Chapter 3: Socioeconomic Conditions

A. INTRODUCTION

This chapter assesses whether any changed background conditions or the differences between the reasonable worst-case development scenario (RWCDS) and the program assessed in the 2008 Final Generic Environmental Impact Statement (FGEIS) and subsequent technical memoranda would result in any significant adverse impacts on socioeconomic conditions that were not addressed in the 2008 FGEIS and subsequent technical memoranda. As described in the 2012 *City Environmental Quality Review (CEQR) Technical Manual*, the socioeconomic character of an area includes its population, housing, and economic activities. Socioeconomic changes may occur when a project directly or indirectly affects any of these elements.

The proposed project for the most part incorporates development that was anticipated and analyzed in the 2008 FGEIS; the current project now includes a major entertainment/retail component and parking adjacent to CitiField (Willets West). Compared with the program analyzed in the 2008 FGEIS, the proposed project includes approximately 950,000 gross square feet (gsf) (550,000 sf of leasable area) of additional retail space, an increase resulting from the proposed 1.4 million-gsf development at Willets West combined with a concurrent reduction in the overall amount of retail in the Special Willets Point District from 1.7 million gsf to 1.25 million gsf. The SEIS also assumes the highest amount of residential use analyzed in the 2008 FGEIS (5.85 million gsf of residential development, or 5,850 residential units).

In accordance with *CEQR Technical Manual* guidelines, this analysis considers whether development of this additional space could result in significant adverse socioeconomic impacts as a result of: (1) direct displacement of residential population from the project site; (2) indirect displacement of residential population in a ¾-mile study area; (3) direct displacement of existing businesses from the project site; (4) indirect displacement of businesses in a ¾-mile study area due to increased rents; (5) indirect displacement of businesses within a larger trade area due to retail market saturation; and (6) adverse effects on specific industries.

PRINCIPAL CONCLUSIONS

Consistent with the 2008 FGEIS and subsequent technical memoranda, this analysis finds that the proposed project would not result in any significant adverse impacts to socioeconomic conditions. The following summarizes the conclusions for each of the six CEQR areas of socioeconomic concern.

DIRECT RESIDENTIAL DISPLACEMENT

The proposed project would result in the same direct residential displacement as identified in the 2008 FGEIS (one residential unit/household located in the District); there are no residential units located on the expanded portions of the project site. Therefore, the SEIS does not require further assessment of potential socioeconomic impacts due to direct residential displacement.

INDIRECT RESIDENTIAL DISPLACEMENT

A detailed analysis finds that the proposed project would not result in significant adverse impacts due to indirect residential displacement. The proposed project would develop more total residential units (5,850 vs. 5,500) and more affordable housing (35 percent of units) than analyzed in the indirect residential displacement analysis of the 2008 FGEIS, which considered the Convention Center Scenario. The increase in the affordable housing percentage was analyzed in the subsequent Technical Memorandum No. 2 (2008), and no significant adverse impacts were identified related to that change.

The increase in the number of residential units as analyzed in the SEIS does not alter the 2008 FGEIS finding that the District is geographically separated from the at-risk population, limiting its potential to influence surrounding residential trends. Residential markets within the study area are similar to the markets described in the 2008 FGEIS; as with the FGEIS, the SEIS finds that these geographically separated communities would experience upward rent pressure with or without the proposed project due to planned projects that are within their distinct residential markets. Similar to the 2008 FGEIS, the SEIS finds that although the population that would be introduced by the proposed project may include a larger proportion of households at higher incomes as compared with the existing study area population, the proposed project's 2,048 affordable housing units would ensure that a substantial portion of the new population would have incomes that would more closely reflect existing incomes in the study area.

DIRECT BUSINESS DISPLACEMENT

The proposed project would result in the same direct business displacement identified and analyzed in the 2008 FGEIS and subsequent technical memoranda, and market conditions are similar to those described in the 2008 FGEIS; there are no businesses located in the expanded portions of the project site.[1] Therefore, the SEIS does not require further assessment of potential socioeconomic impacts due to direct business displacement.

The 2008 FGEIS found that the Willets Point Development Plan would displace approximately 260 businesses and 1,711 employees associated with those businesses. As of December 2012, there were an estimated 220 businesses and 1,353 employees still located within the District portion of the project site. As shown in **Table 3-1**, a vast majority of the remaining businesses (193 businesses, or 88 percent) are auto-related, but those businesses employ only 53 percent of the remaining employees. The remainder of the employees works in the 27 non-auto-related businesses.

While the timeline for the displacement of any individual business varies depending on its business plans and relocation efforts, overall it is anticipated that by the 2018 Build year all of the 122 remaining businesses currently located in the Phase 1A/Phase 1B portion of the project site would be displaced to accommodate development of Phase 1A. The 98 remaining business located in the Phase 2 portion of the project site would be displaced by the 2028 Build year.

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[1] Any businesses locating in the District since the 2008 FGEIS have voluntarily done so knowing that they could be displaced; therefore, they do not meet the CEQR definition of direct business displacement, which is the involuntary displacement of businesses from a project site.

Table 3-1
Project Site Employment by Business Type and Sector
December 2012

North American Industry Classification System (NAICS) Economic Sector	Number of Businesses/ Institutions	Percent of Businesses/ Institutions	Number of Jobs	Jobs as a Percentage of Total
Auto-Related Businesses	**193**	**88%**	**712**	**53%**
Retail Trade (NAICS 44 &45)	31	14%	210	16%
Repair & Maintenance Services (NAICS 811)	153	70%	457	34%
Wholesale Trade (NAICS 42) – *scrap yards*	4	2%	33	2%
Transportation & Warehousing (NAICS 48)	5	2%	12	1%
Non Auto-Related Businesses	**27**	**12%**	**641**	**47%**
Construction (NAICS 236 & 238)	6	3%	147	9%
Manufacturing (NAICS 31-33)	5	2%	72	5%
Wholesale Trade (NAICS 42)	7	3%	232	12%
Administrative and Support and Waste Management and Remediation Services (NAICS 56)	5	2%	178	11%
Arts, Entertainment & Recreation (NAICS 71)	0	0%	0	0%
Accommodation & Food Services (NAICS 72)	5	2%	12	1%
Other Services (NAICS 813)	0	0%	0	0%
Total District Businesses	**220**	**100%**	**1,353**	**100%**

Notes: Employment figures for auto repair and maintenance establishments were derived from AKRF site visits, interviews by Howard/Stein-Hudson, Cornerstone and EDC business interviews, and estimates for businesses based on New York State Department of Labor (DOL) sector averages for Queens County and Dun and Bradstreet.
Sources: AKRF, Inc., Howard/Stein-Hudson Business Survey, Cornerstone interviews, EDC, DOL

EDC has contracted with Cornerstone Group, a business relocation expert, to provide relocation assistance and advisory services to impacted businesses in Willets Point. Cornerstone Group has been engaged in outreach to tenant businesses since January 2008 and commenced its most recent round of outreach to affected Willets Point businesses on City-owned property in September 2012. They have already identified several potential relocation sites and will continue to work with business to provide relocation assistance.

EDC retained LaGuardia Community College (LAGCC) to develop a Workforce Assistance Plan for District workers who are directly displaced by the project. The program provides displaced workers with services such as job training and job placement services, ESL and GED coursework, and additional social services. To date, there have been over 600 program participants and the program is ongoing.

INDIRECT BUSINESS DISPLACEMENT DUE TO INCREASED RENTS

The proposed project would introduce approximately 1.4 million gsf (1.0 million sf of leasable area) of entertainment and retail uses as part of Willets West, which was not analyzed in the 2008 FGEIS. The SEIS preliminary assessment finds that these additional commercial and entertainment uses would not introduce trends that are substantially different from those identified in the 2008 FGEIS, and would not result in significant indirect business displacement due to increased rents.

While the proposed project's uses would be a substantial addition to the ¾-mile study area, they would not be new types of uses within the study area, and therefore would not introduce a new trend that could substantially alter economic patterns. The study area is already experiencing a trend toward increased retail and residential development. The proposed project's additional retail would serve existing residents, and would accommodate future consumer demand introduced by residents of planned developments and the proposed project. The uses, residents, and workers introduced by the proposed project represent a continuation of existing trends, rather than a new trend that would place upward pressure on office rents in the study area. Similarly, there are already destinations in the study area that offer entertainment and/or recreational opportunities, including Flushing Bay Promenade, CitiField, USTA National Tennis Center, Flushing Meadows-Corona Park, College Point Multiplex Theater, and Downtown Flushing.

INDIRECT BUSINESS DISPLACEMENT DUE TO RETAIL MARKET SATURATION

The proposed project would introduce approximately 1.4 million gsf (1.0 million sf of leasable area) of entertainment and retail uses as part of Willets West, which was not analyzed in the 2008 FGEIS. Similar to the 2008 FGEIS, the SEIS analysis finds that the proposed project, including these additional proposed retail uses, would not substantially raise retail market capture rates within a 5-mile Primary Trade Area and, therefore, would not have the potential to adversely affect competitive stores in the Primary Trade Area.

The SEIS preliminary assessment finds that the retail introduced by the proposed project would result in trade area capture rates well below 100 percent by 2032, which is the *CEQR Technical Manual* threshold requiring detailed analysis.[1] However, to maintain a scope of analysis consistent with that performed for the 2008 FGEIS, the SEIS includes a detailed analysis of indirect business displacement due to retail market saturation.

Similar to the analysis in the 2008 FGEIS, the detailed analysis focuses on grocery stores in the immediate vicinity of the proposed project, in particular, because grocery stores generally serve as anchors for retail concentrations, and the proposed project could introduce stores offering products that substantially overlap with typical grocery store offerings. In addition, the SEIS detailed analysis examines the future viability of anchors in regional retail centers, including movie theaters and restaurants, because the Willets West component of the proposed project would constitute a major new shopping and entertainment center, adding destination retail space to the Primary Trade Area.

The detailed analysis finds that the amount of indirect business displacement due to competition from the proposed project would be minimal, is not expected to jeopardize the viability of any neighborhood retail strips, and is not expected to diminish the level of services provided. Therefore, the proposed project would not result in significant adverse impacts due to retail market saturation.

ADVERSE EFFECTS ON A SPECIFIC INDUSTRY

The proposed project would result in the same direct business displacement as analyzed in the 2008 FGEIS, and would not present any new or different uses that would alter the findings of the 2008 FGEIS with respect to potential effects on the auto industry or industries dependent on auto repair. Therefore, no further assessment of this issue of concern is required for the SEIS.

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[1] The 2008 FGEIS analysis of indirect business displacement due to competition was performed under the 2001 *CEQR Technical Manual*, which required detailed analysis even when capture rates were below 100 percent. The 2012 *CEQR Technical Manual* does not require similar detailed analysis if capture rates with the proposed project do not exceed 100 percent.

B. SUMMARY OF FINDINGS, 2008 FGEIS AND SUBSEQUENT TECHNICAL MEMORANDA

The 2008 FGEIS concluded that by 2017, the Willets Point Development Plan would not result in any significant adverse impacts as measured by the following socioeconomic areas of concern prescribed in the 2001 *CEQR Technical Manual*: 1) direct displacement of a residential population; 2) direct displacement of existing businesses and institutions; 3) indirect (secondary) displacement of a residential population; 4) indirect displacement of businesses and institutions due to increased rents; 5) indirect displacement of businesses due to competition; and 6) adverse effects on specific industries. Subsequent technical memoranda revisited the socioeconomic analyses and findings from the 2008 FGEIS, and determined that the project modifications, changes to background conditions, and changes in methodology would not result in any significant adverse impacts that were not identified in the FGEIS. The following summarizes the 2008 FGEIS and subsequent technical memoranda findings for each area of CEQR socioeconomic concern.

DIRECT RESIDENTIAL DISPLACEMENT

The 2008 FGEIS found that the proposed Plan would directly displace one residential unit (one household) in the District, and that the displacement of one household would not have the potential to result in significant adverse impacts due to direct residential displacement.

DIRECT BUSINESS AND INSTITUTIONAL DISPLACEMENT

The 2008 FGEIS found that the proposed Plan and anticipated future development on Lots B and D would not result in significant adverse impacts due to direct business and institutional displacement. The proposed Plan was projected to directly displace approximately 260 businesses and institutions (approximately 1,711 employees) that provide a variety of products and services within numerous economic sectors, including manufacturing, wholesale trade, retail trade, transportation and warehousing, accommodation and food services, and repair and maintenance services. Although the proposed Plan was found to displace businesses and institutions that employ many workers, and offer products and services valued by certain consumers, these businesses and institutions were determined not to be of substantial economic value to the region or City as defined under CEQR. The District's businesses are not unique; similar services and products are provided throughout Queens, the City, and the region. In addition, the vast majority of these businesses and institutions would be able to relocate to other properties within Queens or the City. Although rental costs would likely increase—as a result of the lower rents currently paid in the District compared with other manufacturing areas, and a competitive industrial real estate market citywide—most of these businesses would remain viable elsewhere.

INDIRECT RESIDENTIAL DISPLACEMENT DUE TO INCREASED RENTS

The 2008 FGEIS and subsequent technical memoranda found that the proposed Plan and anticipated future development on Lots B and D would not result in significant adverse impacts due to indirect residential displacement. A detailed analysis of indirect residential displacement determined that the study area contained an estimated 2,134 households (approximately 5,726 residents) in eight Census tracts (381, 853, 865, 867, 871, 875, 889.02, and 907) that were considered to be "at risk" of indirect residential displacement if their rents were to increase.

However, the 2008 FGEIS analysis concluded that significant indirect residential displacement of this at risk population would not occur as a result of the Plan for the following reasons:

- The District is geographically separated from the identified at-risk population, limiting its potential to influence residential trends in those areas.
- Planned residential developments located between the District and the identified at-risk population (i.e., Flushing Commons and Sky View Parc) are likely to have a greater influence on residential market trends in those tracts than the proposed Plan and anticipated future development on Lots B and D.
- By adding new housing units, the proposed Plan could serve to relieve rather than increase market pressure in the study area.
- The proposed Plan would introduce 1,100 affordable housing units to the study area. Although the population that would be introduced by the proposed Plan may include a larger proportion of households at higher incomes as compared with the existing study area population, the proposed Plan's affordable housing component would ensure that a substantial portion of the new population would have incomes that would more closely reflect existing incomes in the study area.

Subsequent technical memoranda found that the increase in the percentage of affordable housing units would not alter the finding that the proposed Plan would not result in significant adverse impacts due to indirect residential displacement.

INDIRECT BUSINESS AND INSTITUTIONAL DISPLACEMENT DUE TO INCREASED RENTS

The 2008 FGEIS found that the proposed Plan and anticipated future development on Lots B and D would not result in significant indirect business and institutional displacement impacts due to increased rents under either scenario (with or without the convention center). While the introduction of new residents, workers, and visitors to the District would alter existing economic patterns within the District, these changes would not lead to substantial indirect business displacement within the broader study area. Existing local retail establishments in the study area would continue to be more convenient to study area residents outside of the District, while the proposed Plan's residents and visitors—especially convention center and hotel visitors—would shop and dine primarily at retail establishments in the District. The proposed Plan would therefore not result in substantial changes in demand for goods and services that would alter economic conditions in the broader study area. The proposed Plan and anticipated future development on Lots B and D would represent a continuation of existing trends toward the development of retail, office, hotel, and residential uses in the study area, rather than the introduction of a new trend that would change existing economic patterns in the study area.

INDIRECT BUSINESS DISPLACEMENT DUE TO COMPETITION

The 2008 FGEIS analysis found that the proposed Plan would not substantially raise retail capture rates within the Primary Trade Area and, therefore, would not have the potential to adversely affect competitive stores in the Primary Trade Area. The analysis concluded that the proposed Plan would not raise retail capture rates within the Primary Trade Area to the extent that retail supply would out proportion demand, the proposed Plan would not have the potential to significantly affect competitive stores in the Primary Trade Area.

Within the 1½-Mile Trade Area, the detailed analysis focused on grocery stores, because grocery stores often serve as anchors for local retail concentrations. The analysis concluded that local residents would continue to shop at existing grocery stores for their convenience, specialized goods and services familiar to an ethnic community, and public transit accessibility. Although a potential supermarket or wholesale club in the District was found to be potentially competitive with nearby supermarkets and grocery stores within the 1½-Mile Trade Area, such uses were not expected to have a substantial negative effect on nearby grocery stores, nor would they jeopardize the viability of any retail strips in the study area.

Overall, the amount of indirect business displacement due to competition from the proposed Plan and anticipated future development on Lots B and D was predicted to be minimal, and was not expected to jeopardize the viability of any neighborhood retail strips or diminish the level of services provided.

ADVERSE EFFECTS ON SPECIFIC INDUSTRIES

The 2008 FGEIS found that the proposed Plan and anticipated future development on Lots B and D would not result in significant adverse impacts on any specific industry. Although a large concentration of auto-related uses (227 businesses) was predicted to be displaced from the District, these displaced businesses and their associated employment were found not to significantly impact the industry as a whole. The potentially displaced businesses and employment represented less than 5 percent of citywide employment within the auto-related sectors (including wholesale trade, retail trade, transportation and warehousing, and other services), and the businesses could relocate within the City, potentially in other auto-related clusters, thereby maintaining existing business and employment counts within the industry. Additionally, with 3,642 auto-related businesses within New York City, auto-related goods and services were found to be available elsewhere. Therefore, it was concluded that the potential displacement of these uses would not jeopardize the viability of any industries that rely on those services.

C. METHODOLOGY

This chapter has been prepared in accordance with the guidelines of the 2012 *CEQR Technical Manual*.

BACKGROUND

Under CEQR, the socioeconomic character of an area includes its population, housing, and economic activity. Although socioeconomic changes may not result in impacts under CEQR, they are disclosed if they would affect land-use patterns, low-income populations, the availability of goods and services, or economic investment in a way that changes the socioeconomic character of the area. In some cases, these changes may be substantial but not adverse. In other cases, these changes may be good for some groups but bad for others. The objective of the CEQR analysis is to disclose whether any changes created by the project would have a significant impact compared with what would happen in the No Action condition.

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

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

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

DETERMINING WHETHER A SOCIOECONOMIC ASSESSMENT IS APPROPRIATE

According to the *CEQR Technical Manual*, a socioeconomic assessment should be conducted if a project may be reasonably expected to create socioeconomic changes in the area affected by the project that would not be expected to occur in the absence of the project. The following screening assessment considers threshold circumstances identified in the *CEQR Technical Manual* (enumerated below) that can lead to socioeconomic changes warranting further assessment in the SEIS.

