

A. INTRODUCTION

This chapter estimates the economic benefits of the Proposed Project and assesses whether the Proposed Project could result in any significant adverse environmental impacts due to changes in socioeconomic conditions. Specifically, the economic benefits analysis centers on job creation, as well as the potential economic synergies created by the Proposed Project. The impacts assessment evaluates the Proposed Project's effects on demographics, housing characteristics, and labor force, as well as economic activity in key sectors within a local study area and within broader trade areas. All analyses and reporting in this chapter are based on the program amounts presented in FEIS Table 1-1, "Proposed Program."

PRINCIPAL CONCLUSIONS

The Proposed Project would not result in any significant adverse environmental impacts due to changes in socioeconomic conditions; it would, however, create local jobs and positive economic synergies. The following presents summary findings for each of the analyses performed.

*ECONOMIC BENEFITS¹**Job Creation*

Given its size and scope, the Proposed Project would create a substantial number of jobs. Construction activities associated with the Proposed Project would generate an estimated 9,240 full-time equivalent (FTE) temporary jobs.² Once operational, the Proposed Project would generate an estimated 3,179 FTE permanent jobs; this includes an estimated 2,455 direct on-site FTE jobs and an estimated 724 indirect and induced FTE jobs within the region. The direct permanent jobs would be largely within the Proposed Project's retail on Site B and the arena on Site A.

Economic Synergies

The Proposed Project would increase commercial investment in the immediate study area, drawing direct investment through building construction, enhanced retail activity and destination shopping, increased event-based economic activity, and office and community space activities. It would introduce new workers and visitors to the area, thereby increasing the area's spending power and

¹ A detailed reporting of the Proposed Project's fiscal and economic impact is available in FEIS Appendix I, "Fiscal and Economic Benefits."

² All jobs presented in this study are full-time equivalents (FTEs). Construction jobs are by definition temporary and are presented in FTE "person-years." In other words, one FTE construction job is equivalent to one person working full-time for one year. All job estimates in this study were calculated independently using the following program assumptions for the Proposed Project: dining and entertainment-oriented retail (35,000 gsf); luxury outlet retail (315,000 gsf); arena (745,000 gsf); hotel (210,000 gsf and 250 rooms); community space (10,000 gsf); and office (30,000 gsf).

Belmont Park Redevelopment Civic and Land Use Improvement Project FEIS

benefiting existing commercial establishments. The Proposed Project's operations also would provide opportunities to utilize local material and services during construction and future operations of all businesses: retail, arena, hotel, and office. Finally, the Proposed Project would introduce new uses and amenities—such as on-site open space, dining and entertainment-oriented retail, and a hotel—that would be available to visitors to Belmont Park. These uses would complement The New York Racing Association (NYRA)'s operations and would further its goal of enhancing the destination value of Belmont Park.

POTENTIAL ADVERSE EFFECTS ON SOCIOECONOMIC CONDITIONS

Adverse impacts can occur when a project directly or indirectly changes the socioeconomic character of an area. As detailed below, the analysis considered potential adverse impacts from the Proposed Project's direct displacement of business activities from the Project Sites and North and East Lots, as well as the potential for indirect residential or business displacement within a local study area and within broader trade areas.

Direct Business Displacement

The Proposed Project would displace the existing surface parking lots on Sites A and B and a substantial portion of the existing "Backyard" space at Belmont Park. The parking spaces to be displaced would be replaced with new surface and structured parking, and it is anticipated that existing and future parking demand at Belmont Park would continue to be accommodated through a shared parking agreement among NYAP, the FOB, and NYRA (see Chapter 11, "Transportation"). While there are car dealerships that currently utilize portions of Site B and the North and East Lots for vehicle storage on month-to-month leases, it is expected that dealerships would relocate this use outside of the ½-mile study area. Irrespective of relocation, the vehicle storage use does not bring customers to the Proposed Project location; as such, potential displacement of this use would not result in a loss of consumer base from the local area and would not result in significant adverse impacts. With respect to the NYRA events currently held within the Backyard space, those events are largely expected to continue in the future with the Proposed Project, utilizing the remaining Backyard space, or may otherwise be relocated to other parts of the Belmont Park property. Larger events that have been held in Site A or the South Lot (currently 3-4 day events, approximately 3 to 5 times a year) are expected to continue in the South Lot, but would require coordination between NYRA and NYAP. The commitment to coordinate these arrangements would be memorialized in the Shared Parking Agreement between NYRA, the FOB, and NYAP.

Indirect Residential Displacement

Indirect (or secondary) residential displacement is the involuntary displacement of residents that can result from a change in socioeconomic conditions created by a project. The Proposed Project would not add or directly displace populations and would not introduce new residents or housing that could affect residential market conditions. A majority of the Proposed Project's uses—including the proposed arena, hotel, office, and retail—are expected to have a regional draw and would not cater exclusively to local residents. The proposed on-site and off-site open space improvements along with the Proposed Project's community space would represent new amenities that cater more directly to local residents' day-to-day needs, but the scale of these proposed improvements is modest such that it would not be expected to substantively affect residential market conditions. Finally, based on analyses performed as part of the EIS, all identified significant adverse environmental impacts within local neighborhoods could be fully mitigated with the exception of two traffic intersections. The adverse neighborhood effects from the

Proposed Project would be limited, and would not individually or collectively present conditions that could impede efforts to attract residential investment to the area or create a climate for disinvestment.

Indirect Business Displacement

Similar to indirect residential displacement, indirect business displacement can occur from changes in socioeconomic conditions created by a project. The Proposed Project would result in several changes to the study area’s business and economic profile, namely: the introduction of dining and entertainment-oriented retail, luxury outlet retail, an arena, a hotel, and office and community space uses. The assessment finds that the Proposed Project does not present conditions that could lead to indirect business displacement due to increases in property values and rent or due to a climate of disinvestment in the study area and primary trade areas. The Proposed Project would lead to economic and social gains that could make the surrounding communities more vibrant and potentially more attractive to businesses.

