www.prudentiaelliman.com									

According to these realtors, the current rental rates range are \$1,000 per month for a one bedroom unit, \$1,100 to \$1,300 per month for a two bedroom unit, and \$1,200 to \$1,600 per month for a three bedroom unit. Adjusting the 2000 median contract rent to 2006 dollars, the median contract rent in the Secondary Study Area was \$500.5 per month. The current rental rates are significantly higher than the 2000 median contract rent, suggesting that the Project Site does not have a blighting influence on residential properties.

Also, two residential projects are proposed for the study area, which would add 210 housing units, including 80 senior housing units (see Table 3-9). These proposed residential projects also show that the Project Site does not have a blighting influence on residential properties.

Table 3-9
Proposed Residential Projects in the Secondary Study Area

Project	Size/Units	Build Year
HPD - sponsor unknown	100 residential units, 80 units of senior housing	By 2011
HPD - Lincoln Avenue, MJF Development Group	30 units	By 2011
Source: AKRF, Inc.		

(3) Would the Proposed Action directly displace enough of one or more components of the population to alter the socioeconomic composition of the study area?

The Proposed Action would not directly displace any existing dwelling units and therefore would not directly displace one or more components of the population to alter the socioeconomic composition of the study area.

(4) Would the Proposed Action introduce a substantial amount of a more costly type of housing compared to existing housing and housing expected to be built in the study area by the time the action is implemented?

The Proposed Action would result in the development of 1,027 residential units by 2011, 649 more than would be developed by 2011 under the 1996 Plan. Under the 1996 Plan, up to 2,385 affordable residential units were approved but have not yet been completed. Absent the approvals of the Proposed Action, 378 units would be built by 2011. By 2013, both the Proposed Action and the 1996 Plan would result in the development of 2,385 affordable housing units. The Proposed Action accelerates the timetable for the development of affordable housing units which would not be more costly compared to existing or planned housing in the study area.

(5) Would the Proposed Action introduce a “critical mass” of non-residential uses such that the surrounding area becomes more attractive as a residential neighborhood complex?

The Proposed Action would introduce a 630,000-square-foot shopping center and an additional 68,000 sf of local retail by 2011.¹ Currently, there are 1.2 million sf of retail in the study area, with 640,000 gross square feet at the existing Gateway retail center. By 2013, the Proposed Action would increase the amount of retail in the Secondary Study Area by approximately 58.8 percent over existing conditions. While this is a substantial addition, the study area already contains a “critical mass” of retail uses that make it attractive for residential use. The Proposed Action is not expected to make the surrounding neighborhood significantly more attractive for residential use as it would add retail similar to what is currently offered in the study area. The existing Gateway retail center includes 640,000 sf of destination retail. Under the Proposed Project, there would be 630,000 sf of destination retail for a regional market, which would attract a vast majority of its customer trips from beyond the study area. This destination retail would not be neighborhood retail or service establishments, which tend to draw more frequent repeat visits from local residents. Because neighborhood retail or service establishments cater to a local neighborhood’s day-to-day needs, they have a stronger influence on the residential attractiveness of a neighborhood. The close proximity to this regional retail center would, therefore, not significantly affect the residential desirability of the neighborhood.

The Proposed Project would also introduce 68,000 sf of local retail. Although these stores may be patronized by existing residents, they would primarily serve the residential units proposed in the Proposed Project and would not significantly affect the residential desirability of the neighborhood.

The study area currently contains a substantial number of residential units that would not be affected by any potential increases in property values in the study area. Approximately one third of the housing units in the study area (32.6 percent or 5,443 units) are under the control of the New York City Housing Authority (NYCHA).² NYCHA complexes in the study area include: the Louis Heaton Pink development with 1,500 apartments and 3,936 residents; the Linden Houses with 1,584 apartments and 4,047 residents; and the Boulevard Houses with 1,425 apartments and 3,093 residents. Another 35.2 percent (5,881 units) are located within Spring Creek Towers (better known as Starrett City), which was built under the state’s Mitchell-Lama program.³ Including the NYCHA and Mitchell-Lama housing units, the study area currently contains 11,324 units that are protected from any potential increases in residential property values. These units represent 67.8 percent of all units in the study area.

Because a majority of the retail from the Proposed Project would be a regional destination, and because the study area has a large percentage of residential units that would not be affected by

¹ Neighborhood retail provides convenience goods and personal services such as a bank. Destination retail attracts customers from greater distances in order to compare price, quality, and the selection of merchandise.

² New York City Department of Finance’s Real Property Assessment Data 2006 database

³ On February 8, 2007, Clipper Equity L.L.C. paid \$1.3 billion dollars for the complex or \$221,000 per apartment. Clipper Equity plans to buy out the Mitchell-Lama program for middle-class families, but they assert that the existing buildings will remain affordable. The purchase of Starrett City must be approved by the state and federal Department of Housing and Urban Development who hold the interest-free mortgage on the complex.

any potential increases in property values in the study area, the Proposed Project would not make the surrounding area substantially more attractive as a residential neighborhood complex.

(6) Would the Proposed Action introduce a land use that could have a similar indirect effect if it is large enough or prominent enough or combines with other like uses to create a critical mass large enough to offset positive trends in the area, impede efforts to attract investment to the area, or create a climate for disinvestment?

The Proposed Action would not offset positive trends in the study area, impede efforts to attract investment, or create a climate for disinvestment. To the contrary, the Proposed Action would generate new employment opportunities, create affordable housing units, and would develop a new intermediate/high school, day care, and other community facilities to meet the growing demands of the neighborhood. The additional retail space and associated employees would not adversely affect the marketability of the area's residential building stock.

Based on the preliminary assessment presented above, the Proposed Action would not result in significant adverse impacts on socioeconomic conditions due to indirect residential displacement in either 2011 or 2013. A detailed analysis is not warranted.

INDIRECT BUSINESS DISPLACEMENT DUE TO INCREASED RENTS

According to Section 322.2 of the *CEQR Technical Manual*, in most cases the issue for indirect displacement of businesses or institutions is that an action would increase property values and thus rents throughout the study area, making it difficult for some categories of businesses to remain in the area. While the Proposed Project is expected to attract customers from a broad region that primarily would include Brooklyn and Queens, it is the businesses in close proximity to the Project Site that could be subject to indirect displacement pressures due to increased rents (as a result of increased business in the area generated by customers of the Proposed Project). Such displacement can be of concern when it would result in changes to land use, population patterns, or community character. The preliminary assessment is based on the screening criteria outlined in Section 322.2 of the *CEQR Technical Manual*, which describe circumstances that can generate potentially significant impacts. The following section first presents an economic profile of the study area, followed by responses to the CEQR assessment criteria, which are numbered in italics below.

ECONOMIC PROFILE OF THE STUDY AREA

Study Area Land Uses

The study area has a variety of land uses including commercial, industrial, residential, institutional, and vacant land (see Figure 2-1). The FCURA includes the Gateway retail center and its associated parking lot. The existing 640,000-square-foot shopping center, which is a destination retail center has nine shoppers' goods stores (BJs, Marshalls, Circuit City, Old Navy, Famous Footwear, Staples, Bed, Bath and Beyond, and Target Greatland). It also has three full service restaurants (Boulder Creek, Red Lobster, and Olive Garden). In addition to the existing retail center, the FCURA includes the Thomas Jefferson High School Athletic Field, Spring Creek Park, a 9.7-acre public park, certain streets and utility lines, and vacant land. South of the Project Site across the Shore Parkway is the Fresh Creek Basin, the site of the former 297-acre Fountain Avenue Landfill, which is no longer in operation. South of the retired landfill is Jamaica Bay. West of the Project Site is Hendrix Creek and Spring Creek Towers (better known as Starrett City). North of the Project Site is predominantly developed with industrial and residential uses. East of the Project

Site is Brooklyn Developmental Center, which provides services including treatment for mentally challenged patients and an early childhood services program, and Spring Creek.

Study Area Employment

According to 2000 Census data, approximately 4,302 workers were employed at businesses within the Census Tracts that are part of the Primary Study area and 12,607 workers were employed at businesses or institutions located within the Census Tracts that are part of the Secondary Study Area. The workers in the study areas represented approximately 1.9 percent of all employment in Brooklyn.

Sectors typically associated with industrial uses (construction, manufacturing, wholesale trade, and transportation, warehousing, and utilities) accounted for 25.1 percent of employment in the Primary Study Area and approximately 40.2 percent of the employment in the Secondary Study Area (see Table 3-10). In comparison, 24.9 percent of Brooklyn employees, and 20.4 percent of New York City employees work in the industrial sector. The education, health, and social services sector was also prevalent, with over a third of all employees in the Primary Study Area (36.8 percent) and over one quarter of all employees in the Secondary Study Area (25.7 percent). The share of employees in the Secondary Study Area who worked in this sector was slightly higher than New York City (22.3 percent), but lower than Brooklyn (32.8 percent).

Table 3-10
2000 Employment by Industry Sector: Study Area, Brooklyn, and New York City

	Primary Study Area ¹		Secondary Study Area ²		Brooklyn		New York City	
	Total Emp.	% of Total Emp.	Total Emp.	% of Total Emp.	Total Emp.	% of Total Emp.	Total Emp.	% of Total Emp.
Agriculture, forestry, fishing & hunting and mining	0	0.0%	115	0.9%	445	0.1%	2,190	0.1%
Construction	129	3.0%	464	3.7%	36,835	5.5%	171,880	4.6%
Manufacturing	560	13.0%	1,343	10.7%	47,590	7.1%	226,420	6.0%
Wholesale trade	90	2.1%	575	4.6%	22,760	3.4%	119,075	3.2%
Retail trade	244	5.7%	1,098	8.7%	59,785	9.0%	306,865	8.2%
Transportation and warehousing & utilities	300	7.0%	2,689	21.3%	59,145	8.9%	248,485	6.6%
Information	275	6.4%	385	3.1%	16,615	2.5%	219,010	5.8%
FIRE and rental and leasing	450	10.5%	855	6.8%	45,725	6.9%	488,170	13.0%
Professional, scientific, management, administrative, and waste management services	170	4.0%	585	4.6%	45,435	6.8%	475,170	12.7%
Educational, health and social services	1,585	36.8%	3,235	25.7%	219,180	32.8%	838,210	22.3%
Arts, entertainment, recreation, accommodation and food services	144	3.3%	453	3.6%	34,535	5.2%	276,230	7.4%
Other services (except public administration)	230	5.3%	575	4.6%	39,535	5.9%	189,985	5.1%
Public administration	125	2.9%	235	1.9%	39,210	5.9%	191,280	5.1%
Armed forces	0	0.0%	0	0.0%	680	0.1%	2,145	0.1%
Total Workers	4,302	100%	12,607	100%	667,475	100%	3,755,130	100%

Note:

¹ Employment data for the Primary Study Area includes Census Tracts 1058, 1070, 1078, and 1106.

² Employment data for the Secondary Study Area includes Census Tracts 1070, 1058, 1078, 1106, 1100, 1102, 1110, 1112, 1214, and 1220.

Sources: U.S. Census Bureau, 2000 Census; Reverse Journey to Work data, Table CTPP2 P-3.

Employment in the retail sector in the Primary and Secondary Study Areas was relatively low, with only 5.7 percent of employees in the Primary Study Area (or 244 employees) and 8.7 percent of employees in the Secondary Study Area (or 1,098 employees). However, the number of retail workers has grown by approximately 1,600 since 2000 with the addition of Gateway retail center in 2002. Apart from this shopping center, there is a concentration of retail at Twin Pines Drive between Pennsylvania and Louisiana Avenues called Starrett at Spring Creek Shopping Center, with local and national stores such as Associated Supermarket, Radio Shack, Golden Krust, Foot Locker, CVS, Payless Shoe Store, Citibank, and Dunkin Donuts.

Between 1990 and 2000, total employment decreased by approximately 16.8 percent in the Primary Study Area, from 5,173 employees in 1990 to 4,302 employees. In contrast, employment in the Secondary Study Area increased by approximately 20.1 percent between 1990 and 2000—from 10,497 workers in 1990 to 12,607 workers in 2000. Compared to all of New York City, the Secondary Study Area's employment grew rapidly over the course of the decade; over the same 10 year period, employment in the city grew by only 0.8 percent.

Differences in the industry classification system used for the 1990 and 2000 Census make it difficult to compare industry-specific employment data across this time period.¹ However, a comparison of the 1990 and 2000 employment sectors indicates that the industrial sectors (construction, manufacturing, wholesale trade, and transportation, warehousing, and utilities) employed a significant portion of the total workforce in both years.

In the Primary Study Area, these industrial sectors employed approximately 33.7 percent of employees in 1990, compared to 25.1 percent in 2000. In the Secondary Study Area, the industrial sectors employed roughly 38.0 percent of employees in 1990, compared to 40.2 percent in 2000. Retail employment decreased by 53.4 percent in the Primary Study Area from 524 employees in 1990 to 244 employees in 2000. In the Secondary Study Area, retail employment decreased by 3.7 percent over the course of the decade, from 1,140 jobs in 1990 to 1,098 jobs in 2000. However, as mentioned above approximately 1,600 retail jobs have been added to the Primary and Secondary Study Areas since 2000 with the addition of Gateway retail center in 2002.

CEQR SCREENING CRITERIA

(1) Would the Proposed Action introduce enough of a new economic activity to alter existing economic patterns?

The Proposed Action would not introduce a new economic activity to the Primary and Secondary Study Areas. The existing Gateway retail center includes retail uses with a regional customer draw similar to that expected with the Proposed Project.

(2) Would the Proposed Action add to the concentration of a particular sector of the local economy enough to alter or accelerate an ongoing trend to alter existing patterns?

The Proposed Action would add to the concentration of retail uses in the study areas, reflecting an existing trend in the study areas towards the development of retail uses. In the future without the Proposed Action, an approximate 232,810-square-foot retail center is currently proposed

¹ The 1990 data is based on the Standard Industrial Classification (SIC) system and the 2000 data is based on the North American Industry Classification System (NAICS). There are significant differences in the way in which businesses were grouped into industry categories under the two classification systems, making it difficult to compare some industry data over time.

within the Primary Study Area. In the future with the Proposed Action, the study area will continue to be defined largely by its growing retail use.

Businesses most vulnerable to indirect displacement due to increased rents are typically those businesses whose uses are less compatible with the economic trend which is creating upward rent pressures in the study area; i.e., those businesses that tend not to directly benefit (in terms of increased business activity) from the market forces generating the increases in rent. For example, if a neighborhood is becoming a more desirable place to live, uses that are less compatible with residential conditions (such as manufacturing) would be less able to afford increases in rent due to increases in property values compared to a neighborhood service use, such as a bank, which could see increased business activity from the increased residential presence.

In the case of the Proposed Action, the Proposed Project would draw new retail customers to the study area. Industrial uses within the study area would not capture any value from these customer trips, while a retail use could potentially capture additional sales from “cross-shopping” activity. Therefore, industrial uses in the study area could be considered potentially vulnerable to indirect displacement, as a property owner could decide to convert an existing industrial property to a retail use. However, the possibility of this type of indirect displacement within the Primary and Secondary Study Areas—and its potential effect on the character of the neighborhood—is limited. As shown in Figure 2-4, the primary study area contains portions of the Flatlands-Fairfield Industrial Business Zone (IBZ), which is designated by the Mayor’s Office of Industrial and Manufacturing Businesses in order to foster high-performing business districts. IBZs create a number of advantages for conducting business in New York City through initiatives, including protecting the supply of industrial space. Also, the underlying zoning in the industrial areas is largely light manufacturing (M1-1). Although some commercial uses are permitted in M1-1 districts, certain large retail uses are permitted in this district only by special permit. Due to the designated IBZ and the underlying zoning in the industrial areas, the industrial uses in the Primary and Secondary Study Areas would not be vulnerable to indirect displacement pressures due to increased rent. Therefore, the Proposed Action would not alter or accelerate an ongoing trend to alter existing patterns within the study areas.