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

   The proposed project would result in the same direct residential displacement as identified in the 2008 FGEIS (one residential unit/household located in the District); there are no residential units located on the expanded portions of the project site. Therefore, the SEIS does not require further assessment of potential impacts due to direct residential displacement.

2. ***Direct Business Displacement: Would the project directly displace more than 100 employees? If so, assessments of direct business displacement and indirect business displacement are appropriate.***

   The proposed project would result in direct displacement from the same sites that were analyzed in the 2008 FGEIS, and would displace the same types of businesses as analyzed in the 2008 FGEIS. Therefore, the proposed project would not result in impacts due to direct business displacement that are new or different than those identified in the 2008 FGEIS, and further assessment of this issue as part of the SEIS in unwarranted.

The SEIS presents an estimate of the numbers of businesses and employs that remain on the project site, and discloses the anticipated timing of their displacement.

3. ***Direct Business Displacement: Would the project directly displace a business whose products or services are uniquely dependent on its location, are the subject of policies or plans aimed at its preservation, or serve a population uniquely dependent on its services in its present location? If so, an assessment of direct business displacement is warranted.***

   The proposed project would result in direct displacement from the same sites that were analyzed in the 2008 FGEIS, and the nature and types of displaced businesses are the same as analyzed in the 2008 FGEIS. Therefore, further assessment of this issue as part of the SEIS is unwarranted.

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

   The proposed project would develop more total residential units (5,850 vs. 5,500) and more affordable housing (35 percent of units) than analyzed in the indirect residential displacement analysis of the 2008 FGEIS, which considered the Convention Center Scenario. Since the proposed project would result in 350 more residential units than analyzed in the 2008 FGEIS and subsequent technical memoranda, an assessment of potential indirect residential displacement is warranted.

   While the 2008 FGEIS found that the economic patterns generated by the Willets Point Development Plan would not lead to substantial changes in demand for goods and services that would alter economic conditions in the study area, the proposed project would introduce approximately 1.4 million gsf (1.0 million sf of leasable area) of entertainment and retail uses as part of Willets West, which was not analyzed in the 2008 FGEIS. Therefore, an assessment of indirect business displacement due to increased rents is warranted.

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

   The proposed project would introduce approximately 1.4 million gsf (1.0 million sf of leasable area) of entertainment and retail uses as part of Willets West, which was not analyzed in the 2008 FGEIS. Therefore, a preliminary assessment is warranted to estimate whether the retail introduced by the proposed project would result in capture rates in excess of 100 percent, which is the *CEQR Technical Manual* threshold requiring detailed analysis.

6. ***Adverse Effects on Specific Industries: Is the project expected to affect conditions within a specific industry? This could affect socioeconomic conditions if a substantial number of workers or residents depend on the goods or services provided by the affected businesses,***

or if the project would result in the loss or substantial diminishment of a particularly important product or service within the city.

The proposed project would result in direct displacement from the same sites that were analyzed in the 2008 FGEIS, and would displace the same types of businesses as analyzed in the 2008 FGEIS. Therefore, the proposed project would not result in adverse effects on specific industries, and no further assessment of this issue of concern is required for the SEIS.

ANALYSIS FORMAT

Based on *CEQR Technical Manual* guidelines, the analyses of indirect residential and business displacement begin with a preliminary assessment. The objective of the preliminary assessment is to learn enough about the potential effects of the proposed project to either rule out the possibility of significant adverse impacts or determine that a more detailed analysis is required to fully determine the extent of the impacts. A detailed analysis is designed to examine existing conditions and then project conditions forward into the future without the proposed project, incorporating the most recent information available on known land-use proposals and changes in anticipated growth. The future condition with the proposed project in 2032 is then described, and the differences between the future without and with the proposed project are measured. The analysis focuses on the year 2032 full build condition because this condition has the greatest potential for socioeconomic impacts; if significant adverse impacts are identified by 2032, the analysis will then consider the 2018 and 2028 interim build conditions to determine the earliest point at which significant adverse impacts would occur so that mitigation could be implemented within an appropriate timeframe. To the extent that specific program elements could potentially alter the conclusions in the 2008 FGEIS and subsequent technical memoranda, the SEIS focuses on evaluating the potential significant adverse impacts of those elements.

For indirect residential displacement, a detailed analysis was required in order to rule out the potential for significant adverse impacts. Preliminary assessments were sufficient to conclude that the proposed project would not result in any significant adverse socioeconomic impacts due to indirect business displacement from increased rents or due to retail market saturation. However, to maintain a scope of analysis consistent with that performed for the 2008 FGEIS, this SEIS includes a detailed analysis of indirect business displacement due to retail market saturation.

STUDY AREA DEFINITION

According to the *CEQR Technical Manual*, the socioeconomic study area typically reflects the land use study area, and should reflect the scale of the project relative to the area’s population. As described in Chapter 3, “Land Use, Zoning, and Public Policy,” the analysis of land use, zoning, and public policy uses a ¼-mile primary study area and a ¾-mile secondary study area. The *CEQR Technical Manual* also explains that as the socioeconomic assessment seeks to assess change relative to the study area population, projects that would result in a relatively large increase in population may be expected to have potential indirect effects on a larger study area. Therefore, the study area for the socioeconomic assessment of indirect residential and business displacement reflects a ¾-mile perimeter. In order to analyze socioeconomic data, the boundaries of the study area were modified to include all census tracts that fall within the study area. The resulting study area for this analysis is defined as Queens Census Tracts 373, 379, 381, 383.01, 399, 401, 403, 405, 415, 427, 797.01, 797.02, 849, 853, 865, 869, 871, 889.01, and 907 (see **Figure 3-1**).[1]

As shown in **Figure 3-1**, the residential study area has been divided into the following subareas, which approximate the District and the neighborhoods that surround it:

- **Special Willets Point District: Census Tract 383.01**. This area encompasses all of the Special Willet Point District.
- **Greater Flushing: Census Tracts 797.01, 797.02, 849, 853, 865, 869, 871, and 889.01**. This area extends east of the Flushing River from Kissena Corridor Park in the south to the Whitestone Expressway in the north; and to Parsons Boulevard, 149th Street, and Kissena Boulevard in the east.
- **Corona: Census Tracts 373, 379, 381, 399, 401, 403, 405, 415, and 427**. This area is roughly bounded by the Grand Central Parkway to the north, Corona Avenue to the south, 102nd Street to the west, and Grand Central Parkway and 111th Street to the east.
- **College Point: Census Tract 907**. This area extends west of the Whitestone Expressway between 20th Avenue in the north and the Flushing River in the south, and is roughly bounded by 129th Street, 125th Street, 124th Street, and Flushing Bay to the west.

The study area for the analysis of indirect business displacement due to retail market saturation was defined as a “primary trade area,” which is the area from which the bulk of new stores’ sales are likely to be derived. Given the scale and type of retail offerings possible under the proposed project, the Primary Trade Area was defined as the area within an approximately 5-mile radius around the District, bounded by Long Island Sound on the north, the East River on the west, Alley Pond Park on the east, and Rockaway Boulevard on the south (see **Figure 3-2**).

DATA SOURCES

Data related to residential demographic conditions, including population, housing, and income data, were obtained from the U.S. Census Bureau’s 2010 Census and the 2007-2011 American Community Survey (ACS). Land use and parcel data were collected from the New York City Department of Finance’s Real Property Assessment Data (RPAD) 2012 database. Estimates of rent-regulated housing were obtained from the New York State Department of Housing and Community Renewal (DHCR), compiled by the New York City Department of City Planning (DCP) Housing, Economic, and Infrastructure Planning (HEIP) Division from March 2008. Data relating to low income renters was obtained from Public Use Microdata Sample (PUMS) data for 2007-2011 ACS estimates of household income by tenure and household size. The PUMS data was provided by DCP for Public Use Microdata Area (PUMA) 4107, which approximates Queens Community District 4. Additional real estate data were obtained from Prudential Douglas Elliman Real Estate, Streeteasy.com, and other online resources. Employment, retail

[1] Although most of the area of Census Tract 797.01 falls outside of the ¾-mile perimeter, it was included for purposes of comparison with 2000 Census data. In addition, some census tract boundaries for 2000 were altered for the 2010 Census. For 2000 Census data, the ¾-mile study area included the following census tracts: 373, 379, 381, 399, 401, 403, 405, 415, 427, 797, 851, 853, 865, 867, 871, 875, 889.01, 889.02, 907, and Block Group 1 of Census Tract 383. The 2010 boundaries for Census Tracts 373, 381, and 399 include a small area to the east of the 2000 Census boundaries for those tracts, bounded by Northern Boulevard, 44th Avenue, Grand Central Parkway, and 14th Street. This area includes only landscaped areas, and does not contain any residential units or businesses.

sales, and retail expenditure potential data were obtained from ESRI, Inc., a commercial data provider. The inventory of businesses currently located on the project site based on data provided by the Cornerstone Group, and supplemented by AKRF field surveys. The overall analysis is also supported by field visits to the study area conducted in November and December 2012.

D. UPDATE ON DIRECT BUSINESS DISPLACEMENT

The 2008 FGEIS found that the Willets Point Development Plan's displacement of approximately 260 businesses and 1,711 employees associated with the displaced business (shown in **Table 3-2**) would not result in significant adverse socioeconomic impacts.

Table 3-2
Project Site Employment by Business Type and Sector
As Reported in 2008 FGEIS

North American Industry Classification System (NAICS) Economic Sector	Number of Businesses/ Institutions	Percent of Businesses/ Institutions	Number of Jobs	Jobs as a Percentage of Total
Auto-Related Businesses	**227**	**87%**	**1,057**	**62%**
Retail Trade (NAICS 44 &45)	54	21%	423	25%
Repair & Maintenance Services (NAICS 811)	163	63%	561	33%
Wholesale Trade (NAICS 42) – *scrap yards*	5	2%	58	3%
Transportation & Warehousing (NAICS 48)	5	2%	15	1%
Non Auto-Related Businesses	**33**	**13%**	**642**	**38%**
Construction (NAICS 236 & 238)	8	3.1%	153	9%
Manufacturing (NAICS 31-33)	5	2%	79	5%
Wholesale Trade (NAICS 42)	5	2%	210	12%
Administrative and Support and Waste Management and Remediation Services (NAICS 56)	6	2.3%	180	11%
Arts, Entertainment & Recreation (NAICS 71)	1	0.4%	11	0.6%
Accommodation & Food Services (NAICS 72)	7	3%	21	1%
Other Services (NAICS 813)	1	0.4%	0	0%
Total District Businesses	**260**	**100%**	**1,711**	**100%**

Notes: Employment figures for auto repair and maintenance establishments were derived from AKRF site visits, interviews by Howard/Stein-Hudson and NYCEDC business interviews, and estimates for businesses based on DOL sector averages for Queens County.
Sources: AKRF, Inc., Howard/Stein-Hudson Business Survey, EDC, DOL

The proposed project would result in direct business displacement from the same sites that were analyzed in the 2008 FGEIS and subsequent technical memoranda, and market conditions are similar to those described in the 2008 FGEIS. Therefore, no further analysis is warranted. This section provides an updated profile of the businesses remaining within the District portion of the project site.

As of December 2012, there were an estimated 220 businesses and 1,353 employees still located within the District portion of the project site. As shown in **Table 3-3**, a vast majority of the remaining businesses (193 businesses, or 88 percent) are auto-related, but those businesses employ only 53 percent of the remaining employees. The remainder of the employees work in the 27 non-auto-related businesses. In addition, despite a reduction in the overall numbers of businesses within the District portion of the project site, the distribution of businesses between auto-related and non-auto-related is virtually the same as in 2008: as of December 2012, 88 percent of remaining businesses within the District portion of the project site are auto-related, as compared with 87 percent in 2008.

Table 3-3
Project Site Employment by Business Type and Sector
December 2012

North American Industry Classification System (NAICS) Economic Sector	Number of Businesses/ Institutions	Percent of Businesses/ Institutions	Number of Jobs	Jobs as a Percentage of Total
Auto-Related Businesses	**193**	**88%**	**712**	**53%**
Retail Trade (NAICS 44 &45)	31	14%	210	16%
Repair & Maintenance Services (NAICS 811)	153	70%	457	34%
Wholesale Trade (NAICS 42) – *scrap yards*	4	2%	33	2%
Transportation & Warehousing (NAICS 48)	5	2%	12	1%
Non Auto-Related Businesses	**27**	**12%**	**641**	**47%**
Construction (NAICS 236 & 238)	6	3%	147	9%
Manufacturing (NAICS 31-33)	5	2%	72	5%
Wholesale Trade (NAICS 42)	7	3%	232	12%
Administrative and Support and Waste Management and Remediation Services (NAICS 56)	5	2%	178	11%
Arts, Entertainment & Recreation (NAICS 71)	0	0%	0	0%
Accommodation & Food Services (NAICS 72)	5	2%	12	1%
Other Services (NAICS 813)	0	0%	0	0%
Total District Businesses	**220**	**100%**	**1,353**	**100%**

Notes: Employment figures for auto repair and maintenance establishments were derived from AKRF site visits, interviews by Howard/Stein-Hudson, Cornerstone and EDC business interviews, and estimates for businesses based on DOL sector averages for Queens County and Dun and Bradstreet.
Sources: AKRF, Inc., Howard/Stein-Hudson Business Survey, Cornerstone interviews, EDC, DOL

While the timeline for the displacement of any individual business varies depending on its business plans and relocation efforts, overall it is anticipated that by 2018 all of the 122 remaining businesses currently located in the Phase 1A/Phase 1B portion of the project site would be displaced to accommodate development of Phase 1A. The 98 remaining business located in the Phase 2 portion of the project site would be displaced by 2028.

EDC has contracted with Cornerstone Group, a business relocation expert, to provide relocation assistance and advisory services to impacted businesses in Willets Point. Cornerstone Group has been engaged in outreach to tenant businesses since January 2008 and commenced its most recent round of outreach to affected Willets Point businesses on City-owned property in September 2012. They have already identified several potential relocation sites and will continue to work with business to provide relocation assistance.

EDC retained LAGCC to develop a Workforce Assistance Plan for District workers who are directly displaced by the project. The program provides displaced workers with services such as job training and job placement services, ESL and GED coursework, and additional social services. To date, there have been over 600 program participants and the program is ongoing.

E. PRELIMINARY ASSESSMENT

Under *CEQR Technical Manual* guidelines, the first step in a socioeconomic impact analysis is a preliminary assessment. This section examines three areas of potential socioeconomic impact in relation to the proposed project: 1) indirect residential displacement; 2) indirect business displacement due to increased rents; and 3) indirect business displacement due to retail market saturation. The goal of a preliminary assessment is to learn enough about the potential effects of a proposed project either to rule out the possibility of significant impacts, or to establish that a more detailed analysis will be required to determine whether the proposed project would lead to significant adverse impacts.

For one of the three issue areas— indirect residential displacement—the preliminary assessment indicates that a more detailed analysis is necessary to adequately assess whether the proposed project would have significant adverse impacts. For the remaining two issue areas—indirect business displacement due to increased rents and due to retail market saturation—the preliminary assessment was sufficient to conclude that the proposed project would not result in significant adverse impacts. However, a detailed analysis of indirect business displacement due to retail market saturation is provided in order to maintain a consistent scope of analysis between the 2008 FGEIS and this SEIS.

INDIRECT RESIDENTIAL DISPLACEMENT

Indirect residential displacement usually results from substantial new development that is markedly different from existing uses and activity in an area, which causes increased property values in the area. Increased property values lead to increased rents, which can make it difficult for some existing residents to remain in their homes.

The indirect residential displacement assessment aims to determine whether the proposed project would either introduce a trend or accelerate an existing trend of changing socioeconomic conditions that may have the potential to displace a residential population and substantially change the socioeconomic character of the neighborhood. This preliminary assessment follows the step-by-step preliminary assessment guidelines of the *CEQR Technical Manual*.

Step 1: Determine if the proposed project would add new population with higher average incomes compared with the average incomes of the existing populations and any new population expected to reside in the study area without the project.

The ¾-mile socioeconomic study area includes the Queens neighborhoods of College Point, Corona, and Greater Flushing. College Point is predominantly industrial with concentrations of residential uses, predominantly one to four unit buildings, north of 26th Avenue. Corona is a predominantly residential area, with concentrations of older, one to four unit buildings throughout the area, and commercial uses along the major streets. Flushing is a thriving business and residential area, with large Chinese and Korean communities, concentrations of mixed-use buildings, and one public housing development. According to 2007-2011 ACS data, the average household income for the study area was $61,715 (See **Table 3-4**). This was lower than the average household income in Queens ($75,513) and in New York City as a whole ($84,079) during the same time. Average household income decreased in the study area by 2.7 percent between 1999 and 2007-2011. Over that same time period, average household income decreased in Queens by 1.8 percent and increased in New York City as a whole, by 1.1 percent.

The proposed project would add 2,490 residential units by 2028, of which 872 would be affordable units. By 2032, the proposed project would add another 3,360 residential units to the study area, of which 1,176 would be affordable units, for a total of 5,850 residential units, including 2,048 affordable units. At this time the levels of affordability have not been defined, but it is expected that the affordable housing would be made available to a mix of low- and moderate-income residents. A total of 3,802 residential units would be market rate and would be expected to be priced on the high end of the market for the study area.

Table 3-4
Average Household Income (1999, 2007-2011)

Area	1999	2007-2011	Percent Change
Study Area	$63,452	$61,715	-2.7%
Queens	$76,905	$75,513	-1.8%
New York City	$83,124	$84,079	1.1%

Notes: 1. Average household income for the study area was estimated based on a weighted average of mean household income for the census tracts in the study area.
2. The ACS collects data throughout the period on an on-going, monthly basis and asks for respondents' income over the "past 12 months." The 2007-2011 ACS data therefore reflects incomes over 2007 and 2011, while Census 2000 data reflects income over the prior calendar year (1999). The mean household income for both time periods is presented in 2012 dollars using the U.S. Department of Labor's 2012 half-year average Consumer Price Index for the "New York-Northern New Jersey-Long Island Area."
Sources: U.S. Census Bureau, 2000 Census, Summary File 3; 2007-2011 American Community Survey; U.S. Department of Labor Bureau of Labor Statistics; AKRF, Inc.