The proposed dining and entertainment retail, luxury outlet retail, arena, and hotel would influence consumer expenditure decisions within the local area and within broader trade areas. A detailed analysis was performed to determine whether these new uses could lead to significant adverse impacts from displacement, particularly those resulting from competitive effects that would make it difficult for existing businesses to remain in the study area.

The detailed analysis of potential competitive effects was divided into five sections: (1) delineation of primary trade areas; (2) demographic market factors affecting market potential in primary trade areas; (3) existing business conditions in primary trade areas; (4) the future without the Proposed Project; and (5) the future with the Proposed Project. The analysis considers competition in the following sectors: (a) local retail (dining and entertainment); (b) luxury outlet retail; (c) arenas; (d) and hotels.

For the local retail sector, the competition analysis considers estimated “capture rates” for the primary trade area to help characterize the potential for competitive effects from the Proposed Project. Capture rates are measures of business activity in a trade area and indicate the percentage of consumer expenditures for goods and services that are being “captured” by businesses in the trade area. For the other three sectors analyzed—luxury outlet retail, arenas and the hotel—the detailed competition analysis employed other key metrics and qualitative analyses to assess impacts on competition. The data for producing capture rates is not available for hotels, nor for niche uses such as luxury outlet retail and arenas.

Overall, the analyses find that the Proposed Project would not significantly affect competition within the primary trade areas in any of the sectors analyzed and that it would, therefore, not have the potential to generate significant adverse changes in neighborhood character due to displacement caused by competition. Summary analysis findings for each sector are presented below.

Local Retail: Dining and Entertainment

The Proposed Project would introduce up to 35,000 gross square feet (gsf) of local dining and entertainment retail on Site A and would generate an estimated 328 direct (on-site) permanent jobs.³ When considering local retail sales from the Proposed Project, the projected dining and

³ Estimates of project-generated jobs assume 35,000 gsf of dining and entertainment retail on Site A and 315,000 gsf of luxury outlet retail on Site B.

Belmont Park Redevelopment Civic and Land Use Improvement Project FEIS

retail capture rate would be an estimated 49.6 percent. Currently, the capture rate for dining and entertainment in the primary trade area is 47.4 percent. These projected capture rates suggest that the primary trade area has the capacity to absorb the local retail component of the Proposed Project and that there is even room to grow. Qualitatively, there are two factors that allow for this: (1) local retail supply in the primary trade area is currently not sufficient to meet demand; and (2) the type of local retail (dining and entertainment) that is planned for the Proposed Project is different in nature than most of the existing offerings in the area. Although the addition of up to 35,000 gsf of dining and entertaining retail is substantial, its effect on employment and sales trends in the primary trade area is offset by capture rates currently below 50 percent. These capture rates suggest that the local retail component of the Proposed Project would not cause undue pressure from competition leading to economic displacement or other significant adverse impacts in the primary trade area that would cause adverse changes in neighborhood character. On the contrary, the Proposed Project would attract visitors to the area, some of whom would increase demand for local commerce in areas surrounding the Project Sites, including dining and entertainment spending.

Luxury Outlet Retail

The Proposed Project would introduce up to 315,000 gsf of luxury outlet retail on Site B, thereby generating 1,148 direct permanent jobs. Adding these 1,148 direct permanent jobs to the 4,248 jobs anticipated in the “Future without the Proposed Project” (or “No Action scenario”) would result in an increase of 1.6 percent in direct permanent retail trade jobs in the New York City Region (a proxy for the New York-Newark-Jersey City, NY-NJ-PA Metropolitan Statistical Area [MSA]). Even when including the Proposed Project, the growth rate in retail trade jobs would remain level with the 1.6 percent increase observed from 2000 to 2016 in the New York City Region. This suggests that in the “Future with the Proposed Project” scenario, the trend in retail employment would be similar to previous years and that the MSA has the capacity to absorb the new luxury outlet retail at the Proposed Project without dramatically altering trends in this sector. This is particularly true because the trends in population, income, and tourism in the MSA are positive and the value offering at the luxury outlet retail component of the Proposed Project would be differentiated from the rest of the market. For the following reasons, the Proposed Project’s luxury outlet retail offering would not lead to the displacement of other outlet shopping centers or lead to significant adverse impacts in the MSA: the primary trade area for the luxury outlet retail component of the Proposed Project is the entire MSA; retail trade growth in the MSA is expected to be positive; the concept offered by the luxury outlet retail component would be unique for the primary trade area; and the demand at this development would be supplemented by international destination shoppers. Rather than crowding out commerce in the primary trade area, the draw of the new luxury outlet retail component is expected to have positive spillover effects on the local retail (dining and entertainment) sector beyond the development within the ½-mile study area and the 3-mile primary trade area.

Arenas and Entertainment Venues

The Proposed Project’s arena would generate an estimated 618 direct permanent jobs. Adding the 19,000 seats to those calculated under the No Action scenario (43,500) would result in a total increase of 18.6 percent over total current seats in the MSA. This rate of growth in arena/entertainment venue seats is a departure from the overall trend (an average annual rate of growth of 3.4 percent) in the New York City Region in employment in the Arts, Entertainment, and Recreation sector, which is a proxy for the arena/entertainment venue sector. Nonetheless, the proposed arena would play a very particular role within the MSA and would not have significant competitive effects with other arenas in the primary trade area, which has a population of

approximately 20 million people. As the home of the New York Islanders hockey team, this arena would primarily serve customers in Long Island (approximately 80 percent of arena visitors for hockey are expected to come from Nassau and Suffolk Counties). These customers would primarily be Islanders fans, a very specific group that no other arena in the MSA would compete for. Further, as discussed previously, the Arts, Entertainment, and Recreation sector is expected to continue to grow at a rate even greater than that of retail trade. It is thus expected that the MSA would be able to absorb economic activity from the arena and that, like the luxury outlet retail component, the arena would generate positive economic externalities for the surrounding communities.