(3) Would the Proposed Action displace uses or properties that have had a “blighting” effect on commercial property values in the area, leading to rises in commercial rents?

Although the Project Site is currently vacant, it does not have a blighting effect on commercial property values in the area. According to Massey Knakal, retail space along Pennsylvania Avenue between Linden Boulevard and the Shore Parkway rents for \$31-\$45 per square foot. Another realtor, Fillmore East, stated that retail space along Pennsylvania Avenue typically rents for \$25 to \$30 per square foot and that vacancy along this retail strip is low with quick turnover when a building becomes vacant. MC O'Brien Realty estimated that the vacancy rate along the main streets in the study area is less than 5 percent.

Additionally, a 232,810-square-foot retail facility is proposed at 830 Fountain Avenue, indicating that the Project Site does not have a “blighting” effect on commercial property values in the area.

Low vacancy rates, as well as the proposed retail development adjacent to the Project Site, suggest that the Project Site does not have a “blighting” effect on commercial property values in the area.

(4) Would the Proposed Action directly displace uses of any type that directly support businesses in the study area or bring people to the area that form a customer base for local businesses?

The Project Site is currently vacant and would not displace uses of any type that directly support businesses in the study area or bring people to the area that form a customer base for local businesses.

(5) Would the Proposed Action directly or indirectly displace residents, workers, or visitors who form the customer base of existing businesses in the study area?

The Proposed Action would not directly displace residents or businesses, and based on this analysis (and the analysis of competition in Section D below) it is not expected to indirectly displace a substantial number of workers or visitors who form the customer base of existing businesses. The Proposed Action would introduce new residents, workers, and visitors who would be customers of the new and existing retail and restaurants. The new residential populations of the Proposed Project would add new household expenditure potential to the already existing demand. Based on typical household expenditure patterns from the U.S. Census of Retail Trade, the proposed residents could add \$38.2 million in annual local expenditures.

(6) Would the Proposed Action introduce a land use that could have a similar indirect effect, through the lowering of property values if it is large enough or prominent enough, or combines with other like uses to create a critical mass large enough to offset positive trends in the study area, to impede efforts to attract investment to the area, or to create a climate for disinvestment?

The Proposed Action would neither offset positive trends in the study area, impede efforts to attract investment to the area, or create a climate for disinvestment. The currently vacant Project Site would be a suitable parcel of land for the siting of retail uses. The site is highly accessible to the Shore Parkway, which would continue to be an attractive asset for industrial businesses.

The Proposed Action would be expected to affect the study area real estate market in a manner similar to that of the existing Gateway retail center, which has not offset positive trends or impeded efforts to attract investment in the study area as is evident by the proposed 232,810-square-foot shopping center at 830 Fountain Avenue.

INDIRECT BUSINESS DISPLACEMENT DUE TO COMPETITION

In the case of the Proposed Action, there is potential for indirect business displacement due to competition, as retail would overlap with products offered at other retail establishments in the area. A detailed analysis is necessary to determine whether the Proposed Action could lead to indirect business displacement due to competition, and whether such displacement, if it were to occur, would result in significant adverse impacts. See Section D below.

ADVERSE EFFECTS ON SPECIFIC INDUSTRIES

According to Section 323 of the *CEQR Technical Manual*, it may be possible that a given action could affect the operation and viability of a specific industry (not necessarily tied to the study area). The *CEQR Technical Manual* indicates that a more detailed examination is appropriate if the following questions (in italics) cannot be answered with a clear “no”:

(1) Would the Proposed Action significantly affect business conditions in any industry or any category of businesses within or outside the study area?

No. The study area contains a large retail presence that would not be significantly adversely affected by the additional retail space proposed under the Proposed Action. The expansion of the existing Gateway retail center would draw new customers to the study area, many of whom would shop at existing commercial stores.

(2) *Would the Proposed Action indirectly substantially reduce employment or have an impact on the economic viability in the industry or category of businesses?*

No. The detailed analysis of indirect business displacement due to competition, presented in Section D, describes the types of businesses that could potentially be indirectly displaced by the Proposed Action. That analysis finds that the planned retail uses could lead to the indirect displacement of some businesses and employment currently located in the Primary Trade Area. However, the potential displacement would not substantially reduce employment, nor would it impact the economic viability of any one industry sector. Thus, the Proposed Action would not impact the economic viability in an industry or category of business through indirect displacement, and no further analysis of this issue is required.

D. DETAILED ANALYSIS: INDIRECT BUSINESS DISPLACEMENT DUE TO COMPETITION

According to the *CEQR Technical Manual*, development activity such as shopping facilities may attract sales from existing stores, and while these competitive socioeconomic impacts do not necessarily generate environmental concerns, they can become an environmental concern if they have the potential to affect neighborhood character by affecting the viability of neighborhood shopping areas. The approximately 698,000 sf of destination and local retail proposed in the Proposed Action could potentially result in indirect displacement due to competition. Therefore, the section below evaluates whether potential indirect displacement from competition could result in significant adverse impacts.

DELINEATION OF THE TRADE AREA

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. As defined by Urban Land Institute's *Shopping Center Development Handbook*, trade areas for shopping centers similar in size to the existing Gateway retail center and the retail proposed in the Proposed Action—which would include approximately 1,338,000 sf of retail—would generally extend 12 miles from the Project Site, and typically can be reached within a 30-minute drive. Shopping centers expect to draw 70 to 80 percent of their regular customers from this trade area.

Trade areas for major retail projects in New York City are typically smaller than the national standards cited in the *Shopping Center Development Handbook*, due primarily to the density of development in the New York Metropolitan region. A 12-mile radius from the Project Site in Brooklyn extends throughout Brooklyn and into portions of every other New York City borough, as well as Nassau and Hudson Counties. This would not be an appropriate trade area for the Proposed Project because many of those traveling from the more distant reaches of a 12-mile trade area would be traveling past destination retail concentrations of equal or greater size to reach the Project Site. For example, residents of Nassau County are more likely to regularly visit closer retail destinations such as Roosevelt Field Mall. In addition, for Queens and Hudson Counties, the bridge and tunnel tolls would discourage regular shopping trips to Brooklyn.

Thus, for purposes of analysis, the "Primary Trade Area" for the Proposed Project is an adjusted five-mile perimeter from the Project Site (see Figure 3-2). The five-mile perimeter was modified to take into account traffic, drive-time, and other destination retail concentrations. For example, because of the Shore Parkway, the eastern and western boundaries of the Primary Trade Area were extended. Also, due to the density of development, the northern boundary was shifted

south, shortening the northern radius to less than five miles from the Project Site. For example, Queens residents north of Grand Central Parkway would more likely shop at Northern Boulevard Stores, which includes a Stop & Shop supermarket, Marshall's, Old Navy, and Chuck E. Cheese, as well as shops around the shopping center such as Home Depot, Best Buy, and Costco. Thus, the Primary Trade Area is roughly bounded by Atlantic Avenue and Grand Central Parkway on the north, Ocean Parkway and Washington Avenue in Brooklyn on the west, the Rockaways to the south, and the Van Wyck Expressway in Queens to the east. The Proposed Project would likely draw a substantial number of customers from south-eastern Brooklyn and south-western Queens because of the retail center's proximity to major roadways, its merchandise mix, and the regional attraction created by the cumulative 1.4 million sf of destination retail space. It is expected that 70 to 80 percent of the Proposed Project's customer base would be drawn from the Primary Trade Area (see Figure 3-1).

RETAIL EMPLOYMENT AND SALES TRENDS IN THE PRIMARY TRADE AREA

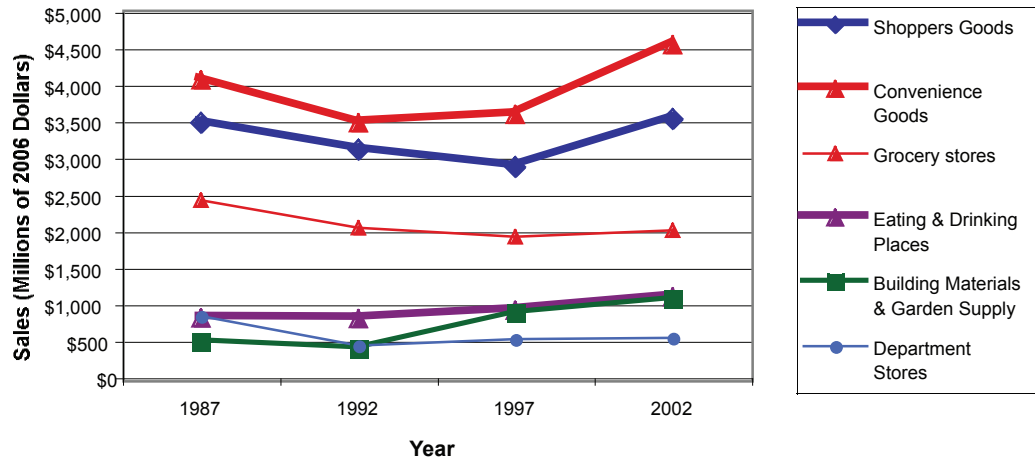
Between 1987 and 2004, the number of jobs for four retail categories (shoppers' goods, convenience goods, building materials and garden supply, and eating and drinking establishments) in Brooklyn increased by 21.1 percent, from 56,732 in 1987 to 66,696 in 2004. Between 1987 and 2002, total retail sales increased by 15.8 percent in constant dollar terms¹, from approximately \$8.9 billion in 1987 to \$10.3 billion in 2002. As shown in Table 3-11 and Figure 3-3, total retail sales decreased between 1987 and 1992. This mirrors the retail trend in New York City (see Table 3-12 and Figure 3-3), and was attributable to a broad economic downturn in the late 1980s and early 1990s. Sales for all categories increased between 1992 and 2002, which is in line with the economic recovery in the mid 1990s.

Table 3-11
Retail Employment and Sales in Brooklyn, 1987-2004

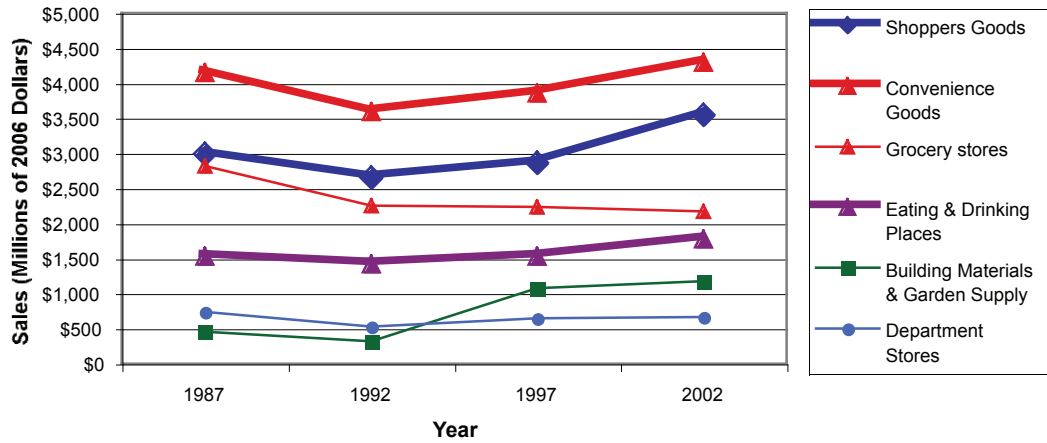
Retail Category ¹	Employment					Sales (millions of 2006 dollars)				
	1987	1992	1997	2002	2004	1987	1992	1997	2002	2004
Shoppers' Goods	22,073	18,325	17,491	19,779	23,206	\$3,486	\$3,118	\$2,877	\$3,539	NA
<i>Department Stores</i>	5,983	2,981	3,470	2,968	2,941	\$837	\$437	\$521	\$545	NA
Convenience Goods	18,863	16,443	17,469	19,775	21,733	\$4,075	\$3,482	\$3,597	\$4,556	NA
<i>Grocery stores</i>	10,568	9,178	9,528	9,924	10,143	\$2,429	\$2,047	\$1,924	\$2,010	NA
Building Materials & Garden Supply	2,084	1,853	2,934	3,387	4,017	\$495	\$399	\$883	\$1,077	NA
Eating & Drinking Establishments	13,712	13,628	15,448	18,718	19,740	\$818	\$806	\$920	\$1,100	NA
Total²	56,732	50,249	53,342	61,659	68,696	\$8,874	\$7,805	\$8,278	\$10,273	NA
Notes:										
¹ Shoppers' Goods include general merchandise stores; apparel and accessory stores (including shoes); furniture and home furnishing stores; electronics and appliance stores; optical goods stores; sporting goods, hobby, book and music stores; office supplies, stationery and gift stores; used merchandise stores; and art dealers. Convenience Goods include food and beverage stores (including delis, bakeries, and supermarkets); drug and proprietary stores; florists; pet and pet supplies stores; and other miscellaneous store retailers. Building Materials and Garden Supply includes hardware stores; building material and supplies dealers; and lawn and garden equipment and supplies stores.										
² Total does not reflect total employment or sales for all retail—only those retail categories included in Shoppers' Goods, Convenience Goods, Building Materials and Garden Supply, and Eating and Drinking Establishments. Retail establishments not included in this total are: auto-related businesses and non-store retailers.										
Sources: U.S. Census Bureau, Economic Census 1987, 1992, 1997, 2002; County Business Patterns 2004										

¹ All dollar values shown in "Indirect Business Displacement Due to Competition" are presented in 2006 dollars, i.e., adjusted to account for inflation.