Based on the HUD Median Family Income for New York City ($65,000), and assuming that households spend 30 percent of their household income on housing, the average household income of the residents of the affordable housing component of the proposed project would be comparable to the current average household income for the study area. Therefore, it is expected that the average household income of the total population introduced by the proposed project—including both the affordable and market rate housing—would exceed the average incomes of the existing population, and would be comparable to any new population expected to reside in the study area without the project. Based on this finding, the assessment proceeds to Step 2.

Step 2: Determine if the project's increase in population is large enough relative to the size of the population expected to reside in the study area without the project to affect real estate market conditions in the study area.

According to data from the 2010 Census, the ¾-mile study area had a population of 91,156 residents in 2010 (See **Table 3-5**). This represents an approximately 10.4 percent increase in residents since 2000, which is substantially greater than the population increases in Queens County (0.1 percent) and New York City (2.1 percent) over the same period.

Table 3-5
2000 and 2010 Population

Area	2000	2010	Percent Change
Study Area	82,574	91,156	10.4%
Queens County	2,229,379	2,230,722	0.1%
New York City	8,008,278	8,175,133	2.1%

Sources: U.S. Census Bureau, 2000 Census, Summary File 1; 2010 Census, Summary File 1; AKRF, Inc.

The proposed project would introduce an estimated 16,497 residents to the study area. As shown in **Table 3-6**, when compared with the population expected to reside in the study area by 2032 in the future without the proposed project (the No-Action Condition), the proposed project would increase the 2032 study area population by approximately 16.4 percent.

Table 3-6
Estimated Population in the ¾-Mile Study Area: 2032 No-Action and With-Action Conditions

	Population			
	2010	No-Action Condition 2032	With-Action Condition 2032	Percent Change (No-Action and With-Action Condition)
Study Area	91,156	100,823	117,320	16.4%

Notes: Population estimates for planned projects in the No Action and With Action conditions assume an average household size of 2.82 persons, the average household size for Queens.
Sources: Census 2010, New York City Department of City Planning, AKRF, Inc.

According to *CEQR Technical Manual* methodology, a population increase greater than 10 percent warrants a detailed analysis to determine a project's potential for significant adverse impacts due to indirect residential displacement. Therefore, a detailed analysis is presented in Section E, below.

INDIRECT BUSINESS DISPLACEMENT DUE TO INCREASED RENTS

The preliminary assessment of indirect business displacement due to increased rents focuses on whether the proposed project could increase commercial property values and rents within the ¾-mile study area so that it would become difficult for some categories of businesses to remain in the area. The following three questions (numbered in italics below) address the potential for significant adverse indirect business displacement impacts.

1. ***Would the proposed project introduce enough of a new economic activity or add to the concentration of a particular sector of the local economy enough to introduce trends that would alter existing economic patterns?***

The ¾-mile study area contains a mix of economic activities. As shown in **Table 3-7**, in 2011, there were approximately 25,897 people employed at businesses located within the ¾-mile perimeter that shapes the study area. The employees in the study area represent approximately 4.6 percent of the total employment in Queens. The accommodation and food services sector accounted for the largest proportion of employees in the study area (18.9 percent). This was more than twice the proportion of accommodation and food service employment in both Queens (9.0 percent) and New York City as a whole (8.7 percent).

Retail trade accounted for 15.2 percent of employment in the study area, which was slightly higher than in Queens (12.6 percent) and New York City (11.4 percent). Healthcare and social assistance accounted for 13.7 percent of employment in the study area, which was lower than the proportion of healthcare and social assistance employees in Queens (15.5 percent) but higher than in New York City as a whole (13.2 percent).

Table 3-7
Estimated Employees in ¾-Mile Study Area, Queens, and New York City
2011

Type of Job by NAICS Category	Study Area		Queens		New York City	
	Employees	Percent	Employees	Percent	Employees	Percent
Agriculture, forestry, fishing and hunting	1	0.0%	524	0.1%	1,595	0.0%
Mining	1	0.0%	56	0.0%	772	0.0%
Utilities	16	0.1%	512	0.1%	4,561	0.1%
Construction	1,480	5.7%	32,500	5.8%	114,239	3.0%
Manufacturing	975	3.8%	29,206	5.2%	146,456	3.9%
Wholesale trade	1,275	4.9%	24,431	4.4%	120,018	3.2%
Retail trade	3,955	15.2%	70,735	12.6%	432,984	11.4%
Transportation and warehousing	362	1.4%	33,193	5.9%	96,027	2.5%
Information	415	1.6%	10,405	1.9%	187,167	4.9%
Finance and insurance	1,232	4.7%	18,795	3.3%	316,191	8.3%
Real estate and rental and leasing	1,139	4.4%	21,152	3.8%	143,981	3.8%
Professional, scientific, and technical services	985	3.8%	24,589	4.4%	405,000	10.7%
Management of companies and enterprises	12	0.0%	274	0.0%	32,132	0.8%
Administrative and support and waste management and remediation services	990	3.8%	14,463	2.6%	132,563	3.5%
Educational services	1,930	7.4%	61,666	11.0%	337,391	8.9%
Health care and social assistance	3,561	13.7%	87,261	15.5%	500,871	13.2%
Arts, entertainment, and recreation	286	1.1%	7,016	1.2%	77,188	2.0%
Accommodation and food services	4,916	18.9%	50,446	9.0%	331,181	8.7%
Other services (except public administration)	1,718	6.6%	39,626	7.1%	229,126	6.0%
Public administration	324	1.2%	28,318	5.0%	130,521	3.4%
Unclassified establishments	414	1.6%	6,120	1.1%	55,688	1.5%
Total	**25,987**	**100**	**561,288**	**100**	**3,795,652**	**100**

Source: ESRI Business Analyst Online, Inc., Business Summary Report

The proposed project would result in a mix of uses by 2032, incorporating development substantially as anticipated and analyzed in the 2008 FGEIS and subsequent technical memoranda, as well as a major entertainment/retail component and parking adjacent to CitiField. Overall, the proposed project would include retail, entertainment, hotel, residential, community facility, and office uses; parking; a school; a convention center; and open space. The hotel, parking, community facility, office, convention center, and open space developments are not proposed to change from the program analyzed in the 2008 FGEIS and subsequent technical memoranda, and therefore are not considered in this assessment.

The proposed project would introduce approximately 1.4 million gsf (1.0 million sf of leasable area) of entertainment and retail uses as part of Willets West, which was not analyzed in the 2008 FGEIS and subsequent technical memoranda. This new retail development would be accompanied by a reduction in the overall amount of retail in the District, from 1.7 million gsf to 1.25 million gsf. As a result, the overall amount of retail and entertainment development would increase from 1.9 million gsf as analyzed in the 2008 FGEIS to 2.8 million gsf (2.4 million sf of leasable area).

As described in Chapter 1, “Project Description,” Willets West would be developed on a portion of the surface parking lot west of CitiField. Willets West could include over 200 retail stores, including anchor and "mini" anchor retailers, as well as movie theaters, restaurant and food hall spaces, and entertainment venues. Surface parking and a parking structure also would be developed in this location, including 2,500 new spaces for the entertainment/retail center and 400 spaces of replacement parking for use by the Mets. In addition, by 2018 the westernmost CitiField surface parking lot south of Roosevelt Avenue (part of the South Lot) would be redeveloped as a structured parking facility, to replace a portion of the CitiField parking spaces formerly located on the Willets West portion of the project site. It is anticipated that this mass of retail uses would create a new destination, allowing for more comprehensive transit-oriented development around the Mets/Willets Point stops on the No. 7 train and Long Island Rail Road. This development would serve as a catalyst for the subsequent build-out and economic development of the Willets Point area. Willets West would be created in Phase 1A of the proposed project, which is expected to be completed by 2018.

According to RPAD data, the ¾-mile study area contains 5.3 million gsf of retail, and known projects in the study area are expected to add an estimated 660,320 gsf of additional retail space in the future without the proposed project. The 2.83 million gsf of retail and entertainment uses envisioned under the proposed project would be a substantial addition, but it would not be a new economic activity within the study area. Similarly, there are already destinations in the study area that offer entertainment and/or recreational opportunities, including Flushing Bay Promenade, CitiField, USTA National Tennis Center, Flushing Meadows-Corona Park, College Point Multiplex Theater, and Downtown Flushing.

There is already an established trend in the study area toward the development of retail, as evidenced by the several projects that have recently been completed, or are expected to be completed by 2032. Queens Crossing, a mixed-use development containing 110,000 gsf of retail space, was completed in 2007 on Main Street near the No. 7 subway station. Prince Plaza, a mixed-use development containing 72 residential units and 51,000 gsf of retail space, was completed in 2008, on Prince Street near 37th Avenue in Flushing. Sky View Center—part of the Sky View Parc development bounded by Whitestone Expressway, 40th Road, College Point Boulevard, and Roosevelt Avenue—is a major retail center with several large department and electronic stores, a supermarket, and a warehouse club. Flushing Commons, a planned mixed-use development including 275,000 gsf of retail, will be located between Main and Union Streets, north of 39th Avenue in Flushing. Given the existing established trend toward retail development within the study area, the increase in retail represents a continuation of an existing trend and would not change existing economic patterns in the study area.

According to RPAD data, as of 2012 the ¾-mile study area contained an estimated 23,456 housing units. The study area already exhibits a strong trend toward residential development, including several large recently-completed projects such as Tower 3 of the Sky View Parc development, which added 448 market rate condominiums in Flushing. The 5,850 households that would be introduced by the proposed project would shop at some existing retail establishments, but would likely do a large portion of their shopping at the retail that would be introduced in the District. Therefore, it is not likely that the new households would substantially alter existing retail patterns in the study area.

Some industries or occupations tend to be considered more vulnerable than others to indirect displacement pressures. Businesses most vulnerable to indirect displacement due to increased rents are typically those businesses whose uses are less compatible with the economic trends that are creating upward rent pressures in the study area; i.e., those businesses that tend to not directly benefit in terms of increased business activity from the market forces generating the increases in rent. For example, if a neighborhood is 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 with a neighborhood service use, such as a bank, which could see increased business activity from the increased residential presence.

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 vulnerable to indirect displacement, as a property owner could decide to convert an existing industrial property to a retail use. However, the possibility for this type of indirect displacement is limited by the underlying zoning. College Point and North Flushing are zoned for light manufacturing (M3-1 and M2-1, respectively), which limits the type and size of commercial retail uses without discretionary actions. Also, industrial uses include large municipal facilities, such as the New York City Department of Sanitation (DSNY) North Shore marine transfer station (MTS) in College Point. There are other prominent industrial uses in the study area, including the College Point Corporate Park, a 550-acre corporate park that includes large industrial businesses such as *The New York Times* printing and distribution plant, Skanska's North American headquarters, and Ares Printing and Packaging. The industrial uses on these properties would maintain the strong industrial character of the area.

The proposed project also would include a public school that would be approximately 100,000 gsf larger than analyzed in the FGEIS. This increment would not be larger enough to substantially alter economic trends in the study area, and therefore would not result in significant adverse impacts due to indirect business displacement.

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

The proposed project would result in the same direct displacement of uses as analyzed in the 2008 FGEIS; there are no businesses located on the portions of the project site outside the District. As described in the 2008 FGEIS, business establishments within the study area do not rely on District employees or visitors for their customer base, nor do business establishments in the study area rely on the products or services offered by District businesses. To the extent that products and services offered by District establishments may be utilized by businesses in the surrounding study area, these would still be available in the future with the proposed project in other areas of Queens and the City. Study area businesses do not require proximity to District businesses, and would not be adversely affected by the proposed project.

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

The proposed project would result in the same direct displacement as analyzed in the 2008 FGEIS, and the SEIS finds that the proposed project would result in similar levels of indirect displacement. As described in the 2008 FGEIS, the 1,711 employees directly displaced would represent approximately 4.0 percent of the employment in the study area, and the displacement of these employees would not represent a significant portion of the customer base for existing businesses. Furthermore, although the new residents, workers, and visitors would do the majority of their retail purchases in the District, it is likely that the existing retail businesses in the study area would capture a portion of their retail expenditures.

The proposed project is anticipated to generate approximately 3,671 employees. Similar to the new residents, while most of their spending would be in the proposed retail in the District, a portion would be captured by the retail in the study area. In addition, some project employees may live in the study area, increasing the likelihood that a larger proportion of their retail dollars would be spent at existing study area businesses. The influx of residents, employees, and visitors to the study area would create a sizable new customer base for existing and future retail services and businesses.

The preliminary assessment finds that the proposed project would not result in significant adverse socioeconomic impacts as a result of indirect business displacement due to increased rents. Therefore, detailed analysis of this issue is not warranted.

INDIRECT BUSINESS DISPLACEMENT DUE TO RETAIL MARKET SATURATION

Projects resulting in the development of large, regional-serving retail may draw sales from existing businesses in an area. According to the *CEQR Technical Manual,* this type of competitive pressure does not necessarily result in environmental impacts, especially in New York City, where increases in retail supply can usually be supported by high population density, population growth, visitor-generated sales, and overall purchasing power. However, competition can become an environmental concern if it has the potential to result in prolonged vacancy and disinvestment in neighborhood shopping areas, thereby affecting the character of the neighborhood.

The proposed project would result in the development of up to approximately 2.83 million gsf of retail and entertainment uses, including 1.4 million gsf (1.0 million sf of leasable area) on Willets West, 1.25 million gsf in the District, and 184,500 gsf on Lot B. This exceeds the 200,000-sf CEQR threshold for a preliminary assessment of indirect business displacement due to retail market saturation. For projects exceeding the 200,000-sf threshold, the *CEQR Technical Manual* prescribes a step-by-step preliminary assessment that can be described as a “capture rate analysis.” 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 a capture rate exceeds 100 percent, then there is the potential for market saturation and a detailed analysis is required to determine whether the proposed project may capture retail sales from existing businesses to the extent that vacancies and disinvestment on neighborhood commercial streets would occur, thereby affecting land use patterns and the economic viability of the neighborhood.

CAPTURE RATE ANALYSIS

STEP 1

The first step in a retail capture rate analysis is to determine whether the categories of goods to be sold at the proposed development are similar to the categories of goods sold in stores found on neighborhood retail streets within the study area.

The proposed project would result in the development of up to approximately 2.83 million gsf of entertainment and retail uses, comprising a mix of local retail (i.e., small-scale stores geared towards serving the day-to-day needs of the study area population), and destination retail (i.e., retail generally sold in larger format stores that will attract customers from greater distances in order to compare price, quality, and the selection of merchandise), as well as movie theater, entertainment, and fitness uses.

Providers of business sales and household expenditure data do not typically consider entertainment and fitness-related uses to be retail and do not report data for those uses as part of their retail reports. Therefore, sales and expenditures related to the proposed project's 80,000 gsf movie theater and 400,000 gsf of entertainment and fitness uses are not included in the capture rate analysis presented below. The total amount of proposed project retail analyzed in this capture rate analysis is 1.95 million square feet.

Specific tenants and store sizes for the proposed project have not yet been determined. For purposes of this analysis, it is assumed that the retail program could include, in addition to various small and mid-size retail stores, two traditional department stores and one discount department store. Unlike the 2008 FGEIS, the SEIS does not assume that the proposed project would include wholesale clubs. The site planning for the District does not allow for the footprints and truck access necessary for a wholesale club format, and there are already numerous wholesale clubs within the neighborhoods surrounding the project site

Nevertheless, with up to approximately 1.95 million gsf of retail excluding the proposed entertainment and fitness uses, it is assumed that the proposed project could include retailers whose product offerings do overlap with the offerings at some study area retail stores.

STEP 2

Step 2 in a retail capture rate analysis is to determine a Primary Trade Area. For the proposed "anchor" stores – the largest stores in the proposed development that are expected to yield the largest proportion of retail sales.

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. According to the Urban Land Institute's *Shopping Center Development Handbook*, trade areas for shopping centers similar in size to the proposed project would generally extend 12 miles from the site, and typically can be reached within a 30-minute drive. However, trade areas for 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 area. A 12-mile radius from the project site extends throughout Queens and into Brooklyn, Manhattan, and the Bronx, as well as Nassau County, NY; Hudson County, NJ; and Westchester County, NY. 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 proposed project. For example, residents of Nassau County are more likely to regularly visit closer retail destinations such as Roosevelt Field Mall.

Therefore, for purposes of analysis, the Primary Trade Area for the proposed project is an adjusted five-mile perimeter around the project site (see **Figure 3-2**). The five-mile perimeter was adjusted to exclude the portions of Manhattan and the Bronx that fall within this area. The East River serves as a natural barrier between Queens and Manhattan and the Bronx, making the route from Manhattan and the Bronx to the project site less direct. Residents traveling by car via the Whitestone Bridge or the Midtown Tunnel would have to pay a toll to access the project site. Such factors would make it more convenient for households living in the Bronx and Manhattan to do their regular shopping in the boroughs in which they live. Thus, the Primary Trade Area excludes Manhattan and the Bronx and is roughly bounded by Long Island Sound on the north, the East River on the west, Alley Pond Park on the east, and Rockaway Boulevard on the south. The proposed project would likely draw a substantial number of customers from throughout

Queens because of the retail center's proximity to major roadways, its merchandise mix, and the regional attraction created by the 2.83 million gsf of retail and entertainment space.

STEP 3

Step 3 in the preliminary assessment is to estimate sales volumes for relevant retail stores within the Primary Trade Area, i.e., stores that sell categories of goods similar to those expected to be offered by stores introduced by the proposed project.

As described above, no specific retailing plan has been developed for the proposed project, but it is expected that the project would include retail stores selling a variety of goods and services. Therefore, this analysis assesses sales in three major retail categories: shoppers' goods; convenience goods; and eating and drinking establishments. Shoppers' goods are usually higher value goods—such as clothing, electronics, or furniture—for which consumers compare quality and price at more than one store before making a purchase. Convenience goods are usually lower value goods that are purchased frequently and immediately, often near the home or workplace, with little or no comparison shopping. The eating and drinking establishment category includes restaurants, bars, and other special food services, such as caterers.

Data for department stores and grocery stores—subsets of the shoppers' goods and convenience goods categories, respectively—are also analyzed. This analysis focuses on these stores in particular because grocery stores and department stores often serve as anchors for retail concentrations, and the proposed project could introduce stores offering products that would substantially overlap with typical grocery store or department store offerings.