The Nassau Coliseum and the Barclays Center, as far as sporting events are concerned, are expected to continue operations without major disturbances after the proposed arena opens because the Nassau Coliseum has already shifted away from hockey use and the Barclays Center has not had success as a home for the New York Islanders. As far as non-sporting events are concerned, the Barclays Center would continue to be the premier entertainment venue for the Borough of Brooklyn (with approximately 2.6 million residents), and the Nassau Coliseum would continue to focus on smaller-scale events than those hosted at the Barclays Center and the proposed arena. While the Proposed Project's arena and the Nassau Coliseum would be proximate geographically, both venues would attract visitors from throughout the entire MSA, which as previously stated is large enough to absorb the additional supply of events and entertainment. One venue might focus on larger shows, both venues could host the same acts on different nights, or perhaps host events marketed at different audiences. It is also likely that the Proposed Project would attract new consumers to the area, some of whom will attend events at Nassau Coliseum as well.

There are other smaller venues in the area such as Jones Beach Theater and Forest Hills Stadium, but these are both outdoor venues that attract acts that are of a different genre, style, and scale than what would be expected for an indoor arena of the size proposed for the Project Sites; these two smaller venues are also only open in warm weather seasons. Overall, the metro area is considered sufficiently large to comfortably absorb additional non-sporting events from the proposed arena without having a significant impact on the existing venues. The proposed arena would not lead to significant competitive pressures that would jeopardize the viability of other entertainment venues, and therefore would not result in significant adverse impacts due to competition in the MSA.

Hotels

The Proposed Project would include a hotel of approximately 210,000 gsf and up to 250 keys, which would generate an estimated 205 direct permanent jobs. Adding these hotel jobs to those calculated under the No Action scenario (164) would result in an increase of 0.7 percent in direct permanent hotel jobs in Nassau County. Even including the Proposed Project, the growth rate in hotel jobs remains well below the 2.4 percent observed from 2000 to 2016 in Nassau County. This suggests that even in the "Future with the Proposed Project" scenario, the trend in hotel employment would be flatter than in previous years, and that Nassau County would be able to absorb the new hotel at the Proposed Project without dramatically altering trends in this sector. Further, as a full-service hotel primarily serving as a complement to the other commercial uses on the Project Sites (e.g., arena and luxury outlet retail), the hotel would be expected to draw largely from the visitors induced by the Proposed Project. Given its niche role within Nassau County and its immediate vicinity, and the fact that the hotel market in Nassau County is sufficiently robust, the proposed hotel would not be expected to exert competitive pressures in its primary trade area that would lead to displacement, or to significant impacts that would cause adverse changes in neighborhood character.

B. METHODOLOGY

The direct and indirect economic benefits of the Proposed Project considered in this socioeconomic conditions analysis are: (1) job creation; and (2) economic synergies. Estimates of jobs to be created by the Proposed Project were independently produced using an inputs/outputs model (the RIMS II model of the Bureau of Economic Analysis) that employs multipliers relevant to the study area and surrounding communities. These multipliers were used to produce estimates of FTE indirect and induced jobs (both temporary and permanent).⁴ Estimates of direct jobs were produced based on estimated construction costs of the Proposed Project, average wages obtained from the Bureau of Labor Statistics, and other benchmarks. Economic synergies were addressed from a qualitative perspective that focused on the potential for elements within the Proposed Project (e.g., the arena, retail and hotel) to create synergies with existing commercial activities within the study area and broader trade areas.

Potential adverse effects on socioeconomic conditions considered in this analysis are: (1) direct displacement of existing businesses; (2) indirect displacement of residential population; and (3) indirect displacement of businesses. To assess the potential adverse effects of the Proposed Project across these different areas of concern, the analysis employed the guidelines established in the *State Environmental Quality Review (SEQR) Handbook* and the *2014 New York City Environmental Quality Review (CEQR) Technical Manual*. Assessments were conducted to learn enough about the potential effects of the Proposed Project to either rule out the possibility of significant adverse impact, or to determine that more detailed analysis is required to resolve the issue. Detailed analyses were subsequently carried out to address the potential for indirect business displacement due to potential competitive effects.

C. DATA SOURCES

This study utilizes data from multiple sources to perform the various analyses. The principal sources used are as follows (presented alphabetically):

American Community Survey 1-Year and 5-Year Estimates

The American Community Survey (ACS) Estimates present statistical estimates based on data gathered over a specified period of time rather than a single point in time. The estimates provide increased statistical reliability for small population areas. The ACS Estimates are used in place of the Decennial Census where the relevant data is not available.

Bureau of Economic Analysis RIMS II Multipliers

This study uses the RIMS II Multipliers for Nassau County, NY to calculate the total economic impact of the proposed development, including indirect and induced jobs. The multipliers are used to calculate the total economic output as well as job estimates based on a set of inputs and a specified industry and region.

Bureau of Labor Statistics

The economic impacts portion of this analysis relies on wage data from the National Occupational Employment and Wage Estimates survey published on the Bureau of Labor

⁴ “Indirect” jobs represent jobs that would be created within industries that support the Proposed Project. “Induced” jobs represent jobs created within industries from increased income and associated consumer expenditure created in a region from the direct and indirect economic activity of the Proposed Project.

Statistics website. This data was also used to estimate employment trends in the various sectors under analysis.

CoStar

CoStar provides commercial real estate data for retail, commercial office, multifamily and other property types and is widely considered the industry standard for commercial real estate data. CoStar is used for the data on rents, vacancy and real estate inventory in this analysis.

ESRI Business Analyst

ESRI Business Analyst is used in this report for business sales, employment and consumer demand data. ESRI uses data from the Bureau of Labor Statistics, Consumer Expenditure Survey and Economic Census to calculate market potential and consumer demand.

New York Department of Labor

The Quarterly Census of Employment and Wages, produced by the New York Department of Labor was employed to establish labor trends in the primary trade areas.

Pollstar

Pollstar is a trade publication that covers the concert industry and collects data on artists, events, venues and companies in the industry. Pollstar provided the data on stadiums and events in this study.

Primary Sources

This study uses information obtained from conversations with independent primary sources. These sources include representatives from Value Retail, New York Arena Partners LLC, Empire State Development, individuals residing in the study area and feedback from public scoping sessions and question and answer sessions.