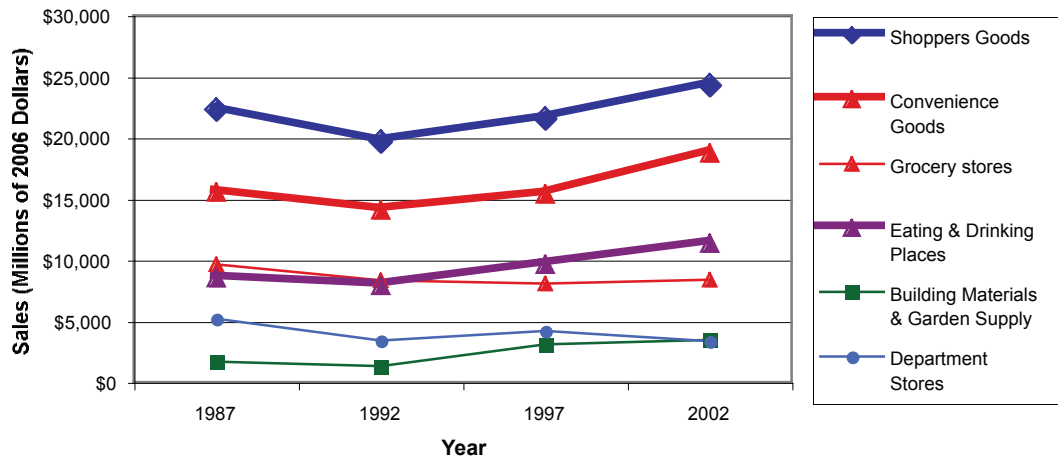
Brooklyn Retail Sales



Queens Retail Sales



New York City Retail Sales



Trends in Retail Sales
Figure 3-3

Table 3-12
Retail Employment and Sales in New York City, 1987 - 2004

Retail Category ¹	Employment					Sales (millions of 2006 dollars)				
	1987	1992	1997	2002	2004	1987	1992	1997	2002	2004
Shoppers' Goods	119,475	103,272	105,499	114,305	136,152	\$22,290	\$19,693	\$21,594	\$24,316	NA
<i>Department Stores</i>	29,415	21,668	21,254	16,190	19,631	\$5,169	\$3,427	\$4,187	\$3,342	NA
Convenience Goods	77,191	68,152	76,634	83,777	100,406	\$15,525	\$14,073	\$15,414	\$18,730	NA
<i>Grocery stores</i>	44,431	38,896	40,867	43,720	45,870	\$9,612	\$8,305	\$8,081	\$8,373	NA
Building Materials & Garden Supply	7,447	6,196	10,801	12,148	13,314	\$1,691	\$1,309	\$3,065	\$3,466	NA
Eating & Drinking Establishments	130,274	120,383	147,936	173,947	176,520	\$8,523	\$7,887	\$9,609	\$11,382	NA
Total²	334,387	298,003	340,870	384,177	426,392	\$48,028	\$42,963	\$49,682	\$57,895	NA

Notes:
¹ Shoppers' Goods include general merchandise stores; apparel and accessory stores (including shoes); furniture and home furnishing stores; electronics and appliance stores; optical goods stores; sporting goods, hobby, book and music stores; office supplies, stationery and gift stores; used merchandise stores; and art dealers.
 Convenience Goods include food and beverage stores (including delis, bakeries, and supermarkets); drug and proprietary stores; florists; pet and pet supplies stores; and other miscellaneous store retailers.
 Building Materials and Garden Supply includes hardware stores; building material and supplies dealers; and lawn and garden equipment and supplies stores.
² Total does not reflect total employment or sales for all retail—only those retail categories included in Shoppers' Goods, Convenience Goods, Building Materials and Garden Supply, and Eating and Drinking Establishments. Retail establishments not included in this total are: auto-related businesses and non-store retailers.
Sources: U.S. Census Bureau, Economic Census 1987, 1992, 1997, 2002; County Business Patterns 2004

In Queens, the number of retail jobs increased by 14.2 percent between 1987 (64,757 jobs) and 2004 (73,948 jobs). Retail sales increased by 18.3 percent between 1987 (\$9.1 billion) and 2002 (\$10.8 billion). Similar to the retail trend in Brooklyn, sales in all categories declined between 1987 and 1992 and increased between 1992 and 2002 (see Figure 3-3 and Table 3-13). Building materials and garden supply stores had the most significant increase between 1992 and 2002. While sales for shoppers' goods, convenience goods, and eating and drinking establishments increased by between 20 percent and 34 percent, sales at building materials and garden supply stores more than tripled from \$322 million in 1992 to \$1.2 billion in 2002.

Table 3-13
Retail Employment and Sales in Queens, 1987 - 2004

Retail Category ¹	Employment					Sales (millions of 2006 dollars)				
	1987	1992	1997	2002	2004	1987	1992	1997	2002	2004
Shoppers' Goods	17,971	15,919	15,349	17,461	19,649	\$2,990	\$2,651	\$2,867	\$3,545	NA
<i>Department Stores</i>	4,936	3,924	3,987	3,442	3,037	\$741	\$534	\$650	\$665	NA
Convenience Goods	21,119	17,627	19,848	19,663	22,128	\$4,149	\$3,592	\$3,864	\$4,295	NA
<i>Grocery stores</i>	12,964	10,432	11,625	10,611	10,939	\$2,818	\$2,252	\$2,234	\$2,175	NA
Building Materials & Garden Supply	2,002	1,549	3,596	3,927	4,242	\$453	\$322	\$1,080	\$1,178	NA
Eating & Drinking Establishments	23,665	20,926	23,139	27,247	27,929	\$1,536	\$1,423	\$1,536	\$1,781	NA
Total²	64,757	56,021	61,932	68,298	73,948	\$9,129	\$7,988	\$9,347	\$10,799	NA

Notes:
¹ Shoppers' Goods include general merchandise stores; apparel and accessory stores (including shoes); furniture and home furnishing stores; electronics and appliance stores; optical goods stores; sporting goods, hobby, book and music stores; office supplies, stationery and gift stores; used merchandise stores; and art dealers.
 Convenience Goods include food and beverage stores (including delis, bakeries, and supermarkets); drug and proprietary stores; florists; pet and pet supplies stores; and other miscellaneous store retailers.
 Building Materials and Garden Supply includes hardware stores; building material and supplies dealers; and lawn and garden equipment and supplies stores.
² Total does not reflect total employment or sales for all retail—only those retail categories included in Shoppers' Goods, Convenience Goods, Building Materials and Garden Supply, and Eating and Drinking Establishments. Retail establishments not included in this total are: auto-related businesses and non-store retailers.
Sources: U.S. Census Bureau, Economic Census 1987, 1992, 1997, 2002; County Business Patterns 2004

DEMOGRAPHIC MARKET FACTORS AFFECTING MARKET POTENTIAL

Demographic factors can affect market potential. Changes in the number of people living in a trade area alters the potential customer pool; household income levels affect how much households spend on retail purchases; and car ownership or availability can affect where people shop. These three demographic/household characteristics are discussed below for the Primary Trade Area, and are used to inform the discussion on potential impacts of the Proposed Action.

PRIMARY TRADE AREA

Population and Households.

In 2000, there were approximately 1.66 million people living in the Primary Trade Area, representing approximately 35.4 percent of the population of Brooklyn and Queens combined and 20.8 percent of New York City as a whole. Residents in the Primary Trade Area lived in 566,141 households, representing 18.7 percent of all households in the city (see Table 3-14).

Table 3-14
Population and Households, Primary Trade Area and New York City,
1990-2000

	1990		2000		Growth 1990-2000			
	Population	Households	Population	Households	Population	Households	% Growth in Population	% Growth in Households
Primary Trade Area	1,511,225	522,194	1,662,337	566,141	151,112	43,947	10.3%	8.4%
Brooklyn	2,300,664	828,199	2,465,326	880,727	164,662	52,528	7.2%	6.3%
Queens	1,951,598	720,149	2,229,379	782,664	277,781	62,515	14.2%	8.7%
New York City	7,322,564	2,819,401	8,008,278	3,021,588	685,714	202,187	9.4%	7.2%
Sources: U.S. Census Bureau, 1990 and 2000 Census, Summary File 1.								

Between 1990 and 2000, the population in the Primary Trade Area increased by 151,112 people and by 43,947 households between 1990 and 2000. During this time period, the rate of population growth in the Primary Trade Area (10.3 percent) outpaced the rate in Brooklyn and New York City (7.2 percent and 9.4 percent, respectively). However, the rate in the Primary Trade Area was lower than the population growth rate in Queens (14.2 percent). The household growth rate in the Primary Trade Area was 8.4 percent, which was comparable to Queens' household growth rate (8.7 percent), and was slightly higher than the growth rates in Brooklyn (6.3 percent) and New York City (7.2 percent).

Since 2000, approximately 9,786 residential units were constructed in the Primary Trade Area.¹ It is likely that the households that occupy these units would have the same average household size as households in the Primary Trade Area in 2000 (2.89). Thus, these additional housing units added approximately 28,282 new residents to the Primary Trade Area, increasing the population to 1.69 million.

Household Income.

In 1999, median household income for the Primary Trade Area, expressed in 2006 constant dollars was roughly \$46,020—approximately \$1,727 lower than the citywide median of \$47,747

¹ New York City Department of Finance's Real Property Assessment Data 2006 database

(see Table 3-15). Between 1989 and 1999, the median household income in New York City as a whole decreased by 5.3 percent. The median household income in the Primary Trade Area decreased by 9.7 percent during this time period, which was a faster rate of decline than Brooklyn, Queens, and New York City.

Table 3-15
Median Household Income, Primary Trade Area and New York City,
1989 and 1999

Area	1989	1999	Absolute Change 1989-1999	Percent Change 1989-1999
Primary Trade Area	\$50,960	\$46,020	-\$4,940	-9.7%
Brooklyn	\$43,403	\$40,069	-\$3,334	-7.7%
Queens	\$57,771	\$52,917	-\$4,854	-8.4%
New York City	\$50,398	\$47,747	-\$2,650	-5.3%
Note: All values are expressed in 2006 constant dollars.				
Sources: U.S. Census Bureau, 1990 and 2000 Census, Summary File 3.				

Vehicle Availability.

Vehicle availability can affect shopping habits. Households with access to at least one vehicle generally travel farther distances to make certain household purchases than households without access to a car. For example, a household with access to a car may drive to a wholesale club or major supermarket several miles from home to purchase food products to serve their needs for a week or more. Households without access to a car are more likely to shop at the grocery store closest to their homes, and may be more likely to make more frequent trips, buying smaller quantities of food per trip than driving households.

According to the 2000 Census, approximately 36 percent of all households in the Primary Trade Area had access to one car (see Table 3-16). In comparison, Brooklyn and New York City as a whole had a lower share of households with one car at 33.1 and 31.6 percent, respectively. Households in Queens had a higher portion of households with one car (41.1 percent). Also, approximately 16.1 percent of households in the Primary Trade Area had access to two or more cars. This percentage was higher than Brooklyn (10.0 percent) and New York City (12.7 percent). However, Queens had a higher percentage of households with two or more cars (21.3 percent).

Table 3-16
Vehicles Available for Use by Household Members, Primary Trade Area and
New York City, 2000

	No Car		One Car		Two Cars		Three or More Cars	
	HH	% of HH	HH	% of HH	HH	% of HH	HH	% of HH
Primary Trade Area	270,413	47.6%	205,849	36.2%	73,358	12.9%	18,311	3.2%
Brooklyn	501,803	57.0%	291,238	33.1%	71,838	8.2%	15,848	1.8%
Queens	295,049	37.7%	321,337	41.1%	132,217	16.9%	34,061	4.4%
New York City	1,682,946	55.7%	955,165	31.6%	305,267	10.1%	78,210	2.6%
Sources: U.S. Census Bureau, Census 2000, Summary File 3.								

RETAIL CONCENTRATIONS IN THE PRIMARY TRADE AREA

The Primary Trade Area includes a broad range of shopping areas—including several retail strips such as Flatbush Avenue and an indoor shopping mall (Kings Plaza)—that play an important role in the economic needs of neighborhood residents as well as the social life in their communities. The retail proposed in the Proposed Project could have the potential to draw customers from existing retail concentrations within the Primary Trade Area, thereby affecting the business environment of those areas. This section describes major retail concentrations within the Primary Trade Area, focusing on merchandise selection and storefront vacancy rates for each area. Characterizations of the retail concentrations are based on detailed field surveys conducted by AKRF, Inc. in March and April 2007. The location of each retail strip is mapped in Figure 3-2. In addition to the descriptions below, detailed retail survey summary forms for each of these retail segments are provided in Appendix A, “Socioeconomic Conditions.”

SUMMARY OF RETAIL CONCENTRATIONS IN THE PRIMARY TRADE AREA

Collectively, approximately 8,100 storefronts were surveyed within the Primary Trade Area (see Table 3-17). The surveyed retail strips are large concentrations of retail, ranging in size from 77 storefronts to 831 storefronts. Over 50 percent of the surveyed stores offer convenience goods or neighborhood services. These types of stores, which are scattered throughout the area’s major retail corridors, include delis, grocery stores, beauty salons, banks, pharmacies, and florists. Approximately 22 percent of storefronts offer shoppers’ goods, which include clothing and clothing accessories, and approximately 13 percent of the storefronts are eating and drinking establishments. Overall, the vacancy rate in the Primary Trade Area is 10.1 percent. Retail areas with higher vacancy rates include Pitkin Avenue between Grafton Street and Christopher Avenue (18.6 percent), and Fulton Street between Schenck Street and Eldert Lane (18.4 percent).

Table 3-17
Retail Storefronts in the Primary Trade Area

Retail Category	Storefronts	Percent of Total
Shoppers' Goods	1,802	22.2%
Building Materials, Hardware, & Garden Supply	167	2.1%
Auto-Related Trade	234	2.9%
Convenience Goods	1,226	15.1%
Eating and Drinking Places	1,042	12.9%
Neighborhood Services	2,812	34.7%
Vacant Storefronts	822	10.1%
Total Storefronts	8,105	100.0%
Notes: Tabulation only includes storefronts along major retail corridors within the Primary Trade Area. More detailed retail survey data are provided in Appendix A. Source: AKRF, Inc. field services conducted in March and April 2007.		

Brighton Beach Boulevard between Ocean Parkway and Brighton 15 Street

Brighton Beach Boulevard is a vibrant retail strip located beneath the elevated subway line approximately six miles southwest of the Project Site near the Shore Parkway. The 285 storefronts create a retail mix almost evenly distributed between shoppers’ goods (31 percent of

total storefronts), neighborhood services (27 percent), and convenience goods (26 percent). The 5 percent vacancy rate is among the lowest in the study area. The majority of shoppers' goods stores are local establishments selling clothing, shoes and accessories, as well as electronics. Neighborhood services are primarily hair and nail salons, medical and professional offices (travel, real estate, tax), and banks. Convenience goods include three supermarkets, numerous deli/grocers, nine specialty markets, and 13 pharmacies. The influence of a large Russian population is evident with five fur stores located along the strip (more than in all retail areas surveyed combined), two Russian markets, and four full service restaurants. National and local chains found along the corridor include Starbucks Coffee, GNC, H&R Block, Mande, Chase Bank, HSBC, Payless, and a Curves gym. Additionally, a live dinner theater is found near the intersection of Coney Island Avenue.

Coney Island Boulevard between Montauk Court and Avenue S

Coney Island Boulevard, a car-oriented retail thoroughfare, runs approximately 17 blocks through the Homecrest neighborhood several miles west of the Project Site. The nearly 150 storefronts comprise a retail mix of neighborhood services (31 percent), shoppers' goods (17 percent), and nearly equal shares of convenience goods (11 percent), eating and drinking places (10 percent), auto-related trade establishments (10 percent), and building materials and supplies (9 percent). Twelve percent of storefronts are vacant. The majority of neighborhood services are professional offices for real estate, insurance, and law firms. Hair and tanning salons, dry cleaners, funeral service establishments, and banks are also present. Furniture stores and electronics stores make up the majority of shoppers' goods establishments, while deli/groceries and florists make up a majority of convenience goods. Unlike most retail strips surveyed, the strip contains numerous auto-related establishments, including several dealerships (Volkswagon, Ford and Nissan), three gas stations, and several repair and maintenance locations. Numerous plumbing and heating suppliers make up the majority of building material storefronts. Metered street parking is available, and several establishments provide off-street parking.

Sheepshead Bay Road, Voorhies Avenue, 17th Street and Emmons Avenue

The Sheepshead Bay retail concentration is located off the Shore Parkway approximately 5 miles west of the Project Site. The retail corridor resembles a town center; however, several shopping centers are found in the periphery, and a more upscale area is located on the other side of the Shore Parkway along Emmons Street and the bay. Nearly 250 storefronts are included in a retail mix consisting of neighborhood services (34 percent of all storefronts), shoppers' goods (21 percent), eating and drinking establishments (21 percent), and convenience goods (15 percent). Less than two percent of all storefronts are in the auto or building material trades, and 7 percent of storefronts are vacant. The primary concentration of storefronts is found along Sheepshead Bay Road at the intersection of 17th Street, with both national and local retailers present. Notable tenants include GNC, Bally's gym, H&R Block, Citibank, McDonald's, Dunkin Donuts and Banco Popular. A large cluster of medical offices is located along Voorhies Avenue, just west of Sheepshead Bay Road, and several larger stores with off street parking are located along 17th Street, including Super Stop and Shop, Petco, and Ace Home Center. A shopping center with ample off-street parking houses a Waldbaums supermarket, Duane Reade pharmacy, and North Fork Bank. Emmons Avenue along the bay is comprised mostly of higher end establishments such as Nine West and Loehmann's Department Store, as well as full service restaurants featuring seafood, Japanese, Greek, and American dining options.