According to ESRI, a national provider of geographic planning data, retail sales at stores in the Primary Trade Area totaled approximately $5.9 billion in 2010 for the retail categories analyzed (see **Table 3-8**). Approximately 31 percent of these sales were at shoppers' goods stores ($1.9 billion), 47 percent at convenience goods stores ($2.8 billion), and 22 percent at eating and drinking establishments ($1.3 billion). Only six percent of sales in the shoppers' goods category were attributed to department stores ($114.2 million), reflecting the prevalence of small- and mid-size stores rather than larger-format department stores in the Primary Trade Area.

Table 3-8
Retail Sales in the Primary Trade Area

Retail Category	Total Sales (Millions of 2012 Dollars)
Shoppers' Goods[1]	$1,855.79
Department Stores	*$114.23*
Convenience Goods[1]	$2,774.88
Grocery Stores	*$1,697.29*
Eating and Drinking Establishments	$1,318.07
Total[2]	**$5,948.74**

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

STEP 4

Step 4 in the preliminary assessment is to estimate the expenditure potential, or retail demand, for relevant retail goods of shoppers within the Primary Trade Area.

Retail demand for any retail concentration can originate from a variety of sources, including local households and workers, businesses, tourists, and online sales. Data sources that report on both retail demand and sales tend to focus on demand from households in a defined geography and do not always address demand from workers, businesses, or tourists, which can be more difficult to pinpoint and relate directly to retail sales. (The U.S. Census Bureau compiles data on household expenditures by retail category, but does not have a corresponding data set for spending by workers or tourists for defined geographies, and many data providers rely heavily on information from the U.S. Census Bureau.) The data sets available for this analysis provide retail demand estimates only for Primary Trade Area households, not for workers, tourists, or other visitors who live outside of the Primary Trade Area, and therefore do not capture the true magnitude of expenditure potential within the trade area. This underestimate of expenditure potential for a trade area typically results in capture rates that are conservatively high.

According to ESRI, households in the Primary Trade Area spent an estimated $9.7 billion on retail goods in 2010 (see **Table 3-9**).[1] Approximately 32 percent was spent on shoppers' goods, 43 percent on convenience goods, and 25 percent on eating and drinking establishments. On a per household basis, Primary Trade Area residents spent roughly $5,118 annually on shoppers' goods including an estimated $458 at department stores, $6,909 annually on convenience goods including $4,570 at grocery stores, and $3,988 on eating and drinking establishments.

Table 3-9
Retail Demand of Households in the Primary Trade Area

	Total Demand (Millions of 2012 Dollars)[1]	Demand per Household (2012 Dollars)[1]
Shoppers' Goods[2]	$3,115.49	$5,118
Department Stores	*$278.70*	*$458*
Convenience Goods[2]	$4,205.86	$6,909
Grocery Stores	*$2,781.73*	*$4,570*
Eating and Drinking Establishments	$2,427.84	$3,988
Total[3]	**$9,749.18**	**$16,016**

Notes: 1. Demand (retail expenditure potential) estimates the expected amount spent by consumers at retail establishments.
2. Shoppers' Goods include: furniture and home furnishings stores; electronics and appliance stores; clothing and clothing accessories stores; sporting goods, hobby, book, and music stores; general merchandise stores; office supply, stationary, and gift stores; and used merchandise stores. Convenience Goods include: food and beverage stores; health and personal care stores; florists; and other miscellaneous store retailers.
3. Total does not reflect total for all retail—only those retail categories included in Shoppers' Goods, Convenience Goods, and Eating and Drinking Establishments. Retail establishments not included in this total are: Auto-Related Businesses, Building Materials and Garden Supply, and Non-Store Retailers. Entertainment and fitness uses also are not included.
Sources: ESRI, Inc.; AKRF, Inc.

[1] If retail expenditure of workers, tourists or other visitors were added to this figure, total retail demand in the Primary Trade Area would likely well exceed $9.75 billion.

STEP 5

Step 5 in the preliminary assessment is to compare retail sales (Step 3) with retail demand (Step 4) to develop a "capture rate," which can help determine whether the Primary Trade Area is currently saturated with retail uses or whether there is likely to be an outflow of sales from the area.

Capture rates 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 household expenditure potential, then residents are likely 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.

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, are from people living in other areas of Manhattan, other New York City boroughs, Nassau County, NY, Hudson County, NJ and elsewhere, shopping at stores in the Primary Trade Area. However, it is not possible to know exactly who (residents or nonresidents) is spending money in the area. 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 109 percent and the capture rate for shopper's goods is 138 percent. Despite these uncertainties about the origin of sales in any particular trade area, comparing expenditure and sales data can provide a good indication of how much of a trade area's household expenditure potential is being captured by trade area retailers.

Tables 3-10 through 3-12 show the capture rates for the Primary Trade Area, Queens, and New York City. As indicated above, these capture rates are conservative in that they include sales to all households, regardless of where they live, but they only include expenditures from households living within the geography being analyzed. As shown in **Table 3-10**, total retail sales for shoppers' goods, convenience goods, and eating and drinking establishments in the Primary Trade Area were approximately $5.95 billion in 2010. Potential retail expenditures for these goods, on the other hand, were $9.75 billion, indicating that retail stores in the Primary Trade Area are capturing only 61 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 Queens, other boroughs, and very likely Nassau County. In comparison, the retail capture rate for these retail categories for New York City was 114 percent. As shown in **Table 3-12**, the high overall capture rate for New York City is attributable primarily to shoppers' goods sales, which has a capture rate of 143 percent. This suggests that shoppers' goods stores in the City are likely capturing a high percentage of available household 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.

Table 3-10
Household Retail Expenditures and Total Retail Sales, Primary Trade Area, 2010

	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	$1,855.79	$3,115.49	$1,259.70	60%
Department Stores	*$114.23*	*$278.70*	*$164.47*	*41%*
Convenience Goods	$2,774.88	$4,205.86	$1,430.98	66%
Grocery Stores	*$1,697.29*	*$2,781.73*	*$1,084.45*	*61%*
Eating and Drinking Establishments	$1,318.07	$2,427.84	$1,109.77	54%
Total[2]	**$5,948.74**	**$9,749.18**	**$3,800.44**	**61%**

Notes: 1. All values are in millions of 2012 dollars.
2. Total does not reflect total for all retail—only those retail categories included in Shoppers' Goods, Convenience Goods, and Eating and Drinking Establishments. Retail establishments not included in this total are: Auto-Related Businesses, Building Materials and Garden Supply, and Non-Store Retailers. Entertainment and fitness uses also are not included.
Sources: ESRI, Inc; AKRF, Inc.

Table 3-11
Household Retail Expenditures and Total Retail Sales, Queens, 2010

	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	$2,052.55	$4,171.43	$2,118.88	49%
Department Stores	*$130.16*	*$373.41*	*$243.25*	*35%*
Convenience Goods	$3,472.01	$5,623.09	$2,151.07	62%
Grocery Stores	*$2,238.66*	*$3,709.26*	*$1,470.60*	*60%*
Eating and Drinking Establishments	$1,843.30	$3,244.03	$1,400.73	57%
Total[2]	**$7,367.87**	**$13,038.55**	**$5,670.68**	**57%**

Notes: 1. All values are in millions of 2012 dollars.
2. Total does not reflect total for all retail—only those retail categories included in Shoppers' Goods, Convenience Goods, and Eating and Drinking Establishments. Retail establishments not included in this total are: Auto-Related Businesses, Building Materials and Garden Supply, and Non-Store Retailers. Entertainment and fitness uses also are not included.
Sources: ESRI, Inc; AKRF, Inc.

Table 3-12
Household Retail Expenditures and Total Retail Sales, New York City, 2010

	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	$24,769.56	$17,326.90	($7,442.66)	143%
Department Stores	*$1,199.10*	*$1,378.76*	*$179.66*	*87%*
Convenience Goods	$19,820.28	$22,724.82	$2,904.54	87%
Grocery Stores	*$1,515.43*	*$2,059.49*	*$544.06*	*74%*
Eating and Drinking Establishments	$16,793.81	$13,716.33	($3,077.48)	122%
Total[2]	**$61,383.64**	**$53,768.05**	**($7,615.59)**	**114%**

Notes: 1. All values are in millions of 2012 dollars.
2. Total does not reflect total for all retail—only those retail categories included in Shoppers' Goods, Convenience Goods, and Eating and Drinking Establishments. Retail establishments not included in this total are: Auto-Related Businesses, Building Materials and Garden Supply, and Non-Store Retailers. Entertainment and fitness uses also are not included.
Sources: ESRI, Inc; AKRF, Inc.

STEP 6

Step 6 in the preliminary assessment is to assess factors that will affect conditions in the Primary Trade Area in the build year even absent the proposed project. Such factors typically include population changes, which could increase expenditure potential and generate additional demand for retail goods, and new retail projects, which would expand the retail inventory.

The primary changes that may affect retail market conditions in the Primary Trade Area in the future without the proposed project 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

Based on research on projects either planned or currently under construction within an approximately 1-mile radius of the project site, the Primary Trade Area will gain 2,706 housing units, all by 2018. Outside of the 1-mile area, there are no significant residential projects known to be planned or under construction within the Primary Trade Area. With the 2,706 new households in place, the Primary Trade Area will contain approximately 611,439 households. As shown in **Table 3-9**, Primary Trade Area households currently spend approximately $16,016 per year on the three retail categories highlighted in this analysis. If the additional households continue to spend the same amount per year, the households would increase the retail demand by $43.34 million. These households would spend approximately $13.85 million on shoppers' goods (including $1.24 million at department stores), $18.70 million on convenience goods (including $12.37 million at grocery stores), and $10.79 million at eating and drinking establishments.

Thus, the total household expenditure potential for retail goods—including the additional households anticipated in the No Action condition—will be approximately $9.8 billion in the future without the proposed project by 2032.

At the same time, retail sales in the Primary Trade Area will also increase as new retail projects are completed. Based on research on projects either planned or currently under construction within 1 mile of the proposed project site, and an additional search for substantial retail projects in the broader Primary Trade Area, there are 30 retail projects expected to be completed in the Primary Trade Area over the next several years. These projects would add approximately 851,300 gsf of retail space to the Primary Trade Area. Based on sales per square foot estimates obtained from *Dollars & Cents of Shopping Centers, 2008*, the stores would have annual sales of approximately $469 million, increasing total trade area retail sales by approximately 7.9 percent, from $5.95 billion to $6.42 billion by 2032 (in constant 2012 dollars).

As shown in **Table 3-13**, with annual sales of approximately $6.51 billion and household expenditure potential of $9.81 billion, the capture rate for the Primary Trade Area will be approximately 66 percent in the future without the proposed project by 2032, five percentage points higher than under existing conditions.

Table 3-13
2032 No Action Condition:
Household Retail Expenditures and Total Retail Sales, Primary Trade Area

	Retail Sales in Primary Trade Area[1,2]	Retail Demand from Primary Trade Area Households[1]	Amount Not Being Captured in Primary Trade Area[1]	Primary Trade Area Capture Rate
Shoppers' Goods	$2,090.76	$3,134.34	$1,043.58	67%
Department Stores	*$114.23*	*$280.39*	*$166.16*	*41%*
Convenience Goods	$3,045.45	$4,231.31	$1,185.86	72%
Grocery Stores	*$1,885.29*	*$2,798.57*	*$913.28*	*67%*
Eating and Drinking Establishments	$1,370.96	$2,442.53	$1,071.57	56%
Total[3]	**$6,507.18**	**$9,808.18**	**$3,301.00**	**66%**

Notes: 1. All values are in millions of 2012 dollars.
2. A number of the projects known to be planned or under construction in the Primary Trade Area cite "commercial" uses without specifying whether the commercial space would be office or retail. This analysis conservatively assumes all general "commercial" uses to be retail.
3. Total does not reflect total for all retail—only those retail categories included in Shoppers' Goods, Convenience Goods, and Eating and Drinking Establishments. Retail establishments not included in this total are: Auto-Related Businesses, Building Materials and Garden Supply, and Non-Store Retailers. Entertainment and fitness uses also are not included.
Sources: ESRI, Inc; AKRF, Inc.

STEP 7

Step 7 is to project the sales volume for the proposed project's retail uses.

As described above under Step 1, the proposed project would introduce up to approximately 1.95 million gsf of analyzed retail, including both destination and local (neighborhood-oriented) retail, as well as an 80,000 square foot movie theater and 400,000 square feet of entertainment and fitness uses. **Table 3-14** shows the breakdown of retail assumed under this analysis, broken out by development phase. Phase 1A would include 920,000 gsf of enclosed retail on the Willets West site,[1] as well as 30,000 square feet of retail in the District. The Phase 1A District retail is currently anticipated to be comprised of approximately 15,000 square feet of neighborhood retail and 15,000 square feet of food and beverage stores. For the purposes of this analysis, the retail planned for Willets West is anticipated to include two traditional department stores as anchor tenants, 35,000 square feet of specialty food stores, 10,000 square feet of food court, and 90,000 square feet of other restaurant and café space, with the remaining 485,000 square feet occupied by a mix of inline tenants offering a range of shoppers' goods.

The remainder of the District would be built out during Phase 1B and Phase 2 with 820,000 square feet of retail space, as well as the other uses detailed above. It is currently anticipated that approximately 444,500 square feet of this retail space would be occupied by convenience goods stores, 325,500 square feet by shoppers' good stores, and 50,000 square feet by eating and drinking establishments. For purposes of analysis, it is assumed that Phase 1B would include a 115,000-square-foot discount department store offering both shoppers' goods and grocery items.

The reasonable worst-case development scenario assumes that by 2032, consistent with the assumptions of the 2008 FGEIS, Lot B would be developed with an additional 184,000 square feet of retail including a mix of shoppers' goods and eating and drinking establishments.

1 In addition to retail uses, the Willets West site is anticipated to include an 80,000-square-foot movie theater as part of Phase 1A, and Phase 1B is anticipated to include 400,000 square feet of entertainment and fitness uses.

Table 3-14
Proposed Project Retail Program by Development Phase

Retail Categories	2018/Phase 1A[1] Willets West (GSF)	2018/Phase 1A[1] District (GSF)	2028/Phase 1B[1] District (GSF)	2032/Phase 2 District (GSF)	Lot B (GSF)	TOTAL (GSF)
Shoppers Goods	**785,000**	**0**	**257,500**	**68,000**	**134,000**	**1,244,500**
Discount Department Store[2]	0	0	80,500	0	0	80,500
Department Store	300,000	0	0	0	0	300,000
All Other	485,000	0	177,000	68,000	134,000	864,000
Convenience Goods	**35,000**	**15,000**	**167,500**	**277,000**	**0**	**494,500**
Grocery at Discount Department Store[2]	0	0	34,500	0	0	34,500
Specialty Food at Destination Retail	35,000	0	0	0	0	35,000
Grocery at Neighborhood Retail	0	0	45,000	35,000	0	80,000
Other Neighborhood Retail[3]	0	15,000	88,000	242,000	0	345,000
Eating and Drinking	**100,000**	**15,000**	**50,000**	**0**	**50,000**	**215,000**
Destination Retail - Restaurants	90,000	0	10,000	0	50,000	150,000
Destination Retail - Food Court	10,000	0	0	0	0	10,000
Neighborhood Retail	0	15,000	40,000	0	0	55,000
Total[4]	**920,000**	**30,000**	**475,000**	**345,000**	**184,000**	**1,954,000**

Notes: (1) In addition to the uses listed above, Phase 1A is anticipated to include an 80,000 square foot movie theater, and Phase 1B is anticipated to include 400,000 square feet of entertainment and fitness uses. Sales from the movie theater and entertainment and fitness uses were not included in this analysis.
(2) Based on information from selected SEC 10-K filings of typical discount department stores, approximately 30 percent of sales at the discount department store are assumed to be from grocery items
(3) Conservatively includes all neighborhood service businesses (e.g., laundromat, nail and hair salons, etc.)
(4) Total does not reflect total for all retail—only those retail categories included in Shoppers' Goods, Convenience Goods, and Eating and Drinking Establishments. Retail establishments not included in this total are: Auto-Related Businesses, Building Materials and Garden Supply, and Non-Store Retailers. Entertainment and fitness uses also are not included.
Sources: Total retail square footage by development phase was provided by the Queens Development Group, LLC (QDG). Breakdown of retail square footage by broad retail category was developed by AKRF, Inc. with input from QDG for purposes of a reasonable worst-case analysis under CEQR.

As shown in **Table 3-15**, by 2032 retail sales resulting from the proposed project are projected to be approximately $1.07 billion annually (in 2012 dollars), generated by approximately 1.24 million square feet of shoppers' goods space, 494,500 square feet of convenience goods space, and 215,000 square feet of eating and drinking establishments. Annual sales for shoppers' goods are estimated at $541.5 million; annual sales for convenience goods are estimated to be $311.7 million; and annual sales for eating and drinking establishments are estimated to be $221.5 million.

The approximately $1.07 billion in projected retail sales from the proposed project would represent 17 percent of total retail sales for the Primary Trade area in the future without the proposed project, which are estimated to be $6.42 billion annually.

The proposed actions would also introduce 5,850 residential units to the Primary Trade Area by 2032. Based on 2010 retail expenditure estimates from ESRI, these households would add approximately $93.7 million to the trade area expenditure potential (see **Table 3-16**).

Table 3-15
Estimated Retail Sales at Stores Introduced Under the RWCDS

	Square Feet	Total Sales (Millions of 2012 Dollars)
Shoppers Goods	**1,244,500**	**$ 541.53**
Discount Department Store	80,500	$28.98
Department Store	300,000	$81.27
All Other	864,000	$431.28
Convenience Goods	**494,500**	**$ 311.68**
Grocery at Discount Department Store	34,500	$12.42
Specialty Food at Destination Retail	35,000	$34.36
Grocery at Neighborhood Retail	80,000	$55.89
Other Neighborhood Retail(1)	345,000	$209.01
Eating and Drinking	**215,000**	**$221.53**
Destination Retail – Restaurants	150,000	$172.73
Destination Retail - Food Court	10,000	$15.01
Neighborhood Retail	55,000	$33.79
Total(2)	**1,954,000**	**$ 1,074.74**

Notes:
(1) Conservatively includes all neighborhood service businesses (e.g., laundromat, nail and hair salons, etc.)
(2) Total does not reflect total for all retail—only those retail categories included in Shoppers' Goods, Convenience Goods, and Eating and Drinking Establishments. Retail establishments not included in this total are: Auto-Related Businesses, Building Materials and Garden Supply, and Non-Store Retailers. Entertainment and fitness uses also are not included.
Sources: Discount department store sales were estimated based on per square foot sales figures obtained from 10-K filings of typical discount department stores. Sales for all other shoppers' goods, convenience goods, and eating and drinking establishments were estimated based on data from the Urban Land Institute's 2008 Dollars and Cents of Shopping Centers.