STR Trends Report Nassau County 2008–2019

STR Trends Report provides data on occupancy, average daily rates and revenues for hotels. This study uses STR data for Nassau County dating back to 2008 to analyze the hotel market in the area.

U.S. Decennial Census 2000, 2010

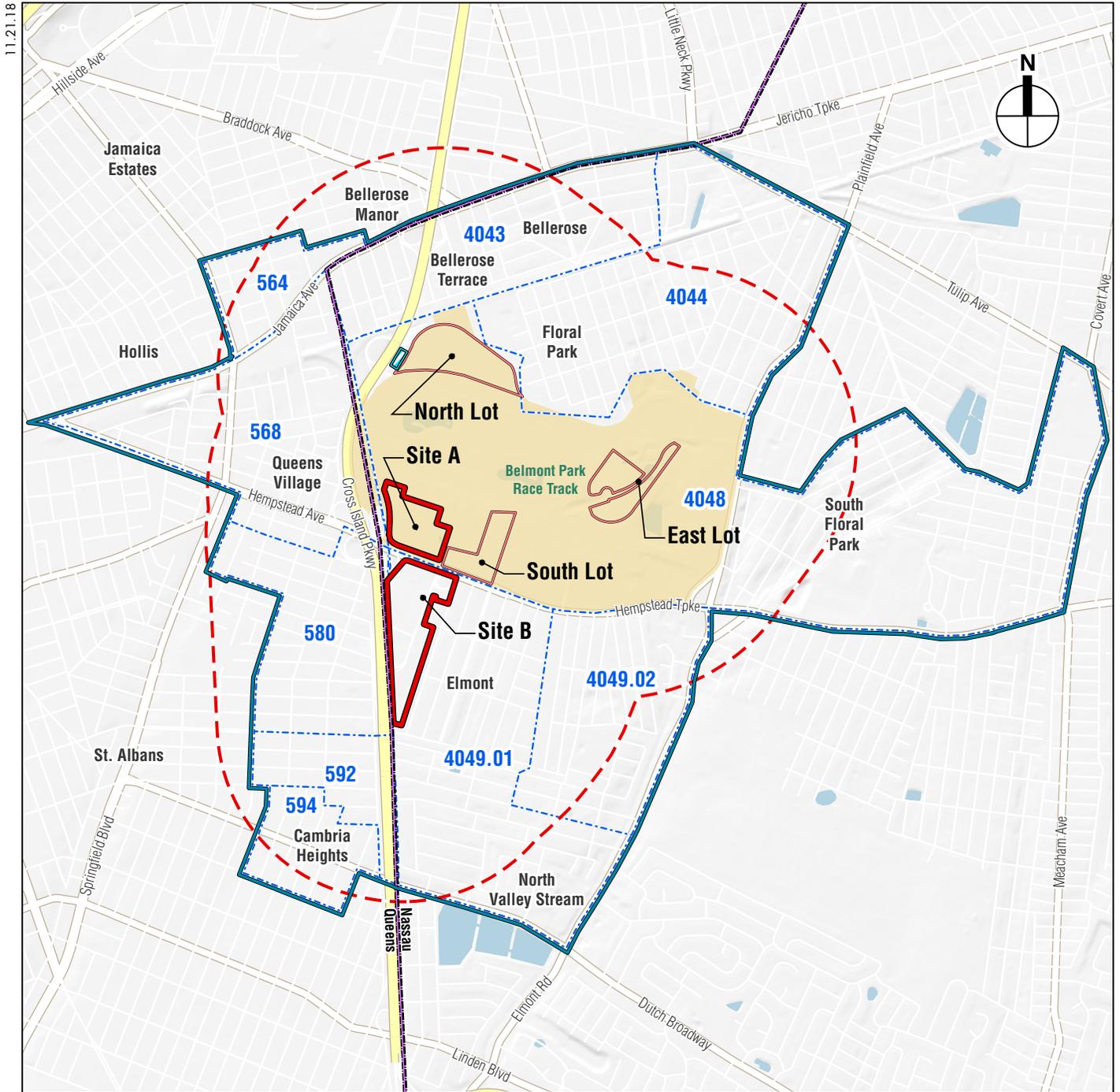
The U.S. Decennial Census was the primary source for socioeconomic and demographic data used in this report. The 2000 and 2010 versions of the census are used to analyze trends over time.

Zillow Home Value Index and Rent Index

Zillow publishes home value and rent data in monthly time series form for geographical levels ranging from the neighborhood to national level.

D. STUDY AREA

A study area is the area within which a project has the greatest potential to affect change. For a socioeconomic analysis, it is the area within which there is the greatest potential to directly or indirectly affect population, housing, and economic activities. The study area selected for this analysis is based on a ½-mile buffer area surrounding the Project Sites and North and South Lots (see **Figure 7-1**). This area includes the unincorporated community of Elmont, in which the Project Sites are located, in the Town of Hempstead, and portions of the Villages of Floral Park and Bellerose in



-  Project Sites
-  North, South, and East Parking Lots
-  Proposed Belmont Electrical Substation
-  Half-mile Radius
-  Socioeconomic Study Area
-  4048 Census Tracts

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Nassau County as well as Queens Village in Queens County. This study area would experience the greatest increase in pedestrian and vehicular traffic due to project-generated trips and would have the greatest potential to experience socioeconomic changes as a result of the Proposed Project.

Because socioeconomic analyses depend on demographic data, it is appropriate to adjust the study area boundary to conform to the census tract delineation that most closely approximates the desired radius (in this case, a ½-mile buffer surrounding the boundary of the Project Sites and North and South Lots). The 10 census tracts that comprise the socioeconomic study area are listed in **Table 7-1**.

**Table 7-1
Census Tracts within Study Area**

Nassau County Census Tracts	Queens Borough Census Tracts
4043	564
4044	568
4048	580
4049.01	592
4049.02	594
Source: U.S. Census Bureau	

In addition to the study area, the analyses presented in Section H utilize specific primary trade areas to carry out competitive effects analyses for each commercial component of the Proposed Project. These primary trade areas represent the main markets for the relevant commercial uses—local dining and entertainment retail, luxury outlet retail, arenas and entertainment venues, and hotels—and are defined based on where the bulk of sources of demand and competing supply are located.