Avenue U between Ocean Avenue and Burnett Street

The Avenue U retail corridor is located in the Homecrest neighborhood southwest of the Project Site. The retail strip stretches approximately 33 blocks and contains approximately 517 storefronts, of which 34 percent are neighborhood services, 20 percent shoppers' goods, 17 percent convenience goods and 14 percent eating and drinking establishments. Ten percent of storefronts are vacant. Neighborhood services comprise mostly professional offices (primarily real estate and law related), medical offices, hair and nail salons, and bank branches. Most shoppers' goods stores sell clothing and accessories, or electronics. Convenience goods include 22 deli/groceries, three supermarkets, a local produce market, 18 pharmacies, several florists, as well as four kosher markets. Though the overwhelming majority of storefronts house local merchants, several chains are located in the area, including Curves, Mande, Kentucky Fried Chicken, Pizza Hut, Subway, Sleepy's, Payless Shoes, H&R Block, Key Food, Rite Aid, and especially banks (Commerce, Washington Mutual, Chase, North Fork, HSBC). In addition to the national fast food chains mentioned, the strip has numerous Chinese take-out, pizza, and café limited service establishments. Full service restaurants offer various ethnic options, including Mexican, several Vietnamese and Japanese establishments, and four Russian restaurants. The strip is quite active with considerable foot traffic observed, and metered parking is available for auto-based shoppers.

Kings Highway between Ocean Parkway and Ocean Avenue

Kings Highway is an active retail strip of 341 storefronts located in the Ocean Parkway neighborhood of Brooklyn, several miles west of the Project Site. The retail mix is comprised primarily of shoppers' goods (32 percent) and neighborhood services (30 percent), and is slightly more upscale compared to other retail strips surveyed, with retailers Steve Madden Shoes, GNC and Nine West Shoes found alongside more typical establishments such as Payless Shoes and Conway. Other national and regional chains include Rainbow, Sleepy's, Radio Shack, Hollywood Video, Rite Aid, H&R Block, Benjamin Moore Paints, and Lucille Roberts Gym. Over 40 medical and professional offices are located in the area, as are numerous hair, nail, and tanning salons. Convenience goods and eating establishments often cater to the Jewish population of the area, with several kosher markets and full service restaurants located along the strip. Gourmet food and cheese markets, and fast food establishments (McDonald's, Burger King, and Dunkin Donuts) are also present. Foot traffic is brisk, and metered parking is provided along the street. The vacancy rate is a low 6 percent.

Flatbush Avenue between Avenue I and Avenue V

The retail strip located along the southern half of Flatbush Avenue extends for over a mile and has nearly 400 storefronts. The strip caters more to auto-oriented consumers, and has a retail mix comprising primarily neighborhood services (42 percent of all storefronts), with far smaller concentrations of shoppers' goods (13 percent), eating and drinking establishments (11 percent), and convenience goods (9 percent) compared to other strips surveyed. Auto-related trade establishments selling used cars, automotive parts, and gasoline (8 service stations in total) were more common than in other areas (7 percent of all storefronts), and the vacancy rate was among the highest of all areas surveyed at over 16 percent. Numerous locations offer accessory off-street parking for auto-based customers; however, pedestrian traffic is noticeably higher near Flatlands Avenue, where metered street parking is available and double-parked cars are common. Numerous community facilities are located along the stretch, particularly near 34th Street. The strip contains numerous national and regional chain store establishments such as Toys R Us, Petco, Jennifer Convertibles, FedEx, McDonald's, Burger King, the Vitamin

Shoppe, Radio Shack, Chase Bank, and Gothic Cabinetry and Craft among others. The Kings Plaza mall (detailed on its own) anchors the southern end of the strip.

Nostrand Avenue between Farragut Road and Avenue K, and Flatbush Avenue between Farragut Road and Aurelia Court

Nostrand and Flatbush Avenues are active retail strips located west of Gateway Center. The six blocks along Nostrand Avenue and four blocks along Flatbush Avenue contain 298 storefronts, 42 percent of which are classified as neighborhood services, followed by shoppers' goods (23 percent) and convenience goods (15 percent). The portions of both strips located north of the intersection of Nostrand Avenue and Flatbush Avenue are more dense and cater to the area's West Indian population. The portions of both strips located south of the intersection of Nostrand Avenue and Flatbush Avenue are less dense and cater to the area's Jewish population. Local establishments make up the majority of retail activity; however, several national chains are present, with a concentration found at the intersection of Nostrand and Flatbush Avenues. Chain establishments include Rainbow clothing, Radio Shack, Rite Aid, Payless Shoes, and Bank of America. Other chains found along the strip include a Foot Locker Shoes and a Met Foods. The majority of eating and drinking places (20 of 29) are limited service establishments, with a diversity of ethnic options, including West Indian, Chinese, and Italian eateries. National fast food establishments are also represented, including a McDonald's and a Subway. Street parking is metered along the majority of the corridor, with some off-street parking provided on the southern portion of Nostrand Avenue. Pedestrian traffic is heaviest near the intersection of Nostrand and Flatbush Avenues, where the Flatbush Avenue – Brooklyn College subway station is located.

Utica Avenue between Avenue N and Farragut Avenue

This southern portion of Utica Avenue is more auto-based than most corridors surveyed, with two lanes of traffic flowing in each direction, few pedestrians, and several establishments offering free off-street parking. Street parking is not metered. Over 150 storefronts line the strip, most of which are found in neighborhood services (29 percent) and auto-related trades (23 percent). Of the neighborhood services identified, hair and nail establishments and real estate services are the most common, with several print shops and sign makers also present. Businesses within the auto-related trade include five auto dealerships, numerous repair and maintenance shops, and several parts and accessories retailers. There are four full-service and nine limited-service restaurants, including two diners and two McDonald's. Retail establishments are more spread out than other retail strips, and the vacancy rate is on the high end of areas surveyed, with 12 percent of storefronts vacant.

Ralph Avenue between Foster Avenue and Mill Street

Located between the East Flatbush and Flatlands neighborhoods in Brooklyn, Ralph Avenue is a busy, auto-oriented thoroughfare with numerous strip malls and shopping centers located on either side of the four lane roadway. In total, 94 stores were identified with neighborhood services and shoppers' goods the dominant sectors. A large Waldbaums supermarket anchors the active Georgetown Shopping Center, which also houses national retailers Radio Shack, GNC, Dress Barn, and Nine West, as well as several local clothing and limited-service food establishments. P.C. Richards, Key Food, and CVS are also found in other shopping centers along the corridor. Off-street parking in large lots is abundant, as are street spaces. At 6 percent, the vacancy rate is among the lowest of any retail strip surveyed and, typical of auto-oriented areas, foot traffic is light.

Flatlands Avenue between 78th Street and 94th Street

Flatlands Avenue is an active retail strip west of the Project Site. The strip runs for 17 blocks and contains nearly 150 storefronts. The corridor is busy with pedestrian traffic, but offers metered parking for customers who drive. Over half of all storefronts (51 percent) are local neighborhood service establishments, with a large concentration of hair and nail salons, medical or dental offices, and professional offices (lawyers, real estate, etc.). Eating establishments point to a concentration of Jamaican and West Indian residents with both full and limited service restaurants identified. Several national fast food chains are also present such as Wendy's, McDonald's, and Subway. Convenience goods establishments are the only other significant sector along Flatlands, and include several pharmacies, numerous local deli/groceries, and two supermarkets (one Jamaican). Shoppers' goods make up less than 10 percent of all storefronts, and primarily consist of small electronics, cell phone, and 99 cent stores. No major regional or national retailers were identified.

Rockaway Parkway between Avenue M and Shore Parkway

Rockaway Parkway is an active retail strip located southwest of Gateway Center. The three blocks contain 91 storefronts, the majority of which are classified as neighborhood services (53 percent), followed by shoppers' goods (17 percent) and convenience goods (13 percent). Local establishments make up the majority of retail activity; however several national chains are present, including Radio Shack, Curves, and Wells Fargo. The majority of storefronts are contained in four separate strip malls, each with accessory parking areas. Two of the strip malls are located along Rockaway Parkway between Seaview Avenue and Shore Parkway and are anchored by a CVS pharmacy and a Key Foods. Another, located at the intersection of Seaview Avenue and Rockaway Parkway, is anchored by a Rite Aid Pharmacy. The fourth, located at the intersection of Rockaway Parkway and Avenue M, is anchored by a Waldbaum's Supermarket. All eating and drinking places (7 of 7) are limited service establishments, primarily national fast food establishments, including a Dunkin Donuts, a McDonald's, a Golden Krust, and a Subway. Pedestrian traffic is minimal and the strip has a suburban feel. Vacant storefronts represent 8 percent of the total.

Avenue L between Rockaway Parkway and 91st Street

Avenue L is an active retail strip located west of Gateway Center. The seven blocks along Avenue L contain 98 storefronts, of which nearly half are classified as neighborhood services (46 percent). Local establishments make up the majority of retail activity, though occasional national chains are present, such as Allstate Insurance and Washington Mutual bank. The majority of eating and drinking places (12 of 15) are limited service establishments, with a diversity of ethnic options, including West Indian, Chinese, Mexican, and Italian eateries. National fast food establishments are also represented, including a Burger King. Street parking is metered along the majority of the corridor, with some off-street parking provided at a strip mall located at the corner of Avenue L and Rockaway Parkway. Pedestrian traffic is light. Vacant storefronts represent 10 percent of the total, including a large vacant building at the corner of Avenue L and 96th Street. The strip has the feel of a small town main street, with light traffic and low density.

Rockaway Parkway between Foster Avenue and Avenue J

Rockaway Parkway is an active retail strip located west of Gateway Center. The five blocks along Rockaway Parkway contain 105 storefronts, of which 36 percent are classified as

neighborhood services, followed by shoppers' goods (29 percent), and convenience goods (18 percent). Local establishments make up the majority of retail activity; however, several national chains are present, including Rainbow clothing, Ashley Stewart clothing, and Rite Aid Pharmacy. The majority of eating and drinking places (12 of 13) are limited service establishments, with a diversity of ethnic options, including West Indian, Chinese and Italian eateries. National fast food establishments are also represented, including a McDonald's and a Dunkin Donuts. Street parking is metered and scarce along Rockaway Parkway, which is congested with bus and auto traffic. Pedestrian traffic is heaviest near the intersection of Glenwood Road and Rockaway Parkway where the Canarsie—Rockaway Parkway subway station is located. A large accessory parking lot is located adjacent to the subway station. The strip has a bustling, downtownish feel. Vacant storefronts represent only 3 percent of the total.

Pennsylvania Avenue between Linden Boulevard and Flatlands Avenue

Pennsylvania Avenue is an active retail strip north-west of the Project Site. This retail strip, which stretches for four blocks, contains approximately 77 storefronts and is busy with both pedestrian and vehicular activity. The retail mix contains almost an equal number of neighborhood services (26 percent), shoppers' goods (23 percent), and convenience goods (21 percent). The retail corridor contains a concentration of national chains, including Pioneer Supermarket, Rainbow clothing store, Casual Male, Rent-a-Center, Auto Zone, Modell's sporting goods, H&R Block, Rite Aid, Burger King, McDonald's, Popeye's, Wendy's, Domino's, and White Castle. It also contains smaller establishments, particularly at the Fairfield Shopping Center which is located on Pennsylvania Avenue between Wortman and Cozine Avenues. Fairfield Shopping Center includes a variety of local establishments, including two beauty supply stores, one hardware store, one optical store, and several limited service restaurants.

New Lots Avenue between Alabama Avenue and Linwood Avenue

New Lots Avenue is located about one mile north of Gateway Center. Comprised of 137 storefronts, businesses along the corridor cater primarily to a local customer base. Nearly a third of all establishments are neighborhood services, which include a variety of hair and nail salons, professional offices, and laundromats among others. Three supermarkets, numerous deli/groceries and pharmacies are among the various convenience goods stores that cater to the community. Eating and drinking establishments are local, with no national chains represented. In general, Spanish food, pizza, and Chinese take-out outlets can be found. The area supports moderate foot traffic, particularly near the subway station at the eastern end of the corridor; however, the vacancy rate is fairly high at 14 percent, particularly towards the western end. Street parking is ample and free.

Flatbush Avenue (North) between Cortelyou Road and Empire Boulevard

Flatbush Avenue is a bustling retail corridor several miles to the north and west of the Project Site. The strip's 600 storefronts are composed of shoppers' goods (35 percent), neighborhood services (29 percent), convenience goods (14 percent), and eating and drinking establishments (13 percent). Less than three percent of all storefronts are engaged in auto-related or building supply trades. Seven percent of storefronts are vacant, the majority of which are located in the northern end of the strip. Though many local retailers are represented, national chains are plentiful and include a large Sears Department Store, Payless Shoes, Lane Bryant, Radio Shack, Modell's Sports, Pet Land, VIM, Rainbow, Rockaway Bedding and Staples. Neighborhood service establishments include medical offices, professional offices (tax, law and insurance), two

national gyms (Bally's and Lucille Roberts), nearly 90 hair and nail salons, and national bank branches such as Citibank, Washington Mutual, North Fork, Bank of America and HSBC. Limited service restaurants are located throughout the strip and include local Jamaican, Mexican, and Chinese take-out options, as well as national chains such as McDonald's, Taco Bell, Kentucky Fried Chicken, Burger King, Dunkin Donuts, Wendy's, and Popeye's. Full-service restaurants offer primarily Caribbean food. Convenience goods include four supermarkets (including a Super Stop and Shop), over 30 neighborhood deli/groceries, 10 pharmacies (Rite Aid and CVS among others), and over 20 beauty supply stores.

Church Avenue between Troy Avenue and 58th Street

Church Avenue is an active retail strip to the northwest of Gateway Center. The 15 blocks along Church Avenue and two blocks along Utica Avenue contain 322 storefronts, most of which are classified as neighborhood services (44 percent), followed by shoppers' goods (17 percent) and convenience goods (14 percent). Local establishments make up the majority of retail activity; however, several national chains are present, with a concentration found at the intersection of Church and Utica Avenues, including Conway clothing, Rainbow clothing, Payless Shoes, and Chase Bank. Other chains found along the strip include a North Fork Bank and a Met Foods. The majority of eating and drinking places (35 of 40) are limited service establishments, with a diversity of ethnic options, including Jamaican, West Indian, Chinese, and Italian eateries. National fast food establishments such as McDonald's and a Subway are also represented. Street parking is metered along the majority of the corridor, with some off-street parking provided at small strip-malls, a bank, and a fast food restaurant.

Utica Avenue (North) between Park Place and Linden Boulevard

Utica Avenue is a bustling retail strip several miles north of the Project Site. Composed of approximately 350 storefronts, the center of activity is found on the blocks surrounding the intersection of Eastern Parkway where pedestrian traffic is high, particularly near subway entrances and bus stops. Several national chains are located in this area, including Popeye's, Rent-a-Center, Chase Bank, H&R Block, and Washington Mutual Bank. However, the majority of establishments are local. The retail mix is composed primarily of neighborhood services (32 percent), shoppers' goods (19 percent), convenience goods (17 percent), and eating and drinking establishments (15 percent). Most establishments are small, including most of the 50 hair and nail salons identified. Nearly 30 clothing and accessories locations are found along the strip, the largest concentration found in men's attire (8 storefronts), including the Orange Juice chain. Limited-service restaurants make up the majority of eating establishments and include local chicken, pizza, and Chinese take-out businesses, as well as national chains. The vacancy rate of 8 percent is low for the study area.