Table 3-16
Estimated Retail Demand from Households to be Introduced by Proposed Project by 2032

	Retail Demand from Households(1)
Shoppers' Goods	$29.34
Department Stores	*$2.69*
Convenience Goods	$40.62
Grocery Stores	*$26.88*
Eating and Drinking Establishments	$23.43
Total(2)	**$93.69**

Notes: (1) Values are in millions of 2012 dollars.
(2) Total does not reflect total for all retail—only those retail categories included in Shoppers' Goods, Convenience Goods, and Eating and Drinking Establishments. Retail establishments not included in this total are: Auto-Related Businesses, Building Materials and Garden Supply, and Non-Store Retailers. Entertainment and fitness uses also are not included.
Sources: ESRI, Inc; AKRF, Inc.

STEP 8

Step 8 is to develop a capture rate for the Primary Trade Area in the future with the proposed project. According to the CEQR Technical Manual, if the capture rate for relevant categories of goods would exceed 100 percent, it may have the potential to saturate the market for particular retail goods and a detailed assessment is warranted.

As described above under Step 7, by 2032 the proposed project would increase retail sales in the Primary Trade Area by an estimated $1.07 billion annually (in 2012 dollars), and by 2032 would increase household retail expenditure potential by approximately $93.69 million annually (in

2012 dollars). **Table 3-17** compares Primary Trade Area retail sales, demand, and capture rates for existing conditions and in the future with the proposed actions by 2032.

Table 3-17
Comparison of Estimated Retail Capture Rates in Primary Trade Area: Existing Conditions, Future Without the Proposed Project and Future With the Proposed Project in 2032

	Retail Sales in Primary Trade Area(1)	Retail Demand from Primary Trade Area Households(1)	Primary Trade Area Capture Rate(1)
Existing Conditions			
Shoppers' Goods	$1,855.79	$3,115.49	60%
Department Stores	*$114.23*	*$278.70*	*41%*
Convenience Goods	$2,774.88	$4,205.86	66%
Grocery	*$1,697.29*	*$2,781.73*	*61%*
Eating and Drinking	$1,318.07	$2,427.84	54%
TOTAL	**$5,948.74**	**$9,749.18**	**61%**
2032 Without the Proposed Project			
Shoppers' Goods	$2,090.76	$3,134.34	67%
Department Stores	*$114.23*	*$280.39*	*41%*
Convenience Goods	$3,045.45	$4,231.31	72%
Grocery	*$1,885.29*	*$2,798.57*	*67%*
Eating and Drinking	$1,370.96	$2,442.53	56%
TOTAL	**$6,507.18**	**$9,808.18**	**66%**
2032 With the Proposed Actions			
Shoppers' Goods	$2,632.30	$3,164.28	83%
Department Stores	*$224.48*	*$283.06*	*79%*
Convenience Goods	$3,357.13	$4,271.73	79%
Grocery	*$1,987.95*	*$2,825.30*	*70%*
Eating and Drinking	$1,592.49	$2,465.86	65%
TOTAL(2)	**$7,581.91**	**$9,901.87**	**77%**

Notes: (1) All values are in millions of 2012 dollars.
(2) Total does not reflect total for all retail—only those retail categories included in Shoppers' Goods, Convenience Goods, and Eating and Drinking Establishments. Retail establishments not included in this total are: Auto-Related Businesses, Building Materials and Garden Supply, and Non-Store Retailers. Entertainment and fitness uses also are not included.
Sources: ESRI, Inc.; AKRF, Inc.

As shown in the table, by 2032 the overall retail capture rate would increase to 77 percent in the future with the proposed project. This capture rate is approximately 11 percentage points higher than in the future without the proposed project (2032). The shoppers' goods category would experience the greatest relative increase, with the capture rate increasing from 67 percent in the future without the proposed project to 83 percent in the future with the proposed project. The capture rate for the department store subset of shoppers' goods would increase from 41 percent to 79 percent. Increases for the other categories would be more modest, with the grocery store capture rate increasing by three percentage points to 70 percent and the eating and drinking establishment capture rate increasing by nine percentage points to 65 percent.

Based on *CEQR Technical Manual* guidelines, if the capture rate for specific, relevant categories of goods would exceed 100 percent in the future with the proposed project, it may have the potential to saturate the market for particular retail goods and a detailed analysis is warranted. As shown above, capture rates for each of the retail categories analyzed would remain below 100 percent in the future with the proposed project. Therefore, this preliminary assessment finds that the proposed project would not have the potential to saturate the market for particular retail goods. Based on *CEQR Technical Manual* methodology, if capture rates with the proposed project do not exceed 100 percent, then a detailed analysis is not warranted. However, in order to maintain a consistent scope of analysis as performed for the FGEIS, a detailed analysis is provided in section F, below, even though it is not warranted pursuant to *CEQR Technical Manual* guidelines.

F. DETAILED ANALYSIS OF INDIRECT RESIDENTIAL DISPLACEMENT

The preliminary assessment for indirect residential displacement in Section E, above, indicated the need for further analysis in order to determine whether the proposed project could result in significant adverse impacts due to indirect residential displacement. Therefore, a detailed analysis has been conducted. The approach to a detailed analysis of indirect residential displacement builds upon the information provided in the preliminary assessment, but requires more in-depth analysis of census information and includes field surveys. The objective of the detailed analysis is to determine whether the proposed project may introduce or accelerate a socioeconomic trend that may potentially displace a vulnerable population ("population at risk"). Populations at risk are defined as renters living in units not protected by rent stabilization, rent control, or other government regulations restricting rents, whose incomes are too low to afford increases in rents.

In order to determine potential impacts, the detailed analysis characterizes existing conditions of residents and housing and identifies any existing populations that are potentially at risk of indirect residential displacement. The analysis then assesses current and future socioeconomic trends in the area that may affect these populations, and examines the potential effects of the proposed project on those trends.

The detailed analysis uses the ¾-mile study area used in the preliminary assessment of indirect residential displacement. As in the preliminary assessment, the area was modified to conform to census tract boundaries (see **Figure 3-1**). The resulting study area includes the subareas of College Point, Corona, and Greater Flushing.[1] The data are presented for the ¾-mile study area, the subareas, and for individual census tracts, where appropriate.

EXISTING CONDITIONS

This section describes the population and housing characteristics of the ¾-mile study area. It outlines trend data since 2000, and compares the characteristics of the ¾-mile study area to Queens and New York City.

POPULATION

According to the U.S. Census, in 2010 the ¾-mile study area had a population of 91,156 residents (see **Table 3-18**). The residential population grew by approximately 10.4 percent since 2000, which is a higher rate of growth than in Queens during the same time period (0.1 percent),

[1] The 2008 FEIS included three areas within the Greater Flushing subarea—North Flushing, Downtown Flushing, and South Flushing. Due to changes in census tract boundaries since 2000, these areas were combined into one Greater Flushing subarea for this SEIS. In addition, the 2010 Census boundaries for the Corona subarea include an additional small area to the east of the 2000 Census boundaries used in the 2008 FGEIS. This additional area includes only landscaped grounds bordering Grand Central Parkway, and does not contain any residential units or businesses.

as well as New York City as a whole (2.1 percent). The Corona subarea, comprising the portion of the study area west of the project site between Flushing Bay and Corona Avenue, experienced the highest population growth between 2000 and 2010, with a 16.7 percent increase. This is due to a combination of new residential development within the subarea and an increase in the average household size (see **Table 3-19**). College Point, which is a largely industrial and commercial area, has the lowest residential population within the study area, and it experienced a relatively low rate of population growth between 2000 and 2010.

Table 3-18
Population Change 2000 to 2010

Area	Population 2000	Population 2010	Percent Change
Study Area	**82,573**	**91,156**	**10.4%**
College Point	1,354	1,355	0.1%
Corona	39,574	46,175	16.7%
Greater Flushing	41,645	43,626	4.8%
Queens County	**2,229,379**	**2,230,722**	**0.1%**
New York City	**8,008,278**	**8,175,133**	**2.1%**

Sources: U.S. Department of Commerce, Bureau of the Census, 2000 and 2010 Census Summary File 1; AKRF, Inc.

HOUSEHOLDS AND INCOME

According to the U.S. Census, the ¾-mile study area contained a total of 27,965 households in 2010, with an average household size of 3.24 persons per household (See **Table 3-19**). This is higher than the average household size for both Queens and New York City as a whole. The increase in household size in the ¾-mile study area is reflected in the percent change in total households between 2000 and 2010 (5.9 percent), which was lower than the corresponding increase in population (10.4 percent). The Corona subarea had the largest overall, and percent increase in, average household size over this time, with 3.83 persons per household in 2000 and 4.14 persons per household in 2010.

Table 3-19
Household Characteristics: 2000 and 2010

	Total Households			Average Household Size		
	2000	2010	Percent Change	2000	2010	Percent Change
Study Area	**26,417**	**27,965**	**5.9%**	**3.11**	**3.24**	**4.3%**
College Point	471	448	-4.9%	2.87	3.02	5.2%
Corona	10,301	11,103	7.8%	3.83	4.14	8.0%
Greater Flushing	15,645	16,414	4.9%	2.64	2.64	0.0%
Queens County	**782,664**	**780,117**	**-0.3%**	**2.81**	**2.82**	**0.4%**
New York City	**3,021,588**	**3,109,784**	**2.9%**	**2.59**	**2.57**	**-0.8%**

Sources: U.S. Department of Commerce, Bureau of the Census, 2000 and 2010 Census Summary File 1; AKRF, Inc.

The preliminary assessment presents the average household income for the study area, Queens, and New York City (see **Table 3-4**). According to 2007-2011 ACS data, the average household income for the study area was $46,846. This was lower than the average household income in Queens ($58,893) and in New York City as a whole ($53,530) during the same time. Average household income decreased in the study area by 3.5 percent between 1999 and 2007-2011.

Over that same time period, average household income decreased in Queens and New York City as a whole, by 2.3 percent and 1.6 percent, respectively.

Based on 2007-2011 ACS data, median household income in the study area was $48,846—a decrease of approximately 3.5 percent since 1999 (See **Table 3-20**). Both Queens and New York City as whole experienced decreases in median household income over this time (2.3 percent and 1.6 percent, respectively). The decrease in the study area median household income is due to decreased household incomes in College Point (of 27.4 percent) and in Greater Flushing (of 6.3 percent). In Corona, median household income increased during this time, by 1.2 percent.

Table 3-20
Income Characteristics and Trends

	Median Household Income[1]			Poverty Status (Percent)[2]	
Area	**1999**	**2007-2011**	**Percent Change**	**1999**	**2007-2011**
Study Area	**$48,563**	**$46,846**	**-3.5**	**22.2**	**21.3**
College Point	$65,295	$47,399	-27.4	12.5	14.4
Corona	$49,988	$50,607	1.2	23.6	22.2
Greater Flushing	$47,213	$44,254	-6.3	21.1	20.5
Queens County	**$60,298**	**$58,893**	**-2.3**	**14.6**	**13.7**
New York City	**$54,407**	**$53,530**	**-1.6**	**21.2**	**19.4**

Notes: 1. Median household income is presented in constant 2012 dollars based on the U.S. Department of Labor Bureau of Labor Statistics' 2012 half-year average Consumer Price Index for all Urban Consumers for New York-Northern New Jersey-Long Island. Median household income for the subareas and the study area represents a weighted average of the median incomes of the census tracts in the subareas or study area.

2. Percent of population with incomes below established poverty level. The Census Bureau uses a set of money income thresholds that vary by family size and composition to detect who is in poverty. If the total income for a family or unrelated individual falls below the relevant poverty threshold, then the family or unrelated individual is classified as being "below the poverty level," The official poverty thresholds do not vary geographically, but they are updated annually for inflation using the Consumer Price Index.

Sources: U.S. Department of Commerce, Bureau of the Census, 2000 Census, Summary File 1 and Summary File 3; American Community Survey 2007-2011 5-Year Estimates; U.S. Department of Labor Bureau of Labor Statistics' Consumer Price Index for all Urban Consumers for New York-Northern New Jersey-Long Island.

The proportion of the population in the study area living below the poverty level has decreased since 1999, from 22.2 percent of the study area population for whom poverty status is determined, to 21.3 percent in 2007-2011 (see **Table 3-20**). Unlike the other subareas, College Point experienced an increase in the proportion of its population living below the poverty level, from 12.5 percent of the population to 14.4 percent.

HOUSING

As shown in **Table 3-21**, the total number of housing units in the study area increased roughly in line with the population increase between 2000 and 2010. The number of housing units in the study area increased by 14.1 percent during this time, compared with a 2.2 percent increase in Queens and a 5.3 percent increase in New York City. Within the study area, Corona and Greater Flushing experienced the largest increases (13.0 percent and 15.3 percent, respectively), while total housing units in College Point declined by 2.1 percent. The 2010 estimated vacancy rate for the study area was greater than in 2000; vacancies increased from 3.6 percent in 2000 to 10.6 percent in 2010, with the largest increase in the Greater Flushing subarea.

Table 3-21
Housing Characteristics and Trends

Area	Total Housing Units			Occupancy Status (Percent)				Tenure (Percent)			
				Occupied		Vacant		Owner		Renter	
	2000	2010	Percent Change	2000	2010	2000	2010	2000	2010	2000	2010
Study Area	**27,403**	**31,269**	**14.1**	**96.4**	**89.4**	**3.6**	**10.6**	**28.0**	**29.0**	**72.0**	**71.0**
College Point	485	475	-2.1	97.1	94.3	2.9	5.7	57.5	51.3	42.5	48.7
Corona	10,768	12,170	13.0	95.7	91.2	4.3	8.8	25.0	23.3	75.0	76.7
Greater Flushing	16,150	18,624	15.3	96.9	88.1	3.1	11.9	29.0	32.2	71.0	67.8
Queens County	**817,250**	**835,127**	**2.2**	**95.8**	**93.4**	**4.2**	**6.6**	**42.8**	**43.0**	**57.2**	**57.0**
New York City	**3,200,912**	**3,371,062**	**5.3**	**94.4**	**92.2**	**5.6**	**7.8**	**30.2**	**31.0**	**69.8**	**69.0**

Sources: U.S. Department of Commerce, Bureau of the Census, 2000 Census, Summary File 3.

The study area has a higher percentage of renters than in Queens and New York City; approximately 71.0 percent of the study area's residential units are renter-occupied, compared with 57.0 percent and 69.0 percent in Queens and New York City, respectively. Study area renters are most concentrated in Corona and Greater Flushing, where they account for 76.7 and 67.8 percent of occupied units, respectively. In contrast, in College Point, renters accounted for 48.7 percent of occupied housing units in 2010, and home-owners accounted for 51.3 percent. In the study area, Queens, and New York City, home ownership has increased slightly since 2000.

As shown in **Table 3-22**, according to 2007-2011 ACS data the median home value in the study area was $386,553, which is lower than in Queens ($494,897) and in New York City as a whole ($537,600). Though median home values are lower in the study area than in Queens and New York City as a whole, home values have increased by 87.1 percent in the study area since 2000, as compared with 68.9 percent and 71.1 percent increases in Queens and New York City, respectively, during the same period. Within the study area, median home values increased in all of the subareas since 2000, with the greatest increase experienced in Greater Flushing (149.5 percent).

Table 3-22
Median Home Value and Contract Rent

	Median Home Value			Median Contract Rent[1]		
	2000	2007-2011	Percent Change	2000	2007-2011	Percent Change
Study Area	**$206,602**	**$386,553**	**87.1%**	**$1,044**	**$1,209**	**15.8%**
College Point	$358,896	$548,981	53.0%	$941	$988	5.0%
Corona	$344,061	$553,226	60.8%	$1,065	$1,340	25.9%
Greater Flushing	$119,379	$297,854	149.5%	$1,036	$1,112	7.4%
Queens County	**$292,971**	**$494,897**	**68.9%**	**$1,024**	**$1,185**	**15.7%**
New York City	**$314,283**	**$537,600**	**71.1%**	**$918**	**$1,055**	**14.9%**

Notes: Median contract rent for study area based on weighted median contract rent for all census tracts for which data was available, using all renter-occupied units for weights, not specified renter-occupied housing units paying cash rent.
Source: American Community Survey 2007-2011 5-Year Estimates.

Based on 2007-2011 ACS data, median contract rent in the study area is an estimated $1,209 per month, which represents a 15.8 percent increase since 2000. The percent increase in study area median contract rent was slightly higher than experienced in Queens and New York City as a whole. Within the study area, median contract rent increased by the highest percentage in

Corona (25.9 percent), to $1,340 per month from 2007-2011. This was the highest in the study area, and higher than in Queens and New York City as a whole during the same time period.