E. STUDY AREA DEMOGRAPHIC, HOUSING, AND LABOR FORCE CHARACTERISTICS

The following section presents a snapshot of the demographic, housing, and labor force characteristics of the areas surrounding the Proposed Project, including the study area, as defined above, and the broader surrounding communities: Elmont, the Villages of Floral Park and Bellerose, Town of Hempstead, and Nassau and Queens Counties.

POPULATION

Table 7-2 presents the population for the ½-mile study area, as well as for the broader communities surrounding the Proposed Project. In 2010, the study area included 36,996 residents, a 4.1 percent decrease from 2000. The trend in population decline in the study area does not match trends in most of the broader surrounding geographies, where population growth has been positive, albeit moderate: Elmont, Bellerose, Town of Hempstead, and Nassau and Queens Counties. Overall, population change in the surrounding areas from 2000 to 2010 was relatively modest; the exception is the relatively large population decline within the study area, which is driven by a consistent population decline in the majority of the included census tracts.

HOUSEHOLDS AND AVERAGE HOUSEHOLD SIZE

Table 7-3 presents the number of households within the ½-mile study area, as well as within the broader communities surrounding the Project Sites. In 2010, the study area contained 11,443 households, a 1.9 percent decrease from 2000. This decrease is slightly greater, though generally consistent with decreases experienced by the other geographies; the exception is Nassau County, which saw a small increase in households over the same 10-year period.

**Table 7-2
Residential Population**

Geography	2000	2010	Percent Change
Study Area	38,568	36,996	-4.1
Elmont	32,657	33,198	1.7
Floral Park	15,985	15,863	-0.8
Bellerose	1,173	1,193	1.7
Town of Hempstead	755,924	759,757	0.5
Nassau County	1,334,544	1,339,532	0.4
Queens County	2,229,379	2,230,722	0.1

Sources: U.S. Census Bureau, 2000 and 2010 Census, DP-1 (Profile of General Population and Housing Characteristics); Social Explorer Tables, Social Explorer

**Table 7-3
Total Households and Average Household Size**

Geography	Total Households			Average Household Size		
	2000	2010	Percent Change	2000	2010	Percent Change
Study Area	11,664	11,443	-1.9	3.30	3.23	-2.1
Elmont	9,902	9,847	-0.6	3.29	3.37	2.4
Floral Park	5,770	5,680	-1.6	2.76	2.79	1.1
Bellerose	378	375	-0.8	3.10	3.18	2.6
Town of Hempstead	246,828	246,456	-0.2	3.02	3.03	0.3
Nassau County	447,387	448,528	0.3	2.93	2.94	0.3
Queens County	782,664	780,117	-0.3	2.81	2.82	0.4

Sources: Source: U.S. Census Bureau, 2000 and 2010 Census, DP-1 (Profile of General Population and Housing Characteristics); Social Explorer Tables, Social Explorer

In 2010, the average household size in the study area was 3.23 persons per household, which was larger than that of all the geographies, with the exception of Elmont (3.37). The study area’s 2010 average household size decreased from 2000, while the average household size in the other geographies increased. Overall, the trend in the communities surrounding the Project Sites appears to be a slightly declining number of households and a stable or slightly increasing household size.

INCOME AND POVERTY

Table 7-4 presents median household income in the study area and in broader surrounding geographies for 2000 and for 2012–2016, in 2016 dollars.⁵ For the study area, the data is the weighted average of each census tract’s median household income, since the median is not available for the aggregated group of census tracts. The median household income for the study area in 2012–2016 was \$90,212, which is 1.3 percent lower than in 2000, after adjusting for inflation. The change in median household income in the broader surrounding communities was

⁵ 2016 American Community Survey 5-Year Estimates are used to represent the most recent data where 2010 Decennial Census data is unavailable. The 2016 5-Year estimates represent data collected between 2012 and 2016 and represent an average for an area over that time. The 5-Year estimates can provide more reliable statistical estimates than other Census data surveys for areas with small populations.

Belmont Park Redevelopment Civic and Land Use Improvement Project FEIS

in the same range: from a decrease of 2.5 to an increase of 2.0 percent, with the exception of the Village of Bellerose, which experienced a more substantial increase in median household income from 2000 to 2012–2016 (approximately 18.5 percent). The poverty rate in the study area was 6.0 percent in 2012–2016, which is similar to the poverty rate in the Town of Hempstead as a whole (6.7 percent) and Nassau County (6.0 percent). However, it is higher than in Floral Park (2.5 percent), while much lower than in Queens County (14.6 percent). While the poverty rate in the Town of Hempstead and Nassau County increased during the period of analysis, it decreased in the study area, from 7.3 percent in 2000 to 6.0 percent in 2012–2016.

Table 7-4

Median Household Income and Poverty Rates

Geography	Median Household Income (2016 dollars)			Poverty Rate	
	2000	2012–2016	Percent Change	2000	2012–2016
Study Area	\$91,368	\$90,212	-1.3	7.3%	6.0%
Elmont	\$90,078	\$91,902	2.0	7.5%	7.1%
Floral Park	\$106,229	\$103,644	-2.4	3.1%	2.5%
Bellerose	\$144,479	\$171,250	18.5	0.9%	7.2%
Town of Hempstead	\$99,549	\$97,034	-2.5	5.8%	6.7%
Nassau County	\$103,795	\$102,044	-1.7	5.2%	6.0%
Queens County	\$61,155	\$59,758	-2.3	14.6%	14.6%

Note: Household income is presented in 2016 dollars.
Sources: U.S. Census Bureau, 2000 and 2010 Census, DP-3 (Profile of Selected Economic Characteristics); 2012–2016 American Community Survey 5-Year Estimates B19013, S1701 (Median Household Income in the past 12 months, Poverty Status); Social Explorer Tables, Social Explorer

EDUCATIONAL ATTAINMENT

Table 7-5 presents the levels of educational attainment in the ½-mile study area and the broader surrounding geographies. In the study area, 20.4 percent of residents have a bachelor’s degree, which is slightly less than in the Town of Hempstead or Nassau County as a whole. Similarly, only 11.3 percent of the residents of the study area have a graduate or professional degree, compared with the Town of Hempstead and Nassau County, where 16.9 percent and 19.6 percent of residents hold graduate or professional degrees, respectively. The level of educational attainment in Elmont and Queens is similar to the educational attainment levels in the study area. Floral Park and Bellerose have notably higher educational attainment levels than the levels of any of the other area geographies.