Pitkin Avenue and Belmont Avenue between Grafton Street and Christopher Avenue

Retail at Pitkin and Belmont Avenues in the Brownsville neighborhood includes approximately 365 retail storefronts. Shoppers' goods establishments make up 39 percent of all storefronts, of which more than half are clothing and accessories stores. Pitkin Avenue, the heart of the area, is home to numerous national and regional chain stores, including Rainbow clothing, Payless Shoe Store, Radio Shack, Lucille Roberts Gym, Foot Locker, and a new Chase Bank. Numerous local merchants are interspersed, selling a variety of women's, men's and children's clothing and accessories, as well as electronics. A cluster of supermarkets, and fish and meat markets is found along Belmont Avenue; however, many recent vacancies have occurred along this stretch. Drug stores are prevalent, with eight identified throughout the area. Limited-service Chinese take-out,

pizzerias, and fast food establishments are the main dining options, with only four full-service restaurants identified. The area is supported by the Pitkin Avenue Business Improvement District (BID), which displays signs “Pitkin Avenue Welcomes You;” however, nearly 19 percent of storefronts were vacant, primarily along Belmont and off Pitkin Avenue to the north. One hour, metered street parking is available; however, bus lanes limit availability, making parking difficult. Many shoppers were observed walking with carts from nearby housing.

Fulton Street between Schenck Street and Eldert Lane

Fulton Street runs 24 blocks beneath an elevated subway through the neighborhoods of Highland Park and Cypress Hills. The retail strip varies in activity, with larger concentrations of storefronts and foot traffic found near subway stations, and fewer in between. In total, 315 storefronts were identified, of which neighborhood services make up the largest segment (31 percent). Hair and nail salons are plentiful; however, many professional offices (tax, insurance, real estate), and laundry/dry cleaners are also present. Shoppers’ goods make up 17 percent of the retail mix, as do convenience goods. These storefronts are predominantly local retailers, with some local chain supermarkets such as Bravo and Met Foods identified. Nearly 60 storefronts are vacant (18 percent), including a former Key Food location.

Liberty Avenue (West) between Euclid Avenue and 78th Street

Liberty Avenue (West) is among the busiest retail strips within the study area. Located approximately two miles north of the Project Site, the strip straddles the Brooklyn/Queens border. The corridor has over 200 storefronts, nearly 40 percent of which are shoppers’ goods. Numerous men’s, women’s, and children’s clothing establishments were identified, and local retailers dominate. However, some national retailers such as Payless Shoes and Fabco Shoes are also present. Neighborhood services make up nearly 30 percent of all storefronts with numerous hair and nail salons and local professional offices. The eastern portion of the strip (Queens) has numerous eating establishments and specialty markets catering to Middle Eastern and Indian/Bangladeshi populations, while the western portion (Brooklyn) appears to cater to Hispanic groups. The vacancy rate is approximately 8 percent, and several locations were under renovation for new tenants.

Jamaica Avenue between Eldert Avenue and 125th Street

The Jamaica Avenue retail strip covers over 40 blocks and is composed of over 830 storefronts. It is supported by a BID which posts signs calling for people to “Shop Jamaica Avenue.” Though one corridor, it is physically and psychologically two areas, with Woodhaven Avenue a dividing presence in the middle of the strip. West of Woodhaven is noticeably more vibrant and appeared to be better maintained. A large town center-like cluster is also busy at the far eastern end of the corridor at the intersection with Myrtle Avenue and 119th Street. Though segmented, the entire stretch appears healthy, with a vacancy rate of under 13 percent, and requires parking meters allowing shoppers 1 hour for 25 cents.

The retail concentration is dominated by neighborhood services which account for over 40 percent of all storefronts (341 total). Professional services make up over a third of these businesses and include over 50 real estate, 18 law, and numerous travel, tax, and accounting services. As with other areas, barber shops, salons, and nail parlors are plentiful with over 70 total locations identified. Only 16 percent of stores are shoppers’ goods, and 15 percent convenience. National and regional chain stores are not as prevalent as in other clusters; however, notable storefronts include Rainbow women’s clothing, Payless Shoes, Radio Shack,

Duane Reade, Eckerd Pharmacy, as well as C-Town and Met Supermarkets. Nearly a quarter of eating establishments offer full service, and are dominated by Central and South American cuisine, with numerous Mexican, Ecuadorian, Peruvian, and Spanish food establishments. Numerous national fast food chains, including McDonald's, Dominos, and Kentucky Fried Chicken are found among local Chinese take-out, pizza, and chicken locations.

101st Avenue between 88th Street and 134th Street

The 101st Avenue retail corridor encompasses over 40 blocks in the Ozone Park neighborhood of Brooklyn. Over 350 storefronts are located along the avenue, of which over 46 percent are neighborhood service establishments. Nearly half of these are professional offices, including over 30 real estate and mortgage businesses, 11 law offices and eight insurance brokers. Food and beverage stores make up the majority of convenience goods (13 percent of total storefronts), with large supermarket chains such as Met Foods, C-Town and Key Foods found amongst numerous deli/groceries. A Rite Aid is the only large pharmacy. No major chain stores were identified in the shoppers' goods category (11 percent of all stores); rather a concentration of specialty women's clothing stores selling Saris are found near the intersection of Lefferts Boulevard. Several Indian restaurants were also observed along with numerous Chinese take-out and pizza options. Though parking meters are located along the corridor, it is not particularly active at midday, with many open parking spaces and limited foot traffic observed. The vacancy rate of 11 percent is typical of other competing areas.

Liberty Avenue at 91st Street and the Van Wyck Expressway

Liberty Avenue is a major thoroughfare that extends through the neighborhoods of Ozone Park and South Richmond Hill, Queens. The retail corridor is located under the Ozone Park/Lefferts Boulevard elevated A train from 91st Street to Lefferts Boulevard. It is characterized by a predominance of neighborhood services (32 percent), including realty and law offices, medical offices, laundromats and dry cleaners, and hair and nail salons. The second highest commercial usage in this retail strip is shoppers' goods (27 percent), which includes general merchandise discount stores, cell phone and other electronic stores, and clothing stores. There are many women's clothing stores on this retail strip, which sold such specialty clothing as Saris, and caters to the Indian, Bangladeshi, and Pakistani populations in these neighborhoods in Queens. The numerous specialty grocery stores and eating establishments reflect the strong West Indian community in the neighborhoods too. The vacancy rate is approximately 8 percent in the retail strip, which accounts for about one vacant storefront per block.

Cross Bay Boulevard between 156th and 165th Avenues

Cross Bay Boulevard is a wide street with two car lanes in each direction, divided by a traffic median. The retail strip begins at the intersection of 156th Avenue and Cross Bay Boulevard, just south of the Shore Parkway, and ends at the intersection of 165th Avenue and Cross Bay Boulevard, the last street on Cross Bay Boulevard before it crosses over Jamaica Bay to the Rockaways. This retail strip is more car-oriented than Liberty Avenue and some of the other commercial areas described in this chapter, and many establishments on the strip provide auxiliary parking either in front of or behind the storefronts. The retail corridor has a diverse mix of commercial uses—eating establishments, neighborhood services, and shoppers' goods are the three most common types of stores found on the strip. There is a strong presence of national businesses on this retail strip, as a third of all limited service eating places (7 out of 22) are national fast food chains like McDonald's and Dunkin' Donuts. There are also several pizzerias

and Italian restaurants, bakeries, and food markets which reflect the large Italian-American population that resides in Howard Beach.

Merrick Boulevard between Ursina Road and Hook Creek Boulevard

Merrick Boulevard is an auto-oriented retail corridor in the Springfield Gardens neighborhood of Queens. Located approximately six miles east of the Project Site, the strip holds approximately 333 storefronts, of which 38 percent are neighborhood services, 16 percent are eating and drinking establishments, 13 percent are convenience goods, and 8 percent are shoppers' goods. The area has a higher percentage of auto-related trade (8 percent) than most other strips surveyed. Thirteen percent of storefronts are vacant, and 3 percent are in the building materials sector. A Home Depot is one of these stores. It is part of the Laurelton Renaissance Shopping District, as noted by the flags hanging from lamp posts along the corridor. Pedestrian traffic is light throughout, with parking provided at numerous small shopping centers along the thoroughfare. Local merchants are found in most areas; however, a concentration of national chains is found in a busy shopping center at the intersection of Springfield Avenue, including Pathmark, Payless, Rainbow, Washington Mutual, Pet Land, and Radio Shack. Surrounding corners contain a drive-through Burger King, and a new strip mall with fast food chains Golden Krust, Papa John's, and Dunkin Donuts. Eating establishments point to a significant Jamaican population, with eight limited and full-service restaurants identified.

Far Rockaway surrounding Mott Street and Beach 20

The retail cluster surveyed in Far Rockaway is dense, with over 210 storefronts located throughout a web of interconnected streets. Neighborhood service establishments make up 33 percent of total storefronts, followed by shoppers' goods (22 percent), and convenience goods (15 percent). Hair, nail, and skin services comprise over 40 percent of all neighborhood service establishments, with 22 hair salons or barbers, and 8 nail salons. Clothing stores account for half of all shoppers' goods, and include discounter VIM and numerous local businesses. Several supermarkets are located in the area, including a C-Town, Key Food, and Associated, which anchors an underperforming shopping center. Many limited service restaurants were identified throughout the area, including local establishments and national chains such as McDonald's (drive-through), White Castle, Dominos, and Popeye's. Full service restaurants offered predominantly West Indian and Spanish food. Though chain stores are present, the majority of storefronts are local establishments. Free on street parking is available along portions of the cluster; however, off street parking is provided at the shopping center. Narrow roadway and signal conditions make the area feel chaotic; however, foot traffic is high, particularly near the subway stop. The vacancy rate is high (15 percent of total storefronts), especially at the shopping center.

Rockaway Park and Seaside (Beach 116 Street and Rockaway Avenue, Beach 116 to Beach 84)

The majority of retail activity found in the Rockaways is located along Rockaway Beach Avenue. Three clusters were surveyed, the largest at the intersection of Beach 116 Street, a smaller strip at Beach 105 Street, and a third near Beach 84 Street. In total, 212 storefronts were tallied, of which over 40 percent are neighborhood services, 16 percent are eating and drinking places, and 16 percent are convenience goods. Only 12 percent of storefronts were identified as shoppers' goods, and 13 percent were vacant.

The three areas offer very different retail environments. The busiest area is found at Beach 116 Street, which has a beach town feel with heavy foot traffic and metered parking. Seasonal

establishments are located near the water, with surf and accessories shops identified. The strip has several banks, a new Duane Reade pharmacy, and drinking and full service restaurant establishments. A large Waldbaums anchors a shopping center with off-street parking. New retail investment is evident throughout.

Down Rockaway Avenue near Beach 102 Street is a concentration of strip malls and the Sands Point Professional Office complex. Tenants include a C-Town supermarket, a local gym, and numerous medical offices. Large lots provide ample off-street parking; however, traffic appeared to be light. It is likely customers arrive from the numerous residential high rises surrounding the strip.

The final subarea is located near Beach 84 Street. A large shopping center anchors the area and includes a C-Town supermarket, a Rainbow clothing store, and several limited service eating establishments (Popeye's, pizza, and Chinese take-out). Though the shopping center is fairly busy, shops along Rockaway Avenue are not. Neighborhood service establishments dominate, including numerous hair salons, a check cashing location, and a pawn shop; however, many storefronts are vacant.

Kings Plaza Shopping Center

Kings Plaza Shopping Center is located at 5100 Kings Plaza at the intersection of Flatbush Avenue and Avenue U in Brooklyn. It is an indoor shopping mall with over 1 million square feet of gross leaseable area. The anchors of this mall are Macy's, Sears, H&M, and Loews Cineplex. 95 stores (or 74 percent of stores) are shoppers' goods stores such as Old Navy, Aeropostale, American Eagle Outfitters, Jimmy Jazz, and Footlocker. There are 14 eating and drinking establishments (or 11 percent). A parking garage with five levels is adjacent to the mall and provides over 3,700 parking spaces. The annual sales for this shopping center are \$385 million.¹ A few blocks from the mall is a Home Depot.

Other nearby shopping centers

Two shopping centers—Pathmark Shopping Center and Starrett at Spring Creek Shopping Center—were not included in the tabulation as they are small concentrations of retail (with 10 and 21 storefronts, respectively); however, they are described below as they are in close proximity to the Project Site.

Pathmark Shopping Center, which is about ½ mile from the Project Site, is a small retail concentration with approximately 10 storefronts. 30 percent of storefronts offer neighborhood services, such as a barber shop and a martial arts studio; 20 percent offer convenience goods, such as the Pathmark grocery store. Also there are three shoppers' goods stores—a card store, cell phone store, and a shoe store.

Starrett at Spring Creek Shopping Center is one of the closest retail concentrations to the Project Site. This retail concentration primarily serves the residents of Starrett City, and includes approximately 21 storefronts. More than 40 percent of the storefronts provide neighborhood services, such as Citibank, HSBC, Blockbuster Video, a hair salon, a dry cleaner, medical and dental offices, and other professional offices. There are four limited-service eating establishments, including Golden Krust and Dunkin Donuts. The three convenience goods stores

¹ Source: <http://www.kingsplazaonline.com>

include Associated Supermarket, CVS, and a beauty supply store. There are three national chains at this shopping center: Payless Shoe Store, Foot Locker, and Radio Shack.

HOUSEHOLD RETAIL EXPENDITURE POTENTIAL AND TRADE AREA CAPTURE RATES

According to ESRI, households in the Primary Trade Area spent an estimated \$9.1 billion on retail goods and services in 2006 (see Table 3-18). Approximately 41 percent was spent on shoppers' goods, 34 percent on convenience goods, 22 percent on food services and drinking establishments, and 4 percent on building materials and garden equipment stores. On a per household basis, Primary Trade Area residents spent roughly \$6,487 annually on shoppers' goods, \$5,422 annually on convenience goods, \$3,514 annually at eating and drinking establishments, and \$588 annually at building materials and garden supply stores. Primary Trade Area households spent approximately \$93 more than households in Brooklyn for these retail categories; however, they spent \$2,659 less than households in Queens, and \$4,818 less than households in New York City.

Table 3-18
Household Retail Demand in the Primary Trade Area, Brooklyn, Queens, and New York City, 2006

	Primary Trade Area		Kings County		Queens County		New York City	
	Total Demand (Millions of 2006 Dollars) ¹	Demand per Household (2006 Dollars) ¹	Total Demand (Millions of 2006 Dollars) ¹	Demand per Household (2006 Dollars) ¹	Total Demand (Millions of 2006 Dollars) ¹	Demand per Household (2006 Dollars) ¹	Total Demand (Millions of 2006 Dollars) ¹	Demand per Household (2006 Dollars) ¹
Shoppers' Goods ²	\$3,674	\$6,487	\$5,652	\$6,304	\$6,228	\$7,915	\$25,532	\$8,248
<i>Department Stores</i>	\$256	\$452	\$430	\$479	\$367	\$466	\$1,938	\$626
Convenience Goods ²	\$3,070	\$5,422	\$5,000	\$5,577	\$4,616	\$5,867	\$22,647	\$7,316
<i>Grocery Stores</i>	\$1,887	\$3,332	\$3,057	\$3,409	\$2,858	\$3,632	\$13,869	\$4,480
Building Materials and Garden Supply	\$333	\$588	\$489	\$546	\$605	\$768	\$2,170	\$701
Eating and Drinking Establishments ²	\$1,990	\$3,514	\$3,129	\$3,490	\$3,241	\$4,119	\$14,123	\$4,563
Total³	\$9,067	\$16,010	\$14,271	\$15,917	\$14,689	\$18,669	\$64,472	\$20,828

Notes:

¹ Demand (retail expenditure potential) estimates the expected amount spent by consumers at retail establishments.