RECENT RESIDENTIAL TRENDS

Recent listings on real estate and brokerage websites indicate that median sales prices in the College Point and Flushing subareas were higher than for Queens as a whole, while the median sales price for the Corona subarea was lower than for Queens as a whole. According to recent listings on Streeteasy.com and Elliman.com, the median sales price for residential units in Queens was $364,949. The median sales price in Corona was $349,500, slightly lower than the borough median. College Point had a median sales price of $564,500, and Flushing had a median sales price of $682,500, both higher than the median sales price for Queens. These median sales prices differ from the median homes values reported in ACS data. As ACS median home value data reports what respondents' estimate their properties would sell for, this discrepancy may reflect the changing nature of the residential market and the perception of the market in these areas, with large new developments skewing listings and smaller, older residential buildings lowering the median. These higher market-rate listings are due to recent residential developments in the study area, primarily in Flushing. In Flushing, Tower 3 of the Sky View Parc development added 448 market rate apartments, which have sold at an average of $621,000.[1]

Listings of market-rate rental rates were generally higher than the median contract rents reported in ACS data, and median rental rates were lower than medians for the same number of bedrooms in Queens and New York City as a whole. A survey of current market-rate rentals in College Point found that average rental rates for one-bedroom units range from $1,500 to $1,650 per month, average rental rates for two-bedroom units range from $1,600 to $2,275 per month, and average rental rates for three-bedroom units range from $1,700 to $2,250 per month. In Corona, average rental rates for one-bedroom units range from $1,100 to $1,425 per month, average rental rates for two-bedroom units range from $1,600 to $1,850 per month, and average rental rates for three-bedroom units range from $1,800 to $2,250 per month. Average rental rates for one-bedroom units in Flushing range from $1,200 to $1,800 per month, average rental rates for two-bedroom units range from $1,450 to $2,200 per month, and average rental rates for three-bedroom units range from $1,500 to $4,900 per month. These rentals rates are higher than the ACS median contract rent, which includes rent-regulated and rent-controlled apartments.[2]

ESTIMATE OF NON-REGULATED HOUSING

Rental rates in New York City are controlled through several mechanisms. These include rent regulation (either rent control or rent stabilization), direct public subsidies to landlords, and public ownership. In New York City, the rent control program applies to apartments in residential buildings that contain three or more units and were constructed before February 1947. Only apartments in which the tenant has lived continuously since before July 1, 1971 may fall under rent control. When a rent-control apartment becomes vacant, it either becomes rent stabilized or, if it is in a building with fewer than six units, it is removed from regulation. Rent stabilization limits the annual rate at which owners may increase rents. In New York City, rent

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[1] Average listing for Sky View Parc was obtained from Streeteasy.com on December 28, 2012.

[2] Average rental rates were obtained from searches for apartment listings on Streeteasy.com and Elliman.com conducted on November 15, 2012.

stabilization generally applies to apartments in buildings containing six or more units that were built between February 1, 1947 and January 1, 1974. An apartment is no longer protected by rent stabilization if it becomes vacant and could be offered at a legal regulated rent of $2,000 or more, or if the legal rent is $2,000 and the apartment is occupied by tenants whose total annual household income exceeded $175,000 for each of the past two years.[1] Regulated and non-regulated housing in the study area is discussed below.

Other types of rent-regulated housing include Section 8 housing, public housing, Mitchell-Lama developments, and other HPD-owned housing. The ¾-mile study area does not contain any Mitchell-Lama housing, but does contain three public housing developments: the Bland Houses, Latimer Gardens, and Leavitt Street-34th Avenue, all discussed below.

Study Area

This section describes existing conditions in the study area in terms of the status (rent-regulated or non-regulated) of housing stock in the ¾-mile study area. In accordance with the *CEQR Technical Manual*, the number of unregulated units in the study area was estimated based on Census data and data obtained from the New York City Department of Finance's RPAD database. **Table 3-23** shows the calculations and the estimated count of unregulated units in the study area. As shown in the table, the estimate was based on the number of units in the study area that met the following criteria and were therefore assumed to be unprotected from rent increases:

1. The units are in buildings that are privately owned (i.e., not public housing units);
2. The units are in buildings not old enough to be subject to rent control or rent stabilization; and/or
3. The units are in buildings too small to be subject to rent control or rent stabilization.

Based on these criteria, the ¾-mile study area contains approximately 12,291 renter-occupied units that are currently unprotected from rent increases. These unprotected rental units represent approximately 65 percent of the total housing stock in the study area; the remaining 35 percent of the study area housing stock is rent-regulated or owner-occupied.

Table 3-23
Estimated Unprotected Rental Housing Units in the ¾-Mile Study Area

Row	Units Identified	Components	Total for Study Area	Notes
1	Base of Unprotected Units: Units in Small Buildings (1-5 Units)	Number of units in buildings with 1-5 units	11,183	Derived from RPAD
2		Estimate of rental units in 1 - 5 unit buildings	7,935	(Row 1) X (Renter occupancy rate for the study area)
3	Additional Unprotected Units: Buildings Built After 1974	Total units (renter and owner occupied) in buildings built after 1974 with more than 5 units	6,138	Derived from RPAD
4		Estimate of rental units in buildings with more than 5 units, built after 1974	4,355	(Row 3) X (Renter occupancy rate for the study area)
5	All Unprotected Rental Units	Estimate of renter-occupied units that are unprotected	12,291	(Row 2) + (Row 4)

Sources: New York City Department of Finance Real Property Assessment Data (RPAD) 2012 database; 2007-2011 American Community Survey 5-Year Estimates, AKRF, Inc.

[1] Rent regulations obtained from the New York State Division of Housing and Community Renewal, Office of Rent Administration and the New York City Rent Guidelines Board.

POPULATION POTENTIALLY AT RISK OF INDIRECT DISPLACEMENT

Populations potentially at-risk of indirect residential displacement are defined as people living in privately held units that are not protected by rent regulations, whose incomes or poverty status indicates that they could not afford to pay substantial rent increases. This section estimates the population potentially at-risk of indirect residential displacement in the ¾-mile study area.

In order to identify populations in the study area potentially at risk of indirect displacement, the population of low income renters in the study area was estimated, and then adjusted according to the estimated proportion of rental units that were unprotected. The following steps were used to identify population at risk, and the calculations are shown in **Table 3-23**:

1. **Estimate the low income population in renter-occupied housing units in the study area.** The low income population in renter-occupied housing units for the study area was estimated using Public Use Microdata Sample (PUMS) data, which is available for specific geographies called Public Use Microdata Areas (PUMAs). PUMS data on household income for renter-occupied housing units by household size was collected for the PUMA that most closely approximates the study area.[1] The share of low income renter households in the PUMA was calculated (45.7 percent).[2] This proportion was applied to the total renter population in the study area in order to estimate the low income renter population in the study area (28,431 residents).
2. **Estimate the low income population living in unprotected rental units in the study area.** The low income population living in unprotected rental units—the population potentially vulnerable to indirect residential displacement—was estimated by multiplying the proportion of rental units in the study area that are unprotected (64.6 percent) by the low income renter population calculated above.

As shown in **Table 3-24**, there are an estimated 18,357 low income residents living in unprotected rental units in the study area. This potentially vulnerable population represents 21.7 percent of residents in the study area.

The U.S. Census Bureau, in consultation with DCP HEIP, currently is developing additional data for use in CEQR analyses of indirect residential displacement. This data may allow the analysis to further refine the location and numbers of study area residents who may be potentially vulnerable to displacement. If this data becomes available and if deemed appropriate by the lead agency, the analysis of indirect residential displacement may be updated to incorporate this additional data between Draft and Final SEIS.

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[1] PUMS data for PUMA 4107 was used for this analysis. PUMA 4107 approximates Queens Community District 4, though the two are not coterminous. PUMA 4107 includes Flushing Meadows Corona Park, which forms its southern boundary, and is bounded by the Van Wyck Expressway and 126th Street to the east. Between the Long Island Expressway to the south and 45th Avenue and Roosevelt Avenue to the north, PUMA 4107 extends west roughly to 74th Street.

[2] Low income households are defined as those that that meet the HUD-defined low (80 percent) income limits, by household size, for Queens County for FY2012.

Table 3-24
Estimated Population Potentially Vulnerable to Indirect Residential Displacement in the ¾-Mile Study Area

Row	Population Identified	Components	Total for Study Area	Notes
1	Low income population in renter-occupied housing units	Total population in renter-occupied housing units in study area	62,151	ACS 2007-2011 5-Year Estimates
2		Proportion of low income renter population in PUMA	45.7%	PUMA 4107 – Queens Community District 4, ACS 2011 5-Year Estimates, provided by DCP
3		Study Area low income renters	28,431	(Row 1) X (Row 2)
4	Population potentially at-risk of indirect residential displacement	Total unprotected units	12,291	From **Table 3-23**, above
5		Total rental units in the study area	19,035	ACS 2007-2011 5-Year Estimates
6		Proportion of rental units in the study area that are unprotected	64.6%	(Row 4) / (Row 5)
7		Low income population living in unprotected rental units in the study area	18,357	(Row 3) X (Row 6)
8	Percentage of study area population potentially vulnerable to indirect residential displacement	Total population	84,543	ACS 2007-2011 5-Year Estimates
9		Proportion of low income renters living in unprotected rental units	21.7%	(Row 7) / (Row 8)

Sources: New York City Department of Finance Real Property Assessment Data (RPAD) 2012 database; 2007-2011 American Community Survey 5-Year Estimates, AKRF, Inc.

THE FUTURE WITHOUT THE PROPOSED PROJECT

Since potential impacts of the proposed project are assessed in relation to the future without the proposed project, this section considers trends affecting rents and potential displacement that may occur in the future, absent the proposed project. Absent the proposed project, it is anticipated that by the 2018, 2028, and 2032 Build years, the project site will continue to be occupied by existing uses. However, other development projects planned in the study area are expected to add 3,428 housing units by 2032.

In the future without the proposed project, Corona will gain an estimated 366 residential units by 2032. Greater Flushing will gain an estimated 3,062 residential units by 2032, including several large developments: the RKO Keith Theater development will add 357 units; the River Park Place development will add 475 units; Phase II of the Sky View Parc will add 600 residential units; and Flushing Commons will add 620 residential units. In addition, the Elmhurst East Rezoning is expected to add 378 residential units to Greater Flushing. College Point is not anticipated to gain any residential units.

As shown in **Table 3-25**, the dwelling units planned for the study area in the future without the proposed project would increase the study area population by an estimated 10,638 residents, or 11.7 percent.

Table 3-25
Population and Housing Growth
2032 Future Without the Proposed Project

	Housing Units				Population			
	Existing Conditions	Additional by 2032	Total in 2032	Percent Change	Existing Conditions	Additional by 2032	Total in 2032	Percent Change
Study Area	31,269	3,428	34,697	11.0%	91,156	9,667	100,823	10.6%
College Point	475	0	475	0.0%	1,355	0	1,355	0.0%
Corona	12,170	366	12,536	3.0%	46,175	1,032	47,207	2.2%
Greater Flushing	18,624	3,062	21,686	16.4%	43,626	8,635	52,261	19.8%

Note: 1. Population estimates for planned projects in the No Action and With Action conditions assume an average household size of 2.82 persons, the average household size for Queens.

These planned developments will continue the trend of increased residential development that has already occurred in most parts of the study area. In keeping with this trend, residential development will be concentrated in Flushing and in Corona, along Northern Boulevard. While it is not possible to know the socioeconomic characteristics of the estimated 9,667 residents who will be introduced to the study area by 2032 in the future without the proposed project, based on the fact that these projects will be market rate units and the trends in market rate rents and sales in the study area, it is likely that the new population would have incomes that are substantially higher than the current average for the study area.

PROBABLE IMPACTS OF THE PROPOSED PROJECT

This section considers the effects of the proposed project along with conditions expected in the future without the proposed project in 2032, in order to determine whether the identified vulnerable population would be at risk of displacement as a result of the proposed project. According to the *CEQR Technical Manual*, the assessment of the effects of the proposed project should consider how the real estate market conditions in the study area would change as a result of the proposed project, including whether land use or real estate market conditions would reduce the likelihood that a vulnerable population would be at risk of indirect displacement.

The proposed project would result in the development of an additional 5,850 residential units in the study area, increasing the housing stock to 40,547 residential units by 2032 and representing a 16.9 percent increase over the No Action condition. Based on the average household size for Queens (2.82 persons per household), the proposed project would add up to 16,497 residents to the study area. As shown in **Table 3-26**, when compared with the population expected to reside in the study area in the No Action condition, the proposed project would result in a 16.4 percent population increase in the ¾-mile study area by 2032.

Table 3-26
Population and Housing Growth: 2032 Future With Proposed Project

	Housing Units				Population			
	2032 No Action Condition Total	With Action Additional	Total in 2032	Percent Change	2032 No Action Condition Total	With Action Additional	Total in 2032	Percent Change
3/4-Mile Study Area	34,697	5,850	40,547	16.9%	100,823	16,497	117,320	16.4%

Note: 1. The population added in the With Action condition includes 16,497 residents living in 5,850 residential units (assuming the average household size for Queens of 2.82 persons).

Generally, if the detailed assessment identified a vulnerable population potentially subject to indirect displacement that exceeds five percent of the study area—or relevant sub-areas, if the vulnerable population is located within the subarea identified—it may substantially affect the socioeconomic character of the study area and a significant adverse impact may occur. However, if it is determined that a project would not cause drastic changes in the real estate market (because of its mixed-income composition or due to land use or real estate market conditions in an area), the project may not affect rents for some or all of the existing vulnerable units.

As described above, there is an estimated population of 18,357 residents in the study area who could be at risk of indirect residential displacement if their rents were to increase. There is the potential for upward pressure on rents in the study area irrespective of the proposed project, due to the existing trend toward market-rate development, particularly in the subareas of Corona and Flushing. The proposed project would contribute to this influence, but would not generate significant adverse indirect residential displacement impacts for the following reasons:

- **The District is geographically separated from surrounding communities, limiting its potential to influence residential trends in those communities.** Residential markets within the study area are similar to the markets described in the 2008 FGEIS. The District is geographically separated from the communities of Greater Flushing, College Point, and Corona, limiting the potential effect that the proposed project could have on housing values in those areas since new development in Willets Point would be considered to be in a neighborhood separate from these surrounding neighborhoods, which have well-established markets and characters that are separate from the District. Corona is separated from the District by Grand Central Parkway. In the future with the proposed project (2032), the residential areas in Corona would be further separated from the residential development proposed for the District by the concentration of commercial development in Willets West. Greater Flushing is separated from the District by the Flushing River and the Van Wyck Expressway. The residential areas of Flushing are further separated from the District by concentrated commercial activity in downtown Flushing. Pedestrian connectivity between the District and Greater Flushing is also limited, as Roosevelt Avenue provides the only pedestrian access to the District from the east. Therefore, even the residents living physically closest to the proposed residential uses would be located at a ½-mile walking distance from the District, reinforcing the geographic separation of the residential markets. The residential communities in College Point are separated from the District by large commercial and industrial centers, including College Point Corporate Park and shopping centers and commercial plazas along the Whitestone Expressway. These barriers limit the visual and physical connection between the District and surrounding areas, making it likely that the

District would be considered a distinct neighborhood and separate residential market in the future with the proposed project.

Furthermore, to the extent that residential displacement would occur in the future, it would be influenced by factors other than the proposed project. These geographically separated communities would experience upward rent pressure due to planned projects that are within their distinct residential markets. Large mixed use developments such as the RKO Keith Theater Development, River Park Place, Flushing Commons, and Phase II of Sky View Park in Flushing would provide pressure on the residential markets in Greater Flushing in the future with or without the proposed project. The Corona residential market would be influenced by development on a smaller scale, but would nonetheless experience upward rent pressure from planned residential developments more immediate than the proposed project.

Overall, the residential market characteristics described in the 2008 FGEIS remain in place; multiple geographic boundaries and intervening land uses would limit the potential influence of the proposed project on residential market conditions in the surrounding residential communities. At the same time, planned residential development in the distinct residential communities in Corona, Greater Flushing, and College Point, would have greater potential to influence residential market trends in these communities than the proposed project.

- **By adding new housing units, the proposed project could serve to relieve rather than increase market pressure in the study area.** By 2032, the proposed project would introduce 5,850 new residential units to the study area. By adding a substantial number of new housing units, the proposed project could relieve, rather than increase, market pressure in the study area. The substantial number of market-rate housing units recently completed or currently planned in the study area indicates that there is high demand for housing in the study area. It is likely that demand for housing in the study area will continue to increase in the future with or without the proposed project. Thus, the proposed project could absorb housing demand that might otherwise be expressed through increases in rents in the study area. This could reduce displacement pressures on the at-risk population in the study area.
- **The proposed project would introduce over 2,000 affordable housing units to the study area.** Although the population that would be introduced by the proposed project may include a larger proportion of households at higher incomes, the proposed project’s affordable housing component would ensure that a substantial portion of the new population would have incomes that would more closely reflect existing incomes in the study area. Overall, some portion of the population introduced under the proposed project may have socioeconomic characteristics that are different from the existing study area population; however, this is not expected to lead to significant indirect residential displacement.

G. DETAILED ANALYSIS OF INDIRECT BUSINESS DISPLACEMENT DUE TO RETAIL MARKET SATURATION

The preliminary assessment presented in Section E, above, found that the proposed project would not have the potential to saturate the retail market within a 5-mile Primary Trade Area. Nevertheless, in response to public comments on the Draft Scope of Work and to maintain a scope of analysis consistent with that presented in the 2008 FGEIS on this issue, this section presents a detailed analysis of the potential for indirect business displacement due to retail market saturation.

This detailed analysis follows *CEQR Technical Manual* methodology (Chapter 5, Section 332.3) in considering whether the proposed project may result in an increase in vacancy in retail store fronts, affecting the viability of neighborhood shopping areas in the study area. While competitive pressures do not necessarily generate environmental concerns, they become an environmental concern when they have the potential to result in increased and prolonged vacancy leading to disinvestment. Such a change may affect the land use patterns and economic viability of the neighborhood. As noted in the *CEQR Technical Manual*, indirect displacement due to market saturation is rare in New York City, where population density, population growth, and purchasing power are often high enough to sustain increases in retail supply.

The study area for this analysis is the approximately 5-mile Primary Trade Area described in Step 2 of the preliminary assessment and illustrated in **Figure 3-2**. The Primary Trade Area encompasses numerous local retail concentrations whose sales are derived almost entirely from within the Primary Trade Area, as well as regional retail destinations whose sales are drawn from the Primary Trade Area and beyond. From within the mix of retail concentrations in the Primary Trade Area, the detailed analysis focuses on locations where the proposed project's retail would have the greatest potential to draw frequent, repeat visits from customers of existing retail concentrations, thereby potentially affecting the business environment of those areas. In addition, retail concentrations located in close proximity to the project site are profiled regardless of whether they contain overlapping store types, and examined for their potential to be adversely affected by competition with the proposed project.

Similar to the analysis in the 2008 FGEIS, the analysis focuses on grocery stores in the immediate vicinity of the proposed project, in particular, because grocery stores generally serve as anchors for retail concentrations, and the proposed project could introduce stores offering products that substantially overlap with typical grocery store offerings. In addition, the SEIS analysis examines the future viability of anchors in regional retail centers, including movie theaters and restaurants, because the Willets West component of the proposed project would constitute a major new shopping and entertainment center, adding destination retail space to the Primary Trade Area.