Table 7-5

Educational Attainment (2012–2016)

Geography	Less than Bachelor’s Degree	Bachelor’s Degree	Graduate/Professional Degree
Study Area	68.3%	20.4%	11.3%
Elmont	73.1%	17.8%	9.1%
Floral Park	49.6%	28.5%	21.9%
Bellerose	34.5%	30.6%	34.9%
Town of Hempstead	61.2%	21.8%	16.9%
Nassau County	56.5%	24.0%	19.6%
Queens County	69.4%	19.4%	11.2%

Source: 2012–2016 American Community Survey 5-Year Estimates S1501 (Educational Attainment).

HOUSING

Table 7-6 presents the total number of housing units, vacancy rates, and owner occupancy rates for housing in the ½-mile study area and the broader surrounding geographies. In 2010, there were 11,971 housing units in the study area, a 0.2 percent decrease from 2000. The lack of change in housing inventory was mirrored in Floral Park where the housing stock grew by 0.3 percent. In contrast, housing stock grew by 1.3 percent in Elmont, by 1.8 percent in the Town of Hempstead, and by 2.2 percent in both Nassau and Queens Counties over the same 10-year period; it decreased by 1.6 percent in Bellerose, which had only 378 housing units in 2010.

Table 7-6
Housing Inventory, Vacancy Rates and Owner Occupancy Rates

Geography	Housing Units			Vacancy Rate		Owner-Occupied Units	
	2000	2010	Percent Change	2000	2010	2000	2010
Study Area	11,997	11,971	-0.2	2.8%	4.4%	75.4%	72.0%
Elmont	10,151	10,279	1.3	2.5%	4.2%	78.1%	72.4%
Floral Park	5,892	5,909	0.3	2.1%	3.9%	78.8%	80.7%
Bellerose	384	378	-1.6	1.6%	0.8%	93.1%	94.9%
Town of Hempstead	252,286	256,734	1.8	2.2%	4.0%	80.7%	80.0%
Nassau County	458,151	468,346	2.2	2.3%	4.2%	80.3%	79.9%
Queens County	817,250	835,127	2.2	4.2%	6.6%	42.8%	43.0%

Sources: U.S Census Bureau, 2000 and 2010 Census, DP-1 (Profile of General Population and Housing Characteristics); Social Explorer Tables, Social Explorer

In 2010, approximately 4.4 percent of study area housing units were vacant; a similar, albeit slightly higher vacancy rate than that of Elmont (4.2 percent), Floral Park (3.9 percent), the Town of Hempstead (4.0 percent), and Nassau County (4.2 percent), but lower than that of Queens (6.6 percent). The Village of Bellerose had a vacancy rate of less than 1 percent in 2010. Vacancy rates increased for all the geographical areas analyzed between 2000 and 2010.

In 2010, 72.0 percent of units in the study area were owner-occupied. This rate is lower than that of all other geographies considered (ranging from 72.4 to 94.9 percent), except for Queens County, where 43.0 percent of housing units were owner-occupied. All geographies, except for the Villages of Floral Park and Bellerose, saw a decrease or relatively no change in the percentage of owner-occupied units between 2000 and 2010.

HOME VALUES AND RENT

Table 7-7 presents the median home value for the ½-mile study area and the broader surrounding areas. Data for home values in the study area are best approximated using data at the ZIP Code level, so the value presented for the study area is the weighted average of the median values for the five ZIP Codes that overlap with the study area (11001, 11003, 11411, 11428, and 11429). Median home values in the study area were \$444,561 in 2016. This value is skewed high by the ZIP Code 11001 where median home values were \$552,933, over \$100,000 higher than in any of the other four ZIP Codes included in the study area. The median home value in the study area is much higher than the median value in the Town of Hempstead, but lower than the values in Floral Park, Nassau County, or Queens County. Home values in the study area rose by 28.9 percent from 2012 to 2016, which is similar to Elmont and a faster growth rate than that experienced in the Town of Hempstead or in Nassau County—where home values rose by 20.6 percent and 20.2 percent, respectively, during the same period—and lower than the growth rate experienced in Queens County (32.6 percent).

Table 7-7
Median Home Values (All Homes)

Geography	2012	2016	Percent Change
Study Area (ZIP Codes)	\$344,816	\$444,561	28.9
Elmont	\$292,333	\$371,158	27.0
Floral Park	\$454,208	\$568,175	25.1
Town of Hempstead	\$244,633	\$294,917	20.6
Nassau County	\$378,058	\$454,283	20.2
Queens County	\$407,867	\$540,692	32.6

Note: ¹ Data not available for the Village of Bellerose.
Source: Zillow Home Value Index (Average values across 12-month period), 2012 and 2016. The study area value is the weighted average using ZIP Code level data and the corresponding number of households from the ACS 5-Year Estimates.

Table 7-8 presents the median contract rent for housing units in the ½-mile study area and the broader surrounding geographies. The study area’s 2016 median contract rent was \$2,533, which is lower than the median contract rent for all comparison geographies except for Queens County. The rate of growth in median contract rent from 2012 to 2016, however, at 25.5 percent, has been more pronounced in the study area than in the broader surrounding communities, where median contract rent growth centered around 20 percent. The only geography with a higher growth rate was Queens County, where median contract rent increased by 31.3 percent during this period.