² Shoppers' goods include general merchandise stores; apparel and accessory stores (including shoes); sporting goods, hobby, book and music stores; electronics and appliance stores; furniture and home furnishing stores; office supplies, stationery, and gift stores; and used merchandise stores. Convenience goods include food stores such as delis, bakeries and supermarkets, drug and proprietary stores, liquor stores; health and personal care stores; florists; and other miscellaneous store retailers. Eating and Drinking places include fast-food and full-service restaurants and bars.

³ Total does not reflect total expenditures or sales for all retail-only those retail categories included in the Shoppers' Goods, Convenience Goods, Eating and Drinking Places, and Building Materials and Garden Supply categories. Retail establishments not included in this total are: auto-related businesses and non-store retailers.

Source: ESRI, Inc.

The amount of money that Primary Trade Area residents spend on retail goods in these retail categories (an estimated \$9.1 billion in 2006) is considered the Primary Trade Area demand, or retail expenditure potential. This expenditure potential can be compared to total retail sales in the Primary Trade Area to obtain a "capture rate." Capture rates are measures of business activity in a trade area, indicating the percentage of consumer expenditures for retail goods that are being captured by retailers in the trade area. If the total sales in the trade area are much lower than the

area's expenditure potential, then 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 area, and the capture rate is high. In general, trade areas that are satisfying the retail demand generated by trade area households have capture rates of between 70 and 80 percent.¹

Capture rates are also affected by money flowing into an area from people who do not live in that area. Some of the sales in the Primary Trade Area, for example, may be from people living in other areas of Brooklyn and Queens, other New York City boroughs, Nassau County, and elsewhere, shopping at stores in the Primary Trade Area. It is not possible to know exactly who (residents or nonresidents) is spending money in the area. This is particularly true for Gateway Center which is a metropolitan region-wide destination. Therefore, a high capture rate may be indicative of an area with a high proportion of destination retail, i.e., retail that will attract customers from greater distances in order to compare price, quality, and the selection of merchandise. This is the case for New York City as a whole, where the retail capture rate is approximately 92 percent. Despite these uncertainties about the origin of sales in any particular trade area, comparing expenditure and sales data provides a good indication of how much of a trade area's household expenditure potential is being captured by trade area retailers. For the Primary Trade Area, this capture rate is fairly low.

Tables 3-19 through 3-22 show the capture rates for the Primary Trade Area, Brooklyn, Queens, and New York City. As shown in Table 3-19, total retail sales for shoppers' goods, convenience goods, building materials and garden supply stores, and eating and drinking establishments in the Primary Trade Area were approximately \$5.7 billion in 2006. Potential retail expenditures for these goods, on the other hand, were \$9.1 billion indicating that retail stores in the Primary Trade Area are capturing only 62.8 percent of the Primary Trade Area household expenditure potential. This indicates that Primary Trade Area residents are making a substantial portion of their retail purchases outside of the area, which may include other portions of Brooklyn or Queens and Manhattan, but very likely Nassau County as well. In comparison, the retail capture rates for these retail categories for Brooklyn, Queens, and New York were 72.2 percent, 62.3 percent, and 92.4 percent, respectively. As shown in Table 3-22, the high overall capture rate for New York City is attributable primarily to shoppers' goods sales, which has a capture rate of 122.5 percent. As indicated above, this suggests that shoppers' goods stores in the city are likely capturing a high percentage of available expenditure potential, plus additional spending from people who live outside of the city, including day-trippers, but also overnight visitors from outside the metropolitan area, including national and international visitors.

2013 THE FUTURE WITHOUT THE PROPOSED ACTION

The primary changes that may affect retail market conditions in the Primary Trade Area in the future without the Proposed Action are population changes, which could increase expenditure potential and generate additional demand for retail goods, as well as new retail projects, which would expand the retail inventory.

¹ The *Shopping Center Development Handbook*, published by the Urban Land Institute, indicates that shopping centers can expect to draw between 70 and 80 percent of their regular customers from their primary trade area.

Table 3-19

Household Retail Expenditures and Total Retail Sales, Primary Trade Area, 2006

	Retail Sales in Primary Trade Area ¹	Retail Demand from Primary Trade Area Households ¹	Amount Not Being Captured in Primary Trade Area ¹	Primary Trade Area Capture Rate
Shoppers' Goods	\$2,455	\$3,674	\$1,219	66.8%
<i>Department Stores</i>	\$146	\$256	\$110	57.2%
Convenience Goods	\$2,312	\$3,070	\$758	75.3%
<i>Grocery Stores</i>	\$1,171	\$1,887	\$716	62.1%
Building Materials and Garden Supply	\$187	\$333	\$146	56.2%
Eating and Drinking Establishments	\$738	\$1,990	\$1,252	37.1%
Total²	\$5,693	\$9,067	\$3,374	62.8%
Notes: ¹ All values are in millions of 2006 dollars. ² Total does not reflect total expenditures or sales for all retail in the Primary Study Area - only those retail categories included in the Shoppers' Goods, Convenience Goods, Building Materials and Garden Supply, and Eating and Drinking Places categories. Retail establishments not included in this total are: auto-related businesses, and non-store retailers. Source: ESRI, Inc.				

Table 3-20

Household Retail Expenditures and Total Retail Sales, Brooklyn, 2006

	Retail Sales in Brooklyn ¹	Retail Demand from Brooklyn Households ¹	Amount Not Being Captured in Brooklyn ¹	Brooklyn Capture Rate
Shoppers' Goods	\$4,679	\$5,652	\$974	82.8%
<i>Department Stores</i>	\$297	\$430	\$132	69.2%
Convenience Goods	\$4,010	\$5,000	\$990	80.2%
<i>Grocery Stores</i>	\$1,881	\$3,057	\$1,175	61.5%
Building Materials and Garden Supply	\$421	\$489	\$68	86.0%
Eating and Drinking Establishments	\$1,191	\$3,129	\$1,939	38.1%
Total²	\$10,301	\$14,271	\$3,970	72.2%
Notes: ¹ All values are in millions of 2006 dollars. ² Total does not reflect total expenditures or sales for all retail in Brooklyn - only those retail categories included in the Shoppers' Goods, Convenience Goods, Building Materials and Garden Supply, and Eating and Drinking Places categories. Retail establishments not included in this total are auto-related businesses and non-store retailers. Source: ESRI, Inc.				

Table 3-21

Household Retail Expenditures and Total Retail Sales, Queens, 2006

	Retail Sales in Queens ¹	Retail Demand from Queens Households ¹	Amount Not Being Captured in Queens ¹	Queens Capture Rate
Shoppers' Goods	\$3,997	\$6,228	\$2,231	64.2%
<i>Department Stores</i>	\$170	\$367	\$196	46.5%
Convenience Goods	\$3,068	\$4,616	\$1,548	66.5%
<i>Grocery Stores</i>	\$1,541	\$2,858	\$1,317	53.9%
Building Materials and Garden Supply	\$613	\$605	-\$9	101.5%
Eating and Drinking Establishments	\$1,470	\$3,241	\$1,771	45.4%
Total²	\$9,148	\$14,689	\$5,541	62.3%
Notes: ¹ All values are in millions of 2006 dollars. ² Total does not reflect total expenditures or sales for all retail in Queens - only those retail categories included in the Shoppers' Goods, Convenience Goods, Building Materials and Garden Supply, and Eating and Drinking Places categories. Retail establishments not included in this total are auto-related businesses and non-store retailers. Source: ESRI, Inc.				

Table 3-22

Household Retail Expenditures and Total Retail Sales, New York City, 2006

	Retail Sales in New York City ¹	Retail Demand from New York City Households ¹	Amount Not Being Captured in New York City ¹	New York City Capture Rate
Shoppers' Goods	\$31,278	\$25,532	-\$5,746	122.5%
<i>Department Stores</i>	\$1,136	\$1,938	\$802	58.6%
Convenience Goods	\$17,300	\$22,647	\$5,346	76.4%
<i>Grocery Stores</i>	\$7,084	13,869	\$6,785	51.1%
Building Materials and Garden Supply	\$1,623	\$2,170	\$547	74.8%
Eating and Drinking Establishments	\$9,362	\$14,123	\$4,761	66.3%
Total²	\$59,564	\$64,472	\$4,908	92.4%
Notes: ¹ All values are in millions of 2006 dollars. ² Total does not reflect total expenditures or sales for all retail in New York City- only those retail categories included in the Shoppers' Goods, Convenience Goods, Building Materials and Garden Supply, and Eating and Drinking Places categories. Retail establishments not included in this total are auto-related businesses and non-store retailers. Source: ESRI, Inc.				

Based on 2015 forecasts generated by the New York Metropolitan Transportation Council (NYMTC)¹, the population of Brooklyn and Queens is projected to grow to approximately 5.02 million people by 2013. Applying the 2000 average household size for the Primary Trade Area (2.89 persons per household), and the projected growth rate for Brooklyn and Queens (6.9 percent between 2000 and 2013) to the existing Primary Trade Area population, the area will contain an estimated 616,351 households in 2013. Growth in the number of households between 2006 (the year of the current conditions data used in this capture rate analysis) and 2013 is estimated to be 21,369 households. As shown in Table 3-18, Primary Trade Area households currently spend approximately \$16,010 per year for these retail categories. If the additional households continue to spend the same amount per year, the households would increase the retail demand by \$342.1 million.

In addition, 2,385 residential units were approved for the Project Site under the 1996 Plan. Absent approval of the Proposed Action, it is expected that the previously approved 1996 Plan would be executed. Thus, 2,385 new households would be introduced to the Primary Trade Area by 2013 without the Proposed Action. Assuming that these new households spend roughly \$16,010 per year on retail goods, they would increase demand for retail goods by approximately \$38.2 million per year. These households would spend approximately \$15.5 million on shoppers' goods (including \$1.1 million at department stores), \$12.9 million on convenience goods (including \$7.9 million at grocery stores), \$8.4 million at eating and drinking establishments, and \$1.4 million at home improvement stores.

Thus, the total household expenditure potential for retail goods—with the additional households predicted between 2006 and 2013 and from the 2,385 residential units approved under the 1996 Plan—will be approximately \$9.5 billion in 2013, which represents a 4.2 percent increase over household expenditures in 2006.

¹ New York Metropolitan Transportation Council, New York Urban Region Population by County: 1970-2030, September 2004.

At the same time, retail sales in the Primary Trade Area will also increase as new retail projects are completed. Table 3-23 lists known retail projects expected to be completed in the Primary Trade Area by or before 2013. These projects would add approximately 284,550 sf of retail space to the Primary Trade Area. Based on sales per square foot estimates obtained from *Dollars & Cents of Shopping Centers, 2006*, the stores would have annual sales of approximately \$137.1 million, increasing total trade area retail sales by approximately 2.4 percent, from \$5.7 billion in 2006 to \$5.8 billion in 2013.

Table 3-23
Estimated Annual Sales for Retail Projects to be Built in the Primary Trade Area

	Retail Square Feet	Estimated Sales (Millions of 2006 Dollars)
The Shops at Gateway¹	232,810	\$114.32
Shoppers' Goods	138,768	\$61.01
Convenience Goods	73,480	\$44.65
Grocery Stores	55,794	\$36.88
Eating and Drinking Places	20,561	\$8.66
Jamaica Hospital Nursing Home Facility with Retail²		
Convenience Goods	51,740	\$22.75
TOTAL	284,550	\$137.07
Notes: ¹ The Shops at Gateway assumes that the 55,794-square-foot space would be occupied by a grocery store and the 80,723-square-foot space would be occupied by a shoppers' goods store. The remaining 96,293 sf was modeled on the breakdown of space in community shopping centers, as reported in Urban Land Institute's <i>Dollars & Cents of Shopping Centers, 2006</i> . ² Assumed to be convenience goods Sources: Sales estimates were derived using per-square-foot estimates from Urban Land Institute, <i>Dollars & Cents of Shopping Centers, 2006</i> .		

With annual sales of approximately \$5.8 billion and household expenditure potential of \$9.5 billion, the capture rate for the Primary Trade Area will be approximately 61.7 percent by 2013, lower than it was in 2006 (62.8 percent) and well below the 70 to 80 percent characteristic of trade areas that are satisfying the retail demand generated by trade area households.

2013 PROBABLE IMPACTS OF THE PROPOSED ACTION

ESTIMATED SALES AT STORES INTRODUCED UNDER THE PROPOSED ACTION

As described above, retail development currently planned for the Project Site is expected to include a 630,000-square-foot shopping center and 68,000 sf of local retail. Given that specific tenants and store sizes for the proposed expansion have not yet been determined, for purposes of providing a conservative assessment of potential socioeconomic impacts, this analysis is based on a reasonable worst-case program that includes as anchor tenants: a 167,900 square foot wholesale club; a 143,200 square foot discount department store; and a 119,800 square foot home improvement store. The remaining approximately 267,100 square feet of GLA would include small and mid-sized retail stores.

Retail sales resulting from the Proposed Action are projected to be approximately \$348.15 million annually, generated by 332,237 square feet of shoppers' goods space, 218,263 square

feet of convenience goods space, 27,700 square feet of eating and drinking establishments, and 119,800 square feet of home improvement space. Annual sales for shoppers' goods are estimated at \$154.6 million, annual sales for convenience goods are estimated to be \$118.4 million, annual sales for eating and drinking establishments are estimated to be \$11.7 million, and estimated annual sales for home improvement stores are estimated to be \$63.5 million (see Table 3-24).

Table 3-24
Estimated Retail Sales for the Proposed Project

	Retail SF	Sales PSF	Total Sales (Millions of 2006 Dollars)
Shoppers' Goods	332,237		\$154.58
<i>Discount Department Store</i>	<i>100,240</i>	<i>\$450</i>	<i>\$45.11</i>
<i>Wholesale Club</i>	<i>72,197</i>	<i>\$555</i>	<i>\$40.08</i>
<i>All Other</i>	<i>159,800</i>	<i>\$434</i>	<i>\$69.39</i>
Convenience Goods	218,263		\$118.41
<i>Grocery at Wholesale Club¹</i>	<i>95,703</i>	<i>\$555</i>	<i>\$53.13</i>
<i>Grocery at Discount Department Store²</i>	<i>42,960</i>	<i>\$450</i>	<i>\$19.33</i>
<i>Grocery at All Other Stores</i>	<i>50,215</i>	<i>\$661</i>	<i>\$33.19</i>
<i>All other convenience goods</i>	<i>29,385</i>	<i>\$434</i>	<i>\$12.76</i>
Eating and Drinking	27,700	\$421	\$11.67
Home Improvement	119,800	\$530	\$63.49
TOTAL	698,000		\$348.15
Notes: ¹ Based on wholesale club sales data from selected 2003 annual reports, 57 percent of the wholesale club sales are assumed to be from grocery items. ² Based on wholesale club sales data from selected 2003 annual reports, 57 percent of the wholesale club sales are assumed to be from grocery items. Based on sales data from the 2005 annual report of a typical discount department store, 30 percent of sales at the discount department store are assumed to be from grocery items. Sources: Wholesale club sales were estimated based on sales data presented in the 2005 900 Brush Avenue, Bronx EAS, which analyzed potential impacts related to the introduction of a B.J.'s Wholesale Club. Discount department store and home improvement sales were estimated based on proprietary sales data from discount department stores and home improvement stores and shopping centers in the New York Metropolitan Area. Sales for all other shoppers' goods, convenience goods, and eating and drinking establishments were estimated based on data from the Urban Land Institute's <i>2006 Dollars and Cents of Shopping Centers</i> .			

ESTIMATED CHANGES IN PRIMARY TRADE AREA CAPTURE RATES

As described under "2013 the Future Without the Proposed Action," the Primary Trade Area is expected to grow by approximately 23,754 households by 2013, including the 2,385 residential units added to the Primary Trade Area by the 1996 Plan. From these households, the household expenditure potential for retail goods will be approximately \$9.5 billion in 2013. As described above, total sales for the new stores in the Proposed Project are projected to be \$348.15 million. Adding this to existing sales in the trade area, and to sales at retailers in the trade area that are expected to open in the Primary Trade Area, total projected sales for retail categories analyzed would be approximately \$6.2 billion in 2013.