EXISTING CONDITIONS

CONSUMER PROFILE OF PRIMARY TRADE AREA

The 5-mile Primary Trade Area contains over 1.7 million residents living in approximately 609,000 households. In 2010, the Primary Trade Area's median disposable income was approximately $42,000 per household. As detailed in Step 4 of the preliminary assessment, according to ESRI, households in the Primary Trade Area spent an estimated $9.7 billion on retail goods in 2010 (see **Table 3-9**). Approximately 32 percent was spent on shoppers' goods, 43 percent on convenience goods, and 25 percent on eating and drinking establishments. On a per household basis, Primary Trade Area residents spent roughly $5,118 annually on shoppers' goods including an estimated $458 at department stores, an average of $6,909 annually on convenience goods including $4,570 at grocery stores, and $3,988 on eating and drinking establishments.

PROFILE OF RETAIL CONCENTRATIONS WITHIN THE PRIMARY TRADE AREA

The Primary Trade Area, from which the majority of customers of the proposed project are expected to originate, includes numerous retail concentrations that play an important role in the economic needs of neighborhood residents, but also in the larger regional context of shoppers and consumers in Queens. The following describes 10 major retail concentrations within the 5-Mile Trade Area that, due to their proximity to the project site and/or overlap in retail offering, have the potential to be adversely affected by competition with the proposed project. The location of each profiled retail concentration is shown in **Figure 3-3**. Characterizations of the retail concentrations are based on field visits conducted by AKRF in December 2012.

1. Northern Boulevard from 68th Street to 114th Street

This portion of Northern Boulevard is located to the west of the project site. Approximately 3.5 miles from the project site at its farthest points, between 68th Street and 78th Street, the commercial strip primarily contains large retailers, particularly car dealerships and car wash businesses. Between 78th Street and 90th Street, there is a larger concentration of local neighborhood retail businesses as well as large supermarkets (Super and Mi Tierra) and drug stores (CVS, Walgreens, and Rite Aid). This commercial strip is interrupted by several blocks of public housing abutting Northern Boulevard between 90th Street and Junction Boulevard. The remainder of the commercial strip closest to the project site, between Junction Boulevard and 114th Street, contains a concentration of industrial and commercial supply businesses, including sign making shops, auto body repair shops, and restaurant supply businesses. This section of the strip also contains smaller neighborhood retail businesses that serve the residential communities located immediately to the north and south, particularly the Hispanic community.

2. Northern Boulevard between Union Street and Utopia Parkway

This portion of Northern Boulevard east of the project site extends to the north of downtown Flushing. It contains a similar mix of businesses as the Northern Boulevard Area west of the Flushing River, with auto-related businesses interspersed with neighborhood retail businesses. Most of the small stores along this strip offer neighborhood services or convenience goods, including several supermarkets that cater to surrounding Asian population (HMart, GW Market, and Hanyang Mart). Many shops are in one-story buildings; however, the area also includes several small shopping plazas, including the Koreaville Plaza near 150th Street and the Galaxy Plaza near 159th Street. These plazas are similar to the shopping centers located in downtown Flushing and contain a mix of small local retail businesses and services (such as insurance offices, accountants' offices, and salons) serving the Asian community. As the residential density in the area decreases east of 167th Street and the neighborhood becomes more suburban in scale, the retail corridor becomes less concentrated, with more homes and fewer businesses abutting Northern Boulevard.

3. Roosevelt Avenue and 37th Avenue, Jackson Heights

West of the project site within Jackson Heights, 37th Avenue and Roosevelt Avenue are major retail concentrations that include the following retail strips (illustrated in **Figure 3-4**):

37th Avenue and 74th Street

37th Avenue contains a local retail section primarily serving the South Asian (Indian, Pakistani, and Bangladeshi) community between 78th Street and 86th Street, containing a large concentration of restaurants, supermarkets, and small grocery stores. This section includes a commercial strip extending south along 74th Street, containing a similar concentration of food-related businesses as well as several neighborhood retailers, such as jewelry stores. Eagle Plaza, a multi-story commercial facility located at the intersection of 74th Street and Roosevelt

Avenue, contains a mix of local retailers and services, including legal offices, serving the South Asian community.

37th Avenue—Historic Jackson Heights

The 37th Avenue commercial strip also contains a section serving a slightly more affluent community. This section is located in a more historic section of Jackson Heights, centered on the Mt. Sinai medical practice building between 82nd Street and 83rd Street. While this section similarly contains a concentration of neighborhood retailers, it contains a higher mix of clothing boutiques and local services.

Roosevelt Avenue—between 72nd Street and Junction Boulevard

Jackson Heights also contains a retail strip along Roosevelt Avenue between 72nd Street and Junction Boulevard. This strip primarily serves the Hispanic community in the area, and includes a large concentration of neighborhood retailers, including grocery stores, and local services. On several blocks, two-story retail building abut Roosevelt Avenue, with small shops or restaurants located on the first floor and local service businesses (including legal or medical offices) located on the second floor. This commercial strip also includes a larger retail facility located between Whitney Avenue and 94th Street, which contains a Staples office supply store.

82nd Street

Jackson Heights also contains an active destination shopping districts located along 82nd Street. The district contains a mix of local retail and value retail businesses that serve a slightly larger area, such as apparel and electronics stores. These districts also include several national chain retailers, such as Radio Shack and Gamestop.

Junction Boulevard from 34th Avenue to 40th Avenue

This neighborhood retail strip extends from 34th to 40th Avenues along Junction Boulevard. The strip contains a mixture of shoppers' and convenience goods stores, including clothing, shoe, and furniture stores, as well as pharmacies, restaurants, grocery stores, and 99 cent stores. The strip appears to be more heavily weighted toward shoppers' goods than convenience goods. Larger stores include VIM clothing store, Payless Shoe Source, Food Dimensions grocery store, and a Junction Food Bazaar grocery store at Junction Boulevard and 34th Avenue. Chain retailers have a stronger presence along this corridor —food stores and restaurants in particular—cater to a Hispanic population. Transit service to the corridor is good, with a No. 7 subway line express train stop located at Junction Boulevard and Roosevelt Avenue.

103rd Street/National Street from 37th Avenue to 42nd Avenue

The National Street/103rd Street retail concentration is a narrow retail corridor that runs from 37th Avenue to 42nd Avenue and is bisected by Roosevelt Avenue. Stores along this corridor offer mostly convenience goods, such as a 99 cent store, several delis, and a grocery store, as well as neighborhood services like a beauty salon and a barber shop. There are also several limited-service restaurants and shopper's goods stores. Several of the stores appear oriented toward serving the local shopping needs of the surrounding Hispanic community. Pedestrian traffic is highest at 103rd Street and Roosevelt Avenue, where the 103rd Street-Corona Plaza No. 7 subway station is located.

4. Northern Boulevard, Woodside

The commercial strip along Northern Boulevard in Woodside, between 39th Street and 55th Street, is approximately 3.5 miles to the west of the project site. Similar to the commercial portion of Northern Boulevard to the east of 68th Street, this commercial strip contains a concentration of car dealerships and other car-related businesses, such as gas stations and tire stores. This area also contains a number of chain retailers, including Staples, Home Depot, Best Buy, Toys R Us, Sports Authority, Old Navy, and Marshalls, as well as chain eating and drinking businesses, such as Starbucks Coffee, Boston Market, and Pizza Hut. Several of these businesses are collected in the Tower Square shopping plaza located on the corner of Woodside Avenue and Northern Boulevard.

5. Downtown Flushing

Downtown Flushing is situated to the east of the project site, separated by the Flushing River, and its retail district is centered at the corner of Main Street and Roosevelt Avenue. Downtown Flushing is a full-scale Central Business District (CBD) with a combination of office and retail uses. Flushing has a vibrant retail district with a broad range of store sizes and types, and an active business community supported by the Downtown Flushing Transit Hub Business Improvement District. Downtown Flushing can be reached by the No.7 train subway, which has a station at the corner of Main Street and Roosevelt Avenue, or by any of the approximately two dozen bus lines that converge at the downtown area.

Several large national chain stores, including Macy’s and Old Navy, are located at the corner of Main Street and Roosevelt Avenue. Sky View Center, which opened in 2010 as part of the Sky View Parc development on College Point Boulevard near the CBD, is a regional shopping mall that also contains several national chain stores, such as Target, Bed Bath and Beyond, and Best Buy. However, the downtown Flushing CBD primarily consists of a variety of smaller convenience and shoppers’ goods stores, a large proportion of which cater to the Asian residential population living in Flushing. Many of these smaller stores are located within shopping plazas or malls scattered throughout the CBD, such as the Flushing Mall, New World Mall, and Queens Crossing.

In addition to small conveniences and shoppers’ good stores, downtown Flushing contains a number of large food stores. The food stores located along Main Street close to the denser shopping district, including Good Fortune Supermarket and Chung Fat Supermarket, are neighborhood stores that serve the local Asian community and are easily accessed on foot. Assi Plaza, located to the west of the CBD along College Point Boulevard, and Sky Food, located within Sky View Center, are larger food markets that also cater to the Asian community and offer a wider array of products. Assi Plaza is most easily accessed by car, and therefore likely attracts visitors from a wider part of the Flushing neighborhood. A Western Beef supermarket, also located on College Point Boulevard, provides wholesale-style groceries, including bulk meat and produce sales, and similarly attracts visitors travelling to the area by car.

Main Street from Sanford Avenue to Dahlia Avenue

Main Street continues to function as a retail corridor south of Downtown Flushing from Sanford Avenue to Dahlia Avenue. This stretch of Main Street has fewer shopper’s goods stores and more neighborhood services and convenience goods. Pedestrian traffic is generally less than within downtown Flushing, but still high overall. This stretch has several small grocery stores and delis, including grocery stores focusing on Asian-Indian groceries and Halal foods.

6. College Point Shopping Center

The College Point Shopping Center is located on 20th Avenue between 132nd Street and the Van Wyck Expressway in College Point. The center opened in 1998 and today includes a variety of destination retail stores, including Old Navy, Modell’s Sporting Goods, Babies R Us, BJ’s

Wholesale Club, TJ Maxx, Target, P.C. Richards and Sons, Petco Animal Supplies, and Staples, along with chain eating and drinking establishments such as McDonalds and Starbucks.

7. Queens Boulevard, Elmhurst

Queens Boulevard contains three large malls between 55th Avenue and 64th Avenue, approximately 2 miles southwest of the project site. These malls—the Rego Center, Queens Center and Queens Place—contain predominantly national retail chains and serve shoppers travelling from outside of the neighborhood on public transit (via the nearby Woodhaven Boulevard station on the M and R subway lines) or by car (via Queens Boulevard or the Long Island Expressway). The businesses in the area are typical for a destination shopping district: large department store anchors (Kohl's, Sears, Target, Macy's, and JC Penney), big-box retailers (Best Buy, Costco, Bed Bath & Beyond), large clothing stores (Century 21, TJ Maxx, Old Navy, Marshalls), and other national chain retailers such as Toys R Us and the Disney Store. The facilities also contain a mix of smaller chain retail stores, particularly apparel stores such as Banana Republic, and food court facilities with chain eating and drinking businesses such as KFC and Panera Bread.

8. Woodhaven Boulevard and Atlas Park, Glendale

Woodhaven Boulevard

Several large retail businesses are located in a shopping plaza along Woodhaven Boulevard between Metropolitan Avenue and the rail overpass. They include national retail chains such as Home Depot, and Staples, as well as a Trader Joe's grocery store. Access to the plaza is limited due to the adjacent wide streets and the railroad lines, and can best be reached by car on Metropolitan Avenue; it is particularly isolated from the residential neighborhoods located immediately to the east and west.

Atlas Park

The Shops at Atlas Park, located several blocks to the west of the Woodhaven Boulevard shopping center, is a plaza-style shopping center that contains a number of small retailers. The shops are situated around a circular park and walking area, and are primarily upscale clothing and accessory boutiques. The retail center changed ownership in 2011, and has struggled to attract and retain tenants in recent years, in part due to its relative isolation (shoppers arriving by car can enter garages attached to the center off of Cooper Avenue and 80th Street, but access on foot is limited) and the lack of an anchor retailer such as a department store.

9. Downtown Jamaica

Downtown Jamaica is a traditional CBD area, situated roughly 4 miles to the southeast of the project site. Retail activity focuses on Jamaica Avenue between 146th Street and 172nd Street, with additional concentrations of storefronts located on 165th Street, New York Boulevard, Sutphin Boulevard, and 164th Street. The area is easily accessible by public transportation, with subway stations serving the E, J, Z, and F trains all within walking distance of the CBD, an LIRR train stop located at Sutphin Boulevard and Archer Avenue, and over 20 different bus lines running through the downtown area.

The CBD includes a variety of both shoppers' and convenience goods stores, and appears to have a particularly high concentration of stores offering clothing, shoes, and clothing accessories. Citywide or national chain stores of this type located in Jamaica include VIM, Dr. Jays, Strawberry's, Payless Shoe Source, Gap, and Old Navy. However, the area does not contain a traditional retail anchor, such as a large department store. One block of 165th Street, between Jamaica and 89th Avenues, serves as a pedestrian mall. Retail activity in downtown Jamaica is very active.

10. Fresh Meadows Shopping Center

The Fresh Meadows Shopping Center is located between 188th Street and 194th Street adjacent to the Long Island Expressway, approximately 3 miles southeast of the project site. The shopping center is connected to the Fresh Meadows housing development, and contains several local shops, services and entertainment options, including a cinema, that serve the development's residents; outside of the shopping center, local retail options in the area are limited to a corridor on Union Turnpike. The shopping center also contains an anchor retailer, a Kohl's department store, as well as smaller chain clothing retailers, such as Dress Barn. These retailers likely attract shoppers from a wide area arriving by car.

FUTURE WITHOUT THE PROPOSED PROJECT

The two primary factors that would affect retail conditions in the 5-mile Primary Trade Area in the future without the proposed project include: 1) population growth, which could increase expenditure potential and generate additional demand for retail goods; and 2) new retail projects, which would expand the retail inventory.

In terms of population growth, as described in Step 6 of the preliminary capture rate analysis, the portion of the Primary Trade Area within an approximately 1-mile radius of the project site is expected to add 2,706 new households by 2018. Outside of this 1-mile area, there are no significant residential projects known to be planned or under construction within the Primary Trade Area. With the 2,706 new households in place, the Primary Trade Area will contain an estimated 611,439 households. As shown in **Table 3-9**, Primary Trade Area households currently spend approximately $16,016 per year on the three retail categories highlighted in this analysis. If the additional households continue to spend the same amount per year, the new households would increase the retail demand by $43.34 million. These households would spend approximately $13.85 million on shoppers' goods (including $1.24 million at department stores), $18.70 million on convenience goods (including $12.37 million at grocery stores), and $10.79 million at eating and drinking establishments. Thus, the total household expenditure potential for retail goods—including the additional households anticipated in the No Action condition—will be approximately $9.8 billion in the future without the proposed project by 2032.

In terms of retail development, research on projects either planned or currently under construction within the Primary Trade Area, conducted in connection with Step 6 of the preliminary assessment, identified several projects with large retail components. For the purposes of this analysis, planned projects with more than 50,000 gsf of retail space have been identified as having a high potential to contain a destination retail facility, such as a department store. These larger retail facilities are the most likely to compete directly with the destination retail of the proposed project. This excludes neighborhood-wide projects, such as rezoning, that may introduce a large amount of retail over an extended geographic area, but does not necessarily introduce large destination retail facilities on individual sites. **Table 3-27** shows the applicable destination retail projects.

Table 3-27
Planned Destination Retail Projects
Future Without the Proposed Project

Fig.2-4 Site No.	Location/Address	Retail gsf	Build Year
19	Block bounded by Astoria Boulevard, Northern Boulevard, and 112th Place	73,329	2018
26	37-19 College Point Boulevard	56,595	2018
14	Flushing Commons (Municipal Parking Lot 1) and Macedonia Plaza: block bounded by 138th Street, 37th Avenue, 39th Avenue, and Union Street	300,000	2018/2028
44	Caldor Site, 136-20 Roosevelt Avenue	155,000	2016

Notes: Listed projects are limited to large single-site developments located within approximately 1 mile of the proposed project
Sources: AKRF, Inc.

The full 5-Mile Primary Trade Area extends to include a majority of Queens and a portion of Brooklyn. Given the scale of this geography and the long time horizon associated with the 2032 Build year, it would be speculative to project the amount of residential and retail development that is likely to occur by 2032 for the Primary Trade Area. As stated in the *CEQR Technical Manual*, New York City's commercial streets are dynamic and are continually affected by changes in consumer spending, shopping trends, demographics, and population growth. Overall, in the future without the proposed project by 2032, it is expected that the retail landscape in the 5-mile Primary Trade Area will continue to evolve consistent with current trends, with natural turnover and growth in retail uses and growing household retail demand.

FUTURE WITH THE PROPOSED PROJECT

As described in the *CEQR Technical Manual*, there may be potential for a significant adverse impact on retail businesses if a project would decrease shopper traffic on commercial streets such that retail vacancies rise and retail businesses in the study area are no longer economically viable. This should be considered likely if the following conditions are met:

- The proposed anchor stores have potential to affect the ability of existing stores selling similar categories of goods to capture the sales volume necessary to remain in business;
- These existing stores draw a substantial share of shopper traffic to the neighborhood commercial strips on which they are located, or the street contains a concentration of businesses that sell the relevant categories of retail goods; and
- Limited demand for retail tenants is expected.

As noted above, the analysis focuses on shopping center anchors and local food stores because grocery stores generally serve as anchors for retail concentrations, and the proposed project could introduce stores offering products that substantially overlap with the retail offerings at grocery stores and shopping center anchors.

POTENTIAL IMPACTS ON LOCAL FOOD STORES

The Northern Boulevard, Roosevelt Avenue, and Downtown Flushing retail corridors contain a wide variety of food and beverage stores, including several large supermarkets and smaller independent stores such as delis and grocery stores, meat and fish markets, fruit and vegetable markets, and retail bakeries. Grocery stores in these retail clusters include supermarket chains, such as Trade Fair and C-Town. In many cases, the independent stores serve the local ethnic community, particularly the Hispanic and South Asian communities in Jackson Heights and the Asian community in Flushing. Several of the larger supermarkets, such as Sky Foods, Mi Tierra and HMart serve these communities as well. In total, there are approximately 27 supermarkets or grocery stores in these three local retail concentrations that could compete with the proposed project’s food stores due to their close proximity and the potential for overlapping consumer base.