Table 7-8
Median Contract Rent (Monthly)

Geography	2012	2016	Percent Change
Study Area (ZIP Codes)	\$2,019	\$2,533	25.5
Elmont	\$2,220	\$2,672	20.4
Floral Park	\$2,385	\$2,877	20.6
Town of Hempstead	\$2,230	\$2,626	17.8
Nassau County	\$2,404	\$2,825	17.5
Queens County	\$1,707	\$2,242	31.3

Note: ¹ Data not available for the Village of Bellerose.
Source: Zillow Rental Index (Average values across 12-month period), 2012 and 2016. The study area value is the weighted average using ZIP Code level data and the corresponding number of households from the ACS 5-Year Estimates.

LABOR FORCE

Table 7-9 presents the size of the labor force in the ½-mile study area and the broader surrounding geographies. The labor force in the study area was 21,835 in 2012–2016, a 16.4 percent increase from 2000. The Town of Hempstead and Nassau grew at slower rates during this period, by 10.2 percent and 8.9 percent, respectively, as did Floral Park and Bellerose. Queens County grew at a faster rate, by 17.2 percent. Elmont experienced the greatest increase in labor force since 2000, with a 35.1 percent increase.

Table 7-9
Labor Force

Geography	2000	2012–2016	Percent Change
Study Area	18,755	21,835	16.4
Elmont	15,672	21,179	35.1
Floral Park	8,114	8,814	8.6
Bellerose	567	648	14.3
Town of Hempstead	370,256	407,952	10.2
Nassau County	655,809	714,021	8.9
Queens County	1,037,238	1,215,483	17.2

Source: U.S. Census Bureau, 2000 Census, DP-3 (Profile of Selected Economic Characteristics); 2012–2016 American Community Survey 5-Year Estimates, S2301 (Employment Status); Social Explorer Tables, Social Explorer

EMPLOYMENT BY SECTOR

Table 7-10 presents employment levels by economic sector for the ½-mile study area, the Town of Hempstead, Nassau County, and Queens Borough. The largest sector by employment in the study area is “Educational Services, and Health Care and Social Assistance,” which accounts for 33.5 percent of all jobs in the study area. The next largest sectors are “Retail Trade,” “Professional, Scientific, and Management, and Administrative and Waste Management Services,” and “Finance and Insurance, and Real Estate and Rental and Leasing.” The distribution of jobs in the study area, by sector, is similar to the distributions in the Town of Hempstead, Queens, and Nassau County, although certain industries have a higher concentration in the study area than in these comparison geographies, most notably “Educational Services, and Health Care and Social Assistance,” as well as “Transportation and warehousing, and utilities,” except for Queens, and “Public Administration.” Major employers in the study area are Elmont Union Free School District, Elmont Memorial Junior-Senior High School, Dutch Broadway Elementary School and Martin De Porres School off Elmont Road, Floral Park-Bellerose School on Larch Avenue and Floral Park Memorial High School off Plainfield Avenue. Other large employers are national chain retailers (The Home Depot, Target, Marshalls, GNC, Pep Boys and others) on Hempstead Turnpike east of Belmont Park. Additional major employment clusters are located along Hempstead Avenue/Turnpike, Jamaica Avenue, Elmont Road/Plainfield Avenue, Springfield Boulevard and adjacent to the Long Island Rail Road (LIRR) tracks. Immediately adjacent to the Project Sites, Belmont Park Racetrack is also a major employer in the “Arts, Entertainment, and Recreation” sector.

UNEMPLOYMENT

Table 7-11 presents the unemployment rate for the ½-mile study area and the comparison geographies. The unemployment rate in 2012–2016 in the study area was 8.8 percent, an increase of 3.7 percentage points from 2000. Unemployment in the study area was higher than the unemployment rates in all other geographies considered, and the increase in terms of percentage points was also higher than that of any of the surrounding geographies. Unemployment did, however, increase from 2000 onwards in all the geographies analyzed.

**Table 7-10
Employment by Sector**

Sector	Study Area		Town of Hempstead		Nassau County		Queens Borough	
	2012–2016	Percent of Total	2012–2016	Percent of Total	2012–2016	Percent of Total	2012–2016	Percent of Total
Agriculture, forestry, fishing and hunting, and mining	12	0.1%	424	0.1%	923	0.1%	1,776	0.2%
Construction	826	4.1%	22,361	5.9%	38,708	5.8%	75,106	6.7%
Manufacturing	741	3.7%	16,416	4.3%	30,981	4.6%	45,796	4.1%
Wholesale Trade	428	2.1%	11,579	3.0%	22,479	3.3%	28,315	2.5%
Retail Trade	2,289	11.5%	41,008	10.8%	69,213	10.3%	114,952	10.3%
Transportation and warehousing, and utilities	1,491	7.5%	21,751	5.7%	34,944	5.2%	89,652	8.0%
Information	475	2.4%	11,033	2.9%	20,607	3.1%	29,580	2.6%
Finance and insurance, and real estate and rental and leasing	1,724	8.7%	33,674	8.8%	67,037	10.0%	90,800	8.1%
Professional, scientific, and management, and administrative and waste management services	1,960	9.8%	45,817	12.0%	85,837	12.8%	124,230	11.1%
Educational services, and health care and social assistance	6,677	33.5%	109,933	28.8%	189,323	28.2%	266,841	23.8%
Arts, entertainment, and recreation, and accommodation and food services	1,066	5.4%	28,537	7.5%	48,946	7.3%	132,528	11.8%
Other services, except public administration	1,036	5.2%	18,808	4.9%	30,962	4.6%	74,718	6.7%
Public administration	1,190	6.0%	19,744	5.2%	32,195	4.8%	46,289	4.1%

Source: U.S. Census Bureau, 2012–2016 American Community Survey 5-Year Estimates, DP03 (Selected Economic Characteristics)

**Table 7-11
Unemployment Rate**

Geography	2000	2012–2016	Percentage Point Change
Study Area	5.1%	8.8%	3.7
Elmont	5.7%	7.5%	1.8
Floral Park	2.5%	5.3%	2.8
Bellerose	1.8%	2.6%	0.8
Town of Hempstead	3.9%	6.5%	2.6
Nassau County	3.7%	5.8%	2.1
Queens County	7.7%	7.8%	0.1

Source: U.S. Census Bureau, 2000 Census, DP-3 (Profile of Selected Economic Characteristics); 2012–2016 American Community Survey 5-Year Estimates, DP03 (Selected Economic Characteristics); Social Explorer Tables, Social Explorer

F. ECONOMIC BENEFITS

The following section presents the direct and indirect economic benefits of the Proposed Project. These economic benefits represent key positive social and economic gains that would accrue to the surrounding communities as a result of externalities associated with the execution of the Proposed Project. The two categories of benefits considered in this study are (1) job creation and (2) economic synergies. The first category employs an input-output model and RIMS multipliers from the Bureau of Labor Statistics to produce independent estimates of the number of FTE permanent jobs created for each use and FTE temporary jobs created during construction. The second category, economic synergies, describes qualitatively the benefits that the Proposed Project would have on the community overall beyond job creation. These benefits are all positive externalities associated with the Proposed Project that could lead to social and economic gains for businesses and residents in the communities surrounding the Proposed Project.