The overall capture rate in the Primary Trade Area would increase to 65.4 percent in the future with the Proposed Action (see Table 3-25). This capture rate is approximately four percentage

points higher than it would be in the future without the Proposed Action. The capture rate for eating and drinking establishments would increase modestly, by less than one percentage point, to 36.6 percent. The capture rate for shoppers' goods would increase by approximately four percentage points, to 69.8 percent. The capture rate for convenience goods would also increase by approximately 4 percentage points, from 74.4 percent to 78.1 percent. This convenience goods capture rate is the highest among the retail categories analyzed, but still within the 70 to 80 percent range that is typical of trade areas that are satisfying the retail demand generated by trade area households. Neither would the capture rate for convenience goods be likely to exceed 80 percent in the 2011 Build year. Based on NYMTC projections, approximately 15,264 households would be added to the Primary Trade Area between 2006 and 2011. By 2011 under the Proposed Action, approximately 1,027 residential units and 698,000 sf of retail would be complete. The overall capture rate would be less than one percent higher in the 2011 Build Year compared to the 2013 Build year (66.3 percent versus 65.4 percent). The capture rate for convenience goods would again be the highest at 79.2 percent, but would still be within the 70 to 80 percent range.

Table 3-25
Comparison of Estimated Retail Capture Rates in Primary Trade Area:
Existing Conditions, Future Without the Proposed Action,
and Future With the Proposed Action

	Retail Sales in Primary Trade Area ¹	Retail Demand from Primary Trade Area Households ¹	Primary Trade Area Capture Rate
Existing Conditions			
Shoppers' Goods	\$2,455	\$3,674	66.8%
<i>Department Stores</i>	\$146	\$256	57.2%
Convenience Goods	\$2,312	\$3,070	75.3%
<i>Grocery</i>	\$1,171	\$1,887	62.1%
Eating and Drinking	\$738	\$1,990	37.1%
Home Improvement	\$187	\$333	56.2%
TOTAL	\$5,693	\$9,067	62.8%
2013 Without the Proposed Action			
Shoppers' Goods	\$2,516	\$3,828	65.7%
<i>Department Stores</i>	\$146	\$267	54.9%
Convenience Goods	\$2,380	\$3,199	74.4%
<i>Grocery</i>	\$1,208	\$1,966	61.4%
Eating and Drinking	\$747	\$2,074	36.0%
Home Improvement	\$187	\$347	53.9%
TOTAL	\$5,830	\$9,447	61.7%
2013 With the Proposed Action			
Shoppers' Goods	\$2,671	\$3,828	69.8%
<i>Department Stores</i>	\$191	\$267	71.8%
Convenience Goods	\$2,498	\$3,199	78.1%
<i>Grocery</i>	\$1,314	\$1,966	66.8%
Eating and Drinking	\$759	\$2,074	36.6%
Home Improvement	\$250	\$347	72.2%
TOTAL	\$6,178	\$9,447	65.4%
Note: ¹ All dollar values are presented in millions of 2006 dollars.			
Sources: See source notes for Tables 3-18 through 3-24.			

The capture rates for department stores and home improvement stores would experience the highest increases in capture rates, with a 16.9 percentage point increase to 71.8 percent for

department stores and an 18.3 percentage point increase to 72.2 percent for home improvement stores. This analysis conservatively assumes that 100 percent of the sales at the home improvement store are from consumers. Although ESRI, Inc. excludes sales to businesses, it is likely that a portion of the sales at home improvement stores includes some sales to contractors. Furthermore, as stated above, trade areas that satisfy the retail demand generated by trade area households have capture rates of between 70 and 80 percent. Although the capture rates for department stores and home improvement stores are 71.8 and 72.2 percent respectively, these are within the 70 to 80 percent range.

The Proposed Action would raise the capture rate within the Primary Trade Area by only 3.8 percentage points compared to the No Build condition. In addition, with the Proposed Action, capture rates for all retail categories analyzed are below or within the 70 to 80 percent range. Therefore, the Proposed Action would not significantly affect competitive stores within the Primary Trade Area.

2013 POTENTIAL IMPACTS ON LOCAL SHOPPING AREAS






As described in the *CEQR Technical Manual*, competitive effects on stores closest to a project site can occur even when there are still substantial unspent dollars within a trade area. While competition does not constitute a significant adverse impact under CEQR guidelines, when competition adversely affects neighborhood character, it could constitute a significant adverse impact. If proposed anchor stores have the potential to affect the operations of competitive stores located on neighborhood commercial strips, and if these competitive stores are the anchor stores on those strips, there would be the potential for neighborhood character impacts. The *CEQR Technical Manual* also states that the number and variety of proposed non-anchor stores could accentuate the potential for impacts.

This section examines the Proposed Project's potential competitive effects within about 1.5 miles of the Project Site (the "1.5-Mile Trade Area") to determine whether competition with stores in local shopping areas could undermine the viability of retail concentrations, thereby leading to significant adverse impacts to neighborhood character. The 1.5-Mile Trade Area, as shown in Figure 3-4, encompasses seven of the retail concentrations and the two nearby shopping centers identified within the Primary Trade Area.

The analysis focuses on grocery stores in particular, because grocery stores generally serve as anchors for retail concentrations, and the Proposed Project could introduce two stores offering products that substantially overlap with typical grocery store offerings. Specifically, the Proposed Project could include an approximately 35,000 to 40,000-square-foot grocery store in the local retail portion of the project, most likely on the parcel at the southwest corner of Flatlands Avenue and Elton Street. Because this location is in the midst of the residential neighborhood and not in the shopping center component, and because of the supermarket's expected size, it would primarily serve the grocery needs of neighborhood shoppers and would compete with other local supermarkets. The Proposed Project as analyzed also would include a 167,000-square-foot wholesale club, of which an estimated 95,000 sf of space would be dedicated to the sale of groceries.¹

¹ Based on wholesale club sales data from selected 2003 annual reports, 57 percent of the wholesale club sales are assumed to be from grocery items.



-  *Project Site*
-  *Fresh Creek Urban Renewal Area Boundary*
-  *Study Area Boundary (1-1/2 Mile Perimeter)*
-  *Retail Concentrations*
-  *Supermarket/ Grocery Store Location*

Retail Concentrations

- K** Rockaway Parkway between Foster Avenue and Avenue J
- L** Avenue L between Rockaway Parkway and 91st Street
- M** Rockaway Parkway between Avenue M and Shore Parkway
- N** Pennsylvania Avenue between Linden Boulevard and Flatlands Avenue
- O** New Lots Avenue between Alabama Avenue and Linwood Avenue
- W** 101st Avenue between 88th Street and 134th Street
- Y** Cross Bay Boulevard between 156th Avenue and 165th Avenue
- 1** Pathmark Shopping Center (at Flatlands Avenue and Louisiana Avenue)
- 2** Starrett at Spring Creek Shopping Center (on Twin Pines Drive)

0 2000 4000 FEET
SCALE

As described in Section D above, the retail corridors within the 1.5-Mile Trade Area contain a wide variety of food and beverage stores, including several large chain supermarkets as well as smaller independent stores such as delis and grocery stores, meat and fish markets, fruit and vegetable markets, and retail bakeries. Supermarkets and grocery stores in the 1.5-Mile Trade Area include a few large chain supermarkets, such as Pathmark and Waldbaum's, as well as many smaller supermarket chains, such as Associated and C-Town (see Table 3-26). Based on retail surveys conducted, there are approximately 88 food and beverage stores in the retail corridors in the 1.5 -Mile Trade Area (see retail surveys in Appendix A, "Socioeconomic Conditions"). Of those, roughly 14 are supermarkets or other large grocery stores selling a variety of grocery items; 25 are smaller delicatessen-type stores that sell a general line of food items; and 18 are specialty stores such as meat and fish stores, fruit and vegetable markets, and bakeries. The remainder of the food and beverage stores is convenience stores and beer, wine, and liquor stores. The names and addresses of each supermarket or large grocery store are provided in Table 3-26 and are mapped in Figure 3-4.

Table 3-26
Selected Supermarkets in 1.5-Mile Trade Area

	Name	Address
1	Waldbaum's	156-01 Cross Bay Blvd
2	Compare Foods	402 Crescent St
3	C Town	1174 Liberty Ave
4	Associated	101-16 77th St
5	Bravo	358 New Lots Ave
6	Junior's Food Outlet	464 New Lots Ave
7	Associated	773 New Lots Ave
8	Pioneer	1019 Cozine Ave
9	Super Associated	1350 Pennsylvania Ave
10	Pathmark	430 Louisiana Ave
11	Super Met	901 East 107th St
12	Gold Star	1370 Rockaway Pkwy
13	Ideal Magic	9414 Ave L
14	Waldbaum's	83-25 153rd Avenue
Note: Supermarkets greater than 10,000 sf are listed in bold .		
Source: Store square footage based on RPAD data and estimates from aerial photography.		

For reasons described below, the amount of competitive business displacement of grocery stores and local retail stores more generally would be minimal, is not anticipated to jeopardize the viability of any neighborhood retail strips, is not expected to diminish the level of services provided and, therefore, is not anticipated to result in significant adverse impacts due to competition.

Local stores would remain more convenient to many shoppers.

Local area residents would continue to make a majority of their shopping trips to stores closest to their homes and closest to public transportation. It is therefore unlikely that a large portion of consumer sales would be diverted from local stores to the proposed retail development under the Proposed Project. Many residents, especially those without access to a car, would continue to do the majority of their grocery shopping at the stores on the local retail corridors because they

would remain more convenient. With the Proposed Project, the tendency to make frequent convenience shopping trips to smaller stores would be reinforced by the fact that the Project Site is not immediately proximate to a subway station and that approximately 52 percent of households in the 1.5-Mile Trade Area do not have a vehicle available to them. The 48 percent vehicle availability rate indicates that while many local households may make trips to area supermarkets once in a while (in cars with friends or family, or by private car service); they are not likely to do their more frequent grocery shopping there. These people would likely continue to do a majority of their food shopping at grocery stores closest to their homes and closest to public transportation. Trips by these shoppers to the potential supermarket would be discouraged because the Project Site is not well-served by public transportation; only the B13 and B6 buses stop in the immediate vicinity of the site and the nearest subway stop is approximately 3/4 miles away. In general, local grocery stores and supermarkets would continue to meet the demand by local residents in the 1.5-Mile Trade Area for convenience food purchases.

In addition, the central locations of local grocery stores put them at an advantage over the Project Site in some respects. Residents are likely to combine shopping trips for groceries with errands such as trips to the bank or dry cleaner, and may also shop for retail goods such as clothing, shoes, or books on the same trip. Many of the smaller grocery stores in the 1.5-Mile Trade Area are located along major commercial corridors that offer a variety of convenience goods, shopping goods, and neighborhood services, or in small retail clusters that include other basic convenience goods stores. Many residents, even those with access to a car, would continue to do the majority of their grocery shopping at these supermarkets because of the opportunity they provide for easily combining trips. It is therefore unlikely that a large portion of their sales would be diverted from local grocery stores to a supermarket at the Project Site.

The development of a wholesale club and supermarket as part of the retail mix of the Proposed Project would not be expected to substantially affect the area's small- and medium-sized food and beverage stores. Specialty stores like meat and fish stores and bakeries are generally patronized by neighborhood residents who value the convenience of shopping at a smaller store located near to their home, and the high quality of goods and personal service that can be offered by stores that specialize in certain food products. A wholesale club or chain supermarket would not offer the same specialized products or service, and business at specialty food and beverage stores is not expected to be significantly affected by the inclusion of either a wholesale club or supermarket in the Proposed Project.

Small- to medium-sized, independently owned grocery stores, bodegas, and delis serve a retail function similar to specialty food stores, though they offer a wider variety of food items. In general, these smaller grocery stores tend to act as convenience stores, where customers make frequent trips and purchase fewer items that are in immediate demand, such as milk or bread, or housekeeping supplies such as light bulbs. While shoppers may sometimes purchase these types of goods at chain supermarkets, they typically do not make frequent trips for convenience goods to wholesale clubs or area supermarkets; instead, they are likely to continue to fill their more frequent convenience food and beverage needs at smaller, nearby grocery stores.

Local retail corridors have a higher percentage of convenience goods and neighborhood services stores compared to anticipated uses under the Proposed Project.

The retail corridors in the 1.5-Mile Trade Area cater to local communities. As shown in Table 3-27, 453 of all storefronts surveyed within the 1.5-Mile Trade Area (51 percent) sell convenience goods or provide neighborhood services. Neighborhood-oriented retail would not compete with the destination retail in the expanded Gateway retail center. Although the

Proposed Project includes 68,000 sf of local retail, this retail would cater to the 2,385 residential units that are being built as part of the project.

Table 3-27
Retail Storefronts in the 1.5-Mile Trade Area

Retail Category	Storefronts	Percent of Total
Shoppers' Goods	211	23.7%
Building Materials, Hardware, & Garden Supply	16	1.8%
Auto-Related Trade	24	2.7%
Convenience Goods	142	16.0%
Eating and Drinking Places	124	14.0%
Neighborhood Services	311	35.0%
Vacant Storefronts	60	6.8%
Total Storefronts	888	100.0%
Notes: Tabulation only includes storefronts along major retail corridors within the 1.5-Mile Trade Area. More detailed retail survey data are provided in Appendix A.		
Source: AKRF, Inc. field services conducted in March and April 2007.		

Many retail corridors in the Primary Trade Area cater to specific ethnic groups.

Many local retail corridors have a distinctive ethnic character in terms of its residents, businesses, eateries, and retailers. For example, the eastern portion of Liberty Avenue between Euclid Avenue and 78th Street has numerous eating establishments and specialty markets catering to Middle Eastern and Indian/Bangladeshi populations, while the western portion appears to cater to Hispanic groups. Also, Brighton Beach Boulevard between Ocean Parkway and Brighton Street caters to a Russian population with specialty markets and full service Russian restaurants. The retail proposed under the Proposed Project would not jeopardize the viability of these neighborhood retail strips as residents would continue to shop at these stores that cater to specific ethnic groups.

Supermarkets offer a broader selection of merchandise compared to a wholesale club.

The selection of grocery items at the wholesale club would not be comparable to the selection offered at supermarkets within the 1.5-Mile Trade Area. As an example, Costco limits the number of different items offered in each product line, carrying an average of approximately 4,000 active stockkeeping units (SKU's) per warehouse.¹ In contrast, the filing indicates, supermarkets normally stock between 40,000 and 60,000 SKU's or more. Shoppers who prefer to have a wide assortment of items to choose from would likely continue to shop at area supermarkets.

Some portion of sales at the wholesale club would be diverted from sales at other wholesale clubs.

There is already a BJ's Wholesale Club in the existing Gateway Center Phase I, but some Brooklyn and Queens residents nearby may choose not to shop at it because they prefer other wholesale retailers, such as Sam's Club and Costco. These consumers may choose to travel to a

¹ Costco Wholesale Corporation's 2006 SEC Filing (Form 10-K).

Costco at 37th Street and 2nd Avenue in Brooklyn, or out of the borough to a Costco in Lawrence, NY, near JFK Airport, or to a Sam's Club in Linden, NJ. Depending on the wholesale store operator, some of these residents may choose to shop at the new store if the Proposed Project is built, rather than traveling to stores outside of the borough. Therefore, some portion of sales at the Proposed Project's wholesale club would represent sales that have been diverted from other wholesale clubs, not from local supermarkets.

Cost of membership will discourage some from shopping at a wholesale club.