The names and locations of each supermarket or large grocery store are provided in **Table 3-28** and are mapped in **Figure 3-5**.

As described below, with the proposed project, 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 retail market saturation.

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 project’s retail development. 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 and because transit service to the District would not be convenient for many residents of the neighborhoods adjacent to the project site. Although the District is served by the No. 7 subway line and the Q19, Q66, and Q48 buses, it is unlikely that residents would travel out of their way to access a transit route to the District, when many existing retail concentrations are nearby and are also well served by buses and subways. As discussed below, several of the local grocery stores also cater to a particular ethnic community living near the adjacent retail corridors. A supermarket or other food stores in the District is unlikely to attract a large number of shoppers who would normally shop at these specialty grocery stores.

In addition, the central locations of local grocery stores put them at an advantage over the District 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 adjacent retail corridors 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 or other food stores in the District.

Table 3-28
Selected Supermarkets in Local Retail Concentrations

Map No.	Name	Address/Location
A	**Mi Tierra**	**Northern Boulevard and 81st Street**
B	**Compare Foods**	**Northern Boulevard and 86th Street**
C	Apna Bazar Cash & Carry	72-20 37th Avenue
D	**Trade Fair**	**37th Avenue and 75th Street**
E	**Met Food Market**	**37th Avenue and 76th Street**
F	**C-Town**	**85-08 37th Avenue**
G	Mi Tierra	37th Avenue and 86th Street
H	**Trade Fair**	**37th Avenue and 89th Street**
I	**Food Bazaar**	**37th Avenue and Junction Boulevard**
J	Mi Tierra	Roosevelt Avenue and 86th Street
K	**Bravo**	**90-30 Roosevelt Avenue**
L	C-Town	Roosevelt Avenue and 111th Street
M	**Assi Plaza**	**College Point Boulevard and 39th Avenue**
N	Western Beef	College Point Boulevard and Avery Avenue
O	**Good Fortune Supermarket**	**Main Street and Blossom Avenue**
P	**Chung Fat Supermarket**	**Main Street and Maple Avenue**
Q	**New A&N Market**	**41-79 Main Street**
R	Farmer's Supermarket	Main Street and 41st Road
S	**GW Supermarket**	**Northern Boulevard and Leavitt Street**
T	HMart	141-40 Northern Boulevard
U	**GW Supermarket**	**144-50 Northern Boulevard**
V	**Hanyang Supermarket**	**Northern Boulevard and Murray Street**
W	**HMart**	**Murray Hill Plaza, 156-40 Northern Boulevard**
X	**Chang Jiang Supermarket**	**41-41 Kissena Boulevard**
Y	**Hong Kong Supermarket**	**37-13 Main Street**
Z	**Food Dimensions**	**34-20 Junction Boulevard**
AA	**Sky Food**	**40-24 College Point Blvd**

Notes: Supermarkets greater than 10,000 sf are listed in **bold**.
Sources: Store square footage based on the New York City Department of Finance's Real Property Assessment Data (RPAD) 2012 database, estimates from aerial photography, and AKRF field surveys conducted in December 2012.

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.

Many businesses in adjacent retail corridors cater to specific ethnic groups.

Many neighborhoods in Queens have a distinct character in terms of income levels and ethnic background of their residents. The local retail concentrations reflect the income and ethnic patterns of their local neighborhoods, with local retailers offering specialty goods and services familiar to a specific ethnic community and frequently doing business in a foreign language. For example, the corridors near 37th Avenue, and Roosevelt Avenue serve the nearby South Asian and Hispanic communities in Jackson Heights, while the corridors near Main Street and Northern Boulevard serve the Asian community in Flushing. This is particularly true in the case of food stores in these areas, which specialty items, including imported goods, and are particularly suited to shoppers who do not speak English as their primary language (notably, several of the Asian supermarkets located in Flushing do not have websites translated into English). By focusing on specific, and in some cases, geographically small local market areas, these retail concentrations in Queens have maintained strong local support. And despite the fact that many of the local commercial strips draw from a small primary trade area (in some cases a two- or three-block radius), sales are high due to very high population densities. Furthermore, it is unlikely that the proposed retail would offer goods, services, or restaurants that would directly compete with the specialty goods, services, and ethnic restaurants offered by local retailers focusing on a specific ethnic community. Overall, many shopping areas would be likely to retain their customer base.

Many individual supermarkets in the adjacent retail corridors are not critical to the survival of local retail concentrations.

The potential for significant adverse impacts due to retail market saturation exists only if proposed stores have the potential to affect neighborhood character by affecting the viability of neighborhood shopping areas. The adjacent retail corridors contain approximately 27 supermarkets, several of which might serve as anchors of their respective retail concentrations. Smaller supermarkets, such as Met Food and C-Town, typically with less than 10,000 sf of space, primarily serve the convenience shopping needs of local residents, and so they would not directly compete with a supermarket at the project site. 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.

POTENTIAL IMPACTS ON SHOPPING CENTER ANCHORS

Within the 5-mile Primary Trade Area, there are number of retail clusters that serve a customer base that extends beyond their immediate neighborhoods. In contrast to the local retail corridors, where supermarkets tend to function as anchors, these clusters are characterized by large-format anchor stores that sell shopping goods attracting customers from a broader region. The anchor stores of these retail clusters tend to draw traffic not only to the anchor store, but also to the smaller stores collocated with the anchor. Given this dynamic, if an anchor would be adversely impacted due to competition from the proposed project, the remaining stores in the cluster could also be affected.

Within the 5-mile Primary Trade Area there are shopping centers of varying size and character that contain anchor stores with trade areas and retail offerings that could overlap with the proposed project. **Table 3-29** identifies selected anchors of regional shopping centers within the Primary Trade Area, and their locations are illustrated in **Figure 3-6**.

Table 3-29
Selected Anchors in Regional Shopping Centers

Map No.	Name	Address/Location
A	Sports Authority	Northern Boulevard, Woodside
B	Home Depot	Northern Boulevard, Woodside
C	Best Buy	Northern Boulevard, Woodside
D	Target	Sky View Center (at Sky View Parc), Flushing
E	BJ's	Sky View Center (at Sky View Parc), Flushing
F	Best Buy	Sky View Center (at Sky View Parc), Flushing
G	Marshall's	Sky View Center (at Sky View Parc), Flushing
H	Kohl's	Rego Center, Elmhurst
I	Sears	Rego Center, Elmhurst
J	Costco	Rego Center, Elmhurst
K	Century 21	Rego Center, Elmhurst
L	Target	Queens Place, Elmhurst
M	Best Buy	Queens Place, Elmhurst
N	JC Penney	Queens Center, Elmhurst
O	Macy's	Queens Center, Elmhurst
P	Home Depot	Woodhaven Boulevard, Forrest Hills
Q	Kohl's	Fresh Meadows Shopping Center, Fresh Meadows
R	Macy's	Roosevelt Avenue, Flushing
S	Home Depot	Avery Avenue, Flushing
T	Target	College Point Shopping Center, College Point
U	BJ's Wholesale Club	College Point Shopping Center, College Point
Sources:	AKRF field surveys, December 2012	

For the reasons outlined below, with the proposed project, the competitive effects of the proposed project on anchor stores at shopping centers is expected to be minimal, is not anticipated to jeopardize the viability of any shopping centers, is not expected to diminish the level of services provided and, therefore, is not anticipated to result in significant adverse impacts due to retail market saturation.

The Primary Trade Area is not saturated by retail.

The presence of numerous retail anchors within close proximity of the project site shows that the Primary Trade Area is a robust market capable of supporting such stores in a variety of retail formats. So while there are a number of shopping centers within the Primary Trade Area that could potentially compete with the proposed project for customers, the expenditure analysis conducted for the preliminary assessment shows that Queens, and the 5-mile Primary Trade Area in particular, are currently under-retailed; Queens is capturing only 57 percent of the total retail expenditure potential of its residential population, while in the future without the proposed project, the Primary Trade Area will be capturing an estimated 66 percent of its residents' retail expenditure potential. Shopper's goods retailers will be capturing an estimated 67 percent of expenditures, while department stores, a subset of the shoppers goods category and in many instances an anchor of shopping centers, is predicted to capture only 41 percent of the Primary Trade Area residents' expenditure potential in the future without the proposed project (see **Table 3-13**).

Even with the proposed project, only approximately 77 percent of the study area's expenditure potential would be captured. The remaining 23 percent of potential expenditures (approximately

$2.3 billion) would continue to not be captured by stores within the Primary Trade Area and would be spent in other parts of New York City and adjacent counties.

Although the proposed project could potentially increase competition among shopping centers and their anchors, the remaining significant leakage of expenditures into areas adjacent to study area is an indication that available expenditures are sufficient in size to absorb additional retail development and are not expected to cause substantial competitive effects.

Smaller retail centers will continue to draw from local consumer bases.

Many of the major retail centers within the Primary Trade Area—in particular, the retail clusters in Woodside, College Point, Woodhaven, and Fresh Meadows—have only one or two anchors and serve smaller trade areas, so that their respective trade areas would only partially overlap with that of the proposed project. Woodside, Woodhaven, and Fresh Meadows are also at the fringe of the Primary Trade Area and are expected to draw a significant amount of their customers from outside of the Primary Trade Area. The composition of retailers at these clusters also suggests that the draw is more local in character. Anchor Stores such as Home Depot, Sports Authority or Michaels, present at Woodside and Woodhaven, tend to have smaller trade areas and are less likely to compete with stores in the proposed project.

Larger retail centers will continue to draw from a regional customer base

Sky View Center together with Downtown Flushing, the shopping centers at Queens Center, and Downtown Jamaica offer a critical mass and a diverse range of retail products that attract customers from local neighborhoods but also from well beyond the local trade area. The shops at Skyview Center in Downtown Flushing cater mainly to the existing community. The center takes advantage of the foot traffic in Downtown Flushing and targets primarily Asian residents and visitors, who come from as far New Jersey and Long Island. Stores such as the Fay Da Bakery and Sky Food within the center offer products and services specifically tailored to Asian shoppers. Because of these segment specific offerings and the close proximity to Downtown Flushing, with its ethnic restaurants and food stores, many shoppers are expected to continue to frequent stores in the Skyview Center.

Although Downtown Jamaica has, similar to the project site, access to the subway system and the Long Island Rail Road, its character and distance from the proposed development are expected to minimize potential adverse effects from competition. Downtown Jamaica is characterized by many small retail stores, mainly along Jamaica Avenue, interspersed with a few large-format department and apparel stores. Downtown Jamaica's unique retail corridor environment, paired with good access to public transportation access and its abundance of value retailers, make downtown Jamaica a preferred location for urban shoppers primarily from east Brooklyn south Queens.

Overall, only the shopping centers at Queens Center, i.e., Queens Center Mall, Rego Park and Queens Place, offer a critical mass of products and services, similar location characteristics, and a larger number of anchors similar to the proposed project. Because of these attributes and their proximity to the proposed development, the shopping centers at Queens Center are expected to have a trade area that will overlap with that of retailers at the proposed development and therefore compete for customers. However, these retail centers will continue to be viable because they have an established customer base (Queens Center Mall is consistently ranked as one of the country's highest grossing shopping centers in terms of sales per square foot)[1], they are easily accessible by transit (via the nearby Woodhaven Boulevard station on the M and R subway lines) or by car (via Queens Boulevard or the Long Island Expressway), and in the future with the proposed project there will still be unmet expenditure potential within the trade area for these types of retail offerings.

POTENTIAL IMPACTS ON MOVIE THEATERS

The proposed project would introduce an approximately 80,000-gsf movie theatre, which could increase competitive pressure on some existing movie theaters within the Primary Trade Area. Therefore, this analysis examines whether the proposed movie theater is likely to exert competitive pressure on existing theaters, and whether such pressure could lead to vacancies affecting the economic viability of the neighborhoods in which they area located.

The proposed project theater would be a megaplex.[2] Megaplex theaters typically show new release movies with widespread appeal. For the proposed project theater, the area of potential overlap within the Primary Trade Area would be other large multiplex theaters—theaters that also focus on new release movies with mass appeal **(See Figure 3-7)**. A substantial number of the movie theaters located in the Primary Trade Area are small-scale theaters that would not directly compete with the proposed movie theater. Many of the small-scale theaters in the Primary Trade Area, such as Fair Theatre in East Elmhurst (single-screen) and Jackson Heights Cinema in Jackson Heights (three-screen) show second-run, international, and/or independent films. These theaters tend to cater to a distinct audience and would not compete regularly with the proposed project's megaplex theater. While many small-scale movie theaters both within the Primary Trade Area and well beyond are struggling financially as their facilities age and new technologies and services make it easier for movie-watchers to access movies from home, these theaters would not be vulnerable to indirect business displacement due to competition from the proposed project's theater.

The multiplex theaters located in closest proximity to the proposed project site are in College Point (12-screen College Point Multiplex Cinema) and Forest Hills (nine-screen United Artists Midway Stadium 9 Theater). ESRI, the data provider utilized for the retail capture rate analysis presented earlier in this chapter, does not provide sales and household expenditure data for entertainment uses such as movie theaters. However, based on a review of business and search engine sites such as manta.com and google.com, the spatial distribution of movie theaters within the Primary Trade Area suggests that there is a potential market for a movie theater in the Willets Point area such that the planned movie theater would not have competitive effects on existing theaters. In fact, many areas appear to have greater concentrations of movie theaters than what exists in the Primary Trade Area. This is particularly evident when comparing the Primary Trade Area with Nassau County, which has about one quarter the population density of Queens but appears to have a comparable number of movie theaters.

While available information indicates that the existing market for multiplex movie theaters in the Primary Trade Area is unlikely to be saturated, if the proposed project were to have competitive

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[1] In 2009 U.S. News reported that Queens Center was one of the top 10 most profitable malls in the United States, with 98 percent of retail space occupied and sales of $876 per square foot.

[2] A megaplex is a large multiplex theater, typically housing 16 or more movie theaters. (Merriam-Webster)

effects on existing theaters, this would not be expected to lead to significant adverse neighborhood character impacts. The multiplex movie theaters that are located within the Primary Trade Area–-those that would be most likely to compete with the proposed project's megaplex—do not tend to anchor neighborhood retail concentrations. For example, College Point Multiplex Cinema on Ulmer Street is co-located with a Toys R Us and an Office Depot in a stand-alone building just off of Whitestone Boulevard. The three uses jointly anchor the building, which is surrounded by parking and disconnected from other retail businesses in College Point. In comparison, United Artists Midway Stadium 9 Theater in Forest Hills is located in a more densely retailed context, on Queens Boulevard in Forest Hills. However, this theater shares its block with a bank, a post office, and one restaurant. Banks and post offices rely more on concentrations of residential and office uses for customers rather than foot traffic generated by retail stores. Thus while the United Artists Midway Stadium 9 Theater is located along a more continuous retail corridor compared with the College Point Multiplex Cinema, it does not anchor a retail concentration. A third multiplex movie theater in the Primary Trade Area is the seven-screen AMC Fresh Meadows 7 on Horace Harding Expressway in Fresh Meadows. AMC Fresh Meadows is located in the Fresh Meadows Shopping Center, which includes a variety of stores and restaurants including Kohl's, Filene's Basement, Radio Shack, The Children's Place, Applebee's, and Starbucks. While the movie theater functions as a complementary use to the retail stores and restaurants, it does not anchor the shopping center.

Overall, the proposed project's megaplex is not expected to lead to the indirect displacement of existing movie theaters in the Primary Trade Area. Many of the existing movie theaters differ from the proposed project theater in size and focus and therefore would not directly compete with the proposed megaplex. Existing multiplex theaters that may be more likely to compete with the proposed megaplex do not anchor retail concentrations and therefore even if limited displacement were to occur, this would not be expected to lead to prolonged vacancies that could affect neighborhood economic viability.

POTENTIAL IMPACTS ON RESTAURANTS

Individual restaurants do not tend to anchor neighborhood commercial concentrations. However, groups of restaurants can be important to the economic vitality of certain neighborhood retail areas. Since the proposed project would introduce up to 215,000 square feet of eating and drinking establishments, this analysis evaluates the potential for indirect displacement of eating and drinking establishments due to competition with the proposed project.

As indicated in the preliminary assessment of business displacement due to retail market saturation, the retail capture rate for eating and drinking establishments in the Primary Trade Area is estimated to be 56 percent in the future without the proposed project. Even with the addition of 215,000 square feet of proposed project eating and drinking space, the capture rate would be 65 percent in the future with the proposed project. This indicates that there is ample household demand to support both existing and proposed project eating and drinking establishments.

Eating and drinking establishments located in closest proximity to the proposed project site—in Downtown Flushing and in the eastern part of North Corona—may be more likely than others in the Primary Trade Area to experience competitive pressure from proposed project establishments because residents who currently frequent those restaurants would be within walking distance or very short distance by car or public transit from the proposed project site. However, the potential for indirect displacement of groups of restaurants in both of these areas is limited. Downtown Flushing (Number 5 on **Figure 3-3**) has a unique shopping and dining environment dominated by retail stores and restaurants that cater to Asian populations. This downtown area would retain its unique character and appeal with or without the addition of new eating and drinking establishments at the proposed project site. Retail concentrations in the eastern portion of North Corona (Number 1 on **Figure 3-3** and Numbers 3e and 3f on **Figure 3-4**) contain a mix of shoppers' goods stores, convenience goods stores, eating and drinking establishments, as well as industrial and commercial supply businesses. The eating and drinking establishments in this area are distributed across the commercial concentrations rather than clustered together in a way that would form a collective anchor. Most are small-scale restaurants and many are limited-service, which cater to the immediately surrounding residential communities, particularly the Hispanic community. Therefore it is unlikely that substantial numbers of existing restaurants in eastern North Corona would lose a meaningful proportion of retail sales to proposed project eating and drinking establishments.

Overall, existing restaurants in the immediate vicinity of the proposed project site distinguish themselves in different ways (e.g., a focus on ethnic populations, quick-serve limited-service, an established customer base, downtown setting). Many eating and drinking establishments in the area would likely benefit from the increased foot traffic resulting from the new proposed project residents, workers, and visitors, and local restaurants would not be significantly impacted by new eating and drinking establishments introduced as part of the proposed project. ✷