JOB CREATION

One of the most critical benefits of the Proposed Project, given its size and scope, is job creation. Overall, the Proposed Project is estimated to generate a total of 3,179 FTE permanent jobs and 9,240 FTE temporary construction jobs, including direct, indirect and induced jobs. Direct permanent jobs total 2,455, while total direct temporary construction jobs total 6,366 jobs (in person-years). If direct permanent jobs are considered, the two uses that would generate the most jobs within the Proposed Project are “Luxury Outlet Retail,” with 1,148 jobs “Arena” with and 618 jobs. **Tables 7-12 and 7-13** present all the results from the job creation analysis.⁶

**Table 7-12
Permanent Job Creation**

Project Component	Direct Jobs	Indirect and Induced Jobs	Total
Arena	618	126	745
Hotel	205	80	285
Site B Retail	1,148	354	1,502
Site A Dining and Entertainment	328	53	380
Community Space	25	18	43
Office	132	94	225
Total	2,445	724	3,179

Notes: All jobs are presented in FTEs. All job estimates in this study were calculated independently using the following conservative program assumptions for the Proposed Project: dining and entertainment-oriented retail (35,000 gsf); luxury outlet retail (315,000 gsf); arena (745,000 gsf); hotel (210,000 gsf); community space (10,000 gsf); and office (30,000 gsf). Totals may not add up due to rounding.

Sources: Data produced by BJH Advisors using Bureau of Economic Analysis RIMS II Multipliers and other sources.

**Table 7-13
Temporary Job Creation (During Construction)**

Direct Jobs	Indirect and Induced Jobs	Total
6,366	2,874	9,240

Notes: All jobs are presented in FTEs. For temporary construction employment, one FTE is the equivalent of one person working full time for one year. All job estimates in this study were calculated independently based on the Proposed Project’s construction cost estimates.

Sources: Data produced by BJH Advisors using Bureau of Economic Analysis RIMS II Multipliers and other sources.

⁶ Although the analysis does not specify where indirect and induced jobs would be created, it is likely these jobs would be created not only in Nassau County, but also in Queens County and other counties in the New York-Newark-Jersey City, NY-NJ-PA MSA.

ECONOMIC SYNERGIES

The Proposed Project would increase commercial investment in the immediate study area, drawing direct investment through building construction, enhanced retail activity and destination shopping, increased event-based economic activity, and office and community space activities. In addition, the Proposed Project would introduce new workers and visitors to the study area, thereby increasing the area's spending power and benefiting existing commercial establishments. The development would also provide opportunities to utilize local materials, inputs and services during construction and for future operations of all businesses: retail, arena, hotel and office. NYAP is committed to providing work opportunities to local residents and firms and would conduct outreach efforts (such as job and vendor fairs) to promote significant local participation on both the construction and operations of the Proposed Project.

The Proposed Project would also turn portions of the currently underutilized lots into a new pedestrian shopping destination with open spaces and community facilities that are accessible to surrounding residential communities and would participate and help in providing services that would enhance and supplement existing municipal services. Finally, the Proposed Project would introduce new uses and amenities—such as on-site open space, dining and entertainment-oriented retail, and a hotel—that would be available to NYRA visitors to Belmont Park. These uses would complement NYRA's operations and would further its goal of enhancing the destination value of Belmont Park.

G. ASSESSMENT OF POTENTIAL ADVERSE IMPACTS

In order to evaluate the possibility of adverse impacts resulting from the Proposed Project, this study analyzes three areas of socioeconomic concern: (1) direct displacement of existing business activities; (2) the potential to indirectly displace residential population; and (3) the potential to indirectly displace businesses. As a first step, an assessment was conducted to determine whether the effects of the Proposed Project rule out the possibility of significant adverse impacts, or whether the effects warrant a more detailed analysis.

For two of the three areas of socioeconomic concern—direct business displacement and indirect residential displacement—the assessment presented in this section was sufficient to conclude that the Proposed Project would not result in any significant adverse socioeconomic impacts. The assessment of indirect business displacement, however, concluded that a more detailed analysis was required to determine whether significant adverse impacts would result due to competition.

DIRECT BUSINESS DISPLACEMENT

The Proposed Project would displace the existing surface parking lots on Sites A and B and a substantial portion of the existing "Backyard" space at Belmont Park. The parking spaces to be displaced would be replaced with new surface and structured parking, and it is anticipated that existing and future parking demand at Belmont Park would continue to be accommodated through a shared parking agreement among NYAP, the FOB, and NYRA (see Chapter 11, "Transportation.") While there are car dealerships that currently utilize Site B and the North and East Lots for vehicle storage on month-to-month leases, it is expected that dealerships would relocate this use outside of the ½-mile study area; currently alternative locations are being considered within Queens, Suffolk County, and Westchester County. Irrespective of relocation, the vehicle storage use does not bring customers to the Proposed Project location; as such, potential displacement of this use would not result in a loss of consumer base from the local area and would not result in significant adverse impacts. With respect to the NYRA events currently

held within the Backyard space, those events are largely expected to continue in the future with the Proposed Project, utilizing the remaining Backyard space, or may otherwise be relocated to other parts of the Belmont Park property. Larger events that have been held in Site A or the South Lot