Households are required to purchase a wholesale club membership card in order to shop at the store. The cost of a membership card at wholesale clubs is typically about \$40 to \$50 per household. This may serve as a barrier to some households in the 1.5-Mile Trade Area. Households who are not able, or choose not to pay a \$40 membership fee would continue to shop at local supermarkets.

There is an outflow of consumer spending within the 1.5-Mile Trade Area.

Stores that are most likely to experience competitive pressure from a wholesale club and large chain supermarket are other large chain supermarkets and large grocery stores. This is because some local residents who currently shop in bulk or "stock up" at existing local supermarkets could decide to do their bulk shopping at the wholesale club or potential supermarket instead. However, a capture rate analysis for the 1.5-Mile Trade Area shows that sales from a new supermarket and wholesale club would increase the capture rates for grocery items from approximately 82 percent to 89 percent, indicating that about 11 percent of the households expenditure potential for grocery items would continue to flow out of the 1.5-Mile Trade Area (see Table 3-28). This analysis assumes that only a portion of the sales from the existing BJ's Wholesale Club in Gateway Center Phase I and the retail sales from the Proposed Project would be generated by households living in the 1.5-Mile Trade Area.

Table 3-28

**Comparison of Estimated Grocery Capture Rates in the 1.5-Mile Trade Area:
Existing Conditions and Future With the Proposed Action**

	Grocery Sales in 1.5-Mile Trade Area ¹	Grocery Demand in 1.5-Mile Trade Area ¹	1.5-Mile Trade Area Capture Rate
Existing Conditions			
Grocery Items	\$190.4	\$263.2	74%
Future Without the Proposed Action			
Grocery Items	\$221.9	\$272.1	82%
Future With the Proposed Action			
Grocery Items	\$243.0	\$272.1	89%
Notes: ¹ All dollar values are presented in millions of 2006 dollars.			
Sources: See source notes for Tables 3-18 through 3-24.			

In the Future Without the Proposed Action, new components of demand would be added to the 1.5-Mile Trade Area with the construction of the 279 No Build units near the Project Site (see Table 2-2) and the development of 2,385 units under the 1996 Plan. This would constitute a substantial new customer base in the 1.5-Mile Trade Area. As shown in Table 3-18, households within the Primary Trade Area spend approximately \$3,332 per household annually on groceries. It is expected that residents of the 1.5-Mile Trade Area would spend a comparable

amount on groceries, resulting in roughly \$8.9 million of grocery expenditure potential, which would increase the grocery expenditure potential of the 1.5-Mile Trade Area to \$272 million. Grocery sales in the 1.5-Mile Trade Area will increase with the completion of a supermarket in The Shops at Gateway Center (see Table 3-23). With annual sales of approximately \$222 million and annual grocery expenditure potential of \$272 million, the capture rate would increase to 82 percent.

In the Future With the Proposed Action, the number of households added to the 1.5-Mile Trade Area would remain the same as in the Future Without the Proposed Action. Again, these new households would constitute a substantial new customer base in the 1.5-Mile Trade Area and would increase the annual grocery expenditure potential by roughly \$8.9 million, to \$272 million. In comparison, the grocery store sales in the 1.5-Mile Trade Area would increase to \$243 million, accounting for sales at The Shops at Gateway, which would be completed in the No Build, and the wholesale club and potential supermarket in the Proposed Project. This sales volume would represent an 89 percent capture rate for grocery items in the 1.5-Mile Trade Area. Although this would be a high capture rate, it would not be altogether unusual for convenience goods. It is common for convenience goods stores in general and food stores in particular to have higher capture rates than shoppers' goods stores because people tend to purchase convenience goods at stores that are close to home. Overall, it is expected that the Proposed Project would attract sales dollars that are currently flowing out of the trade area rather than diverting sales dollars from local grocery stores in the area.

Individual supermarkets in the 1.5-Mile Trade Area are not critical to the survival of local shopping centers.

Indirect displacement due to competition in itself does not constitute a significant adverse impact under CEQR guidelines. Only if proposed stores have the potential to affect neighborhood character by affecting the viability of neighborhood shopping areas is there a potential for significant adverse impacts. The 1.5-Mile Trade Area contains approximately 14 supermarkets, of which 9 are large chain supermarkets. Smaller supermarkets such as Met Food and C-Town typically with less than 10,000 square feet of space primarily serve the convenience shopping needs of local residents, i.e., frequent trips for smaller purchases, and so they would not directly compete with a supermarket in the Proposed Project. Even though one or more of these smaller grocery stores may be present on a local shopping street, they do not typically anchor the commercial mix and are not critical to the survival of surrounding stores, and so would not adversely alter neighborhood character even if they were to be negatively affected by competition. The section below evaluates whether specific large supermarkets and grocery stores might be vulnerable to competition from a potential wholesale club or supermarket at the Project Site, and whether or not these supermarkets are critical to the survival of the neighborhood commercial strips or shopping centers in which they are located. Overall, the Proposed Project is not expected to result in the displacement of local grocery stores and supermarkets that are critical to the vitality of retail corridors within the 1.5-Mile Trade Area.

Waldbaum's Supermarket at Cross Bay Boulevard and 156th Avenue: Located at the intersection of Cross Bay Boulevard and 156th Avenue, this Waldbaum's Supermarket is a free-standing store with a parking lot. As described above, Cross Bay Boulevard is an auto-oriented retail corridor that serves the Howard Beach neighborhood. The strip has a limited number of convenience good stores; therefore, it is likely that many Howard Beach residents purchase their convenience goods at this supermarket. The Waldbaum's is located almost 1.5 miles from the Project Site, a distance that would deter shopping trips for convenience items. Furthermore, the physical barrier created by the Shore Parkway may discourage shoppers from traveling inland to

make convenience purchases. Therefore, it is likely that many nearby residents would continue to patronize this Waldbaum's in the future with or without a supermarket on the Project Site.

Associated at Liberty Avenue and 77th Street: This Associated is a free-standing store with a parking lot on the eastern edge of the Liberty Avenue retail strip between Euclid Avenue and 77th Street. This retail corridor, which serves the East New York and Ozone Park neighborhoods, is one of the busiest in the study area and has over 200 storefronts. Many of the businesses provide neighborhood services, and it is likely that Associated attracts customers who prefer to combine grocery trips with trips for other neighborhood services. In addition, the Associated is almost 1.5 miles from the Project Site, lessening the likelihood that customers would travel to the potential supermarket for convenience purchases. This Associated is located nearby the A train stop at Liberty Avenue and 80th Street, and would continue to attract customers who use mass transit. Therefore, it is unlikely that this Associated would lose a significant amount of sales to the potential supermarket on the Project Site, given its distance from the Project Site, its proximity to mass transit, the population density in the area, and the convenience offered by combining shopping trips. Furthermore, in the unlikely event that the Associated were displaced due to competition, the retail strip does not depend on the Associated for its vitality. This retail strip has numerous restaurants and specialty markets that cater to the Indian/Bangladeshi and Hispanic populations in the area, and it is expected these populations would continue to patronize this retail corridor with or without the Associated.

Bravo and Junior's Food Outlet on New Lots Avenue between Alabama and Linwood Avenues: These two supermarkets are located on the retail corridor along New Lots Avenue between Alabama and Linwood Avenues. The Bravo Supermarket is located on the western edge of the corridor at the intersection of Sheffield Avenue and New Lots Avenue, and does not serve as a critical anchor for other retail stores in the area. Junior's Food Outlet (an affiliate of Western Beef, Inc.) is located in the heart of the strip at Wynona Street and New Lots Avenue. Both of the supermarkets serve the densely populated East New York and Brownsville neighborhoods. The retail corridor has a high percentage of neighborhood services that cater to a local customer base, and it is likely that both Bravo and Junior's attract customers who prefer to combine grocery trips with trips for other neighborhood services. Furthermore, this retail strip is close to the No. 3 subway line with stops along Livonia Avenue, one to two blocks away, and would continue to attract customers who use mass transit. Therefore, given the area's population density, the proximity to public transportation, and the convenience offered by combining shopping trips along the corridor, it is not expected that these supermarkets would experience detrimental competitive effects from a potential supermarket at the Project Site.

Pioneer Supermarket at Pennsylvania and Flatlands Avenues: This Pioneer Supermarket is a one-story supermarket with a parking lot on the Pennsylvania Avenue retail corridor. As described above, this retail strip is busy with both pedestrian and vehicle traffic and contains a balanced mix of shopping goods stores, convenience stores, and neighborhood service establishments. Pennsylvania Avenue has a variety of chain retail stores such as Rainbow clothing store, Casual Male, Rent-a-Center, Auto Zone, Modell's sporting goods, H&R Block, Rite Aid, Burger King, and McDonald's. Even with a supermarket on the Project Site, it is expected that Pioneer would continue to attract customers due to the high level of commercial traffic in the area. In addition, this location is convenient to the nearby industrial businesses west of Pennsylvania Avenue, and employees at these businesses would likely continue to patronize the Pioneer because of its convenient location. The presence of other major brand shoppers and the high level of retail activity in the area indicate that even in the unlikely event that the Pioneer

were displaced due to competition, it would not have an adverse impact on neighborhood character because the retail corridor does not depend on the Pioneer for its vitality.

Super Associated in Starrett at Spring Creek Shopping Center: This Super Associated is the anchor of the Starrett at Spring Creek Shopping Center on Twin Pines Drive. It primarily serves Starrett City, a densely populated development with approximately 14,000 residents. Its location in the center of Starrett City makes it more convenient for most Starrett residents than the potential supermarket on the Project Site. Due in part to the neighborhood services orientation of this shopping center, Super Associated would continue to attract shoppers from Starrett City seeking to combine grocery trips with trips for other services, such as banking, hair salons, and medical offices. Therefore, although it is one of the closest supermarkets to the Project Site, it is likely that it would continue to experience high demand for food and grocery items from the residents of Starrett City and would not be negatively affected by competition from a supermarket on the Project Site.

Pathmark and Super Met on Flatlands Avenue between 107th Street and Louisiana Avenue: Both of these supermarkets anchor small shopping centers along Flatlands Avenue within two blocks of each other. Neither shopping center is a major retail concentration. Both supermarkets are located across Flatlands Avenue from the Breukelen Houses, a NYCHA development with almost 1,600 units. Therefore, although the supermarkets are only about ½ mile from the Project Site, it is likely that both would continue to experience high demand for food and convenience items due to the large concentration of population nearby. It is not expected that either store would be adversely affected by competitive pressure from a supermarket on the Project Site.

Waldbaum's Supermarket at 153rd Avenue and 82nd Street: Located in the Howard Beach neighborhood of Queens, this Waldbaum's is a large store with a parking lot. The supermarket is not situated on a major retail corridor and does not serve as an anchor for other neighborhood retail. In addition, the physical barrier created by Spring Creek Park may discourage some shoppers from traveling to the Proposed Project to make convenience purchases.

In conclusion, competitive pressure generated by a chain supermarket would be felt most strongly by major supermarkets in the 1.5-Mile Trade Area. Smaller food stores and shopping goods stores would experience more moderate competitive pressure, if any, and neighborhood services stores and eating and drinking places would not be adversely affected. Local residents would continue to shop at existing grocery stores for reasons cited above—convenience, variety and selection of items, and public transit accessibility. The Proposed Project is not expected to alter the number of businesses and services that are located on retail corridors in the 1.5-Mile Trade Area, and vacancy rates are not expected to change in the future. While the possibility of some limited indirect business displacement due to competition can not be ruled out, any displacement that might occur would not jeopardize the viability of any local retail strips. Similarly, although a potential supermarket on the Project Site would compete with nearby supermarkets and grocery stores within the 1.5-Mile Trade Area, it is not expected to have a substantial negative effect on nearby grocery stores, nor would it jeopardize the viability of any retail strips in the study area. Therefore, no significant adverse impacts to neighborhood character would result from competition.

E. PUBLIC FUNDING INCENTIVES AND COSTS

A number of public subsidies and incentives are likely to be utilized to fund the Proposed Project. As described in Chapter 1 "Project Description," the applicant would seek financing for

the Proposed Project from the New York City Industrial Development Agency (NYCIDA), and may seek funding from the City for construction of a community/public facility on the Project Site, from the New York City Housing Development Corporation under the Low-Income Marketplace Program, from the New York State Department of Environmental Conservation (NYSDEC) under the Brownfields Cleanup Program, and from the New York State Empire State Development Corporation (ESDC). The applicant may also seek tax assistance from the NYCIDA and ESDC.

Low- to moderate-income housing programs to be used for the residential and mixed-use components include the East Brooklyn Congregation's "Nehemiah Housing Program," the New York City Housing Authority's "Low-Income Affordable Marketplace Program" (LAMP), the New York City Department of Housing Preservation and Development's "Mixed Income Rental Program" (MIRP), and the New York State Division of Housing and Community Renewal's "Homes for Working Families" (HWF) initiative. Section 8 voucher programs may also be utilized for eligible rental households. Additionally, tax abatements may be applied through various New York City agencies, and may include 420-c for the residential development, and ICIP for the local retail. These programs offer complete or partial exemption from real estate taxes ranging from 11 years (ICIP) to a maximum of 60 years (420-c).

The Nehemiah program constructs for-sale housing units (one-, two- and three-family residences), for first time, low- to moderate-income homeowners who meet mortgage requirements set by the State of New York Mortgage Agency (SONYMA) and individual end loan providers. Currently, maximum income for eligible households is \$59,990 for a one- or two-family home. Minimum income requirements may vary and are determined by individual loan providers. Under this program, owners pay mortgage recording fees, but are exempt from mortgage recording taxes.

The LAMP, MIRP and HWF programs provide subsidies (low interest mortgages, low income tax credits, or tax exempt bond financing) to developers for the construction of new, rehabbed or converted rental units for households earning less than 60 percent of New York City's median household income (\$79,990). Additionally, 20 percent of units under LAMP or MIRP projects are reserved for formerly homeless households. All LAMP, MIRP and HWF programs are exempt from mortgage recording fees and taxes, as well as sales tax on construction materials.

The Proposed Action would cause New York City to incur costs for the construction of the intermediate/high school, streets, parks, and possibly the community and public facility uses, as well as for any publicly funded mitigation measures. However, these costs and the public subsidies described above would facilitate the development of the remainder of the Fresh Creek Urban Renewal Area with a project that would meet public policy goals for the site. The 420-c program and other public subsidies would allow the development of affordable housing. In addition, while the 420-c program and the ICIP program would reduce the real estate taxes generated by the Proposed Project, they would facilitate development that would generate other types of tax revenue, such as sales and employee taxes from the retail component. The disposition of land on the Project Site by the City would be tied to the proposed development under the revised urban renewal plan; therefore, the value of the land assets and public benefits to the City would increase as vacant parcels are converted to active residential, commercial, and community facility uses.

F. SUMMARY

This analysis finds that the Proposed Action would not result in significant adverse impacts on socioeconomic conditions with respect to any of the five areas of socioeconomic concern outlined in the *CEQR Technical Manual*. It would not directly displace any residential population altering the socioeconomic profile of the neighborhood, would not directly displace substantial numbers of businesses or employees, would not result in new development that is markedly different from existing uses, would not significantly affect the real estate market, and would not adversely affect socioeconomic conditions in a specific industry.

Under the Proposed Project, approximately 698,000 square feet of local and destination retail would be added to the existing Gateway retail center. Although a significant amount of retail would be added under the Proposed Project, residents would continue to shop at local retail corridors for convenience, variety, and selection of items. In addition, as described above, the Proposed Action would help the Primary Trade Area recapture sales dollars that are currently flowing out of the Primary Trade Area. While the possibility of some limited indirect business displacement due to competition cannot be ruled out, any displacement that might occur would not jeopardize the viability of local retail corridors and, therefore, would not be considered a significant adverse impact under CEQR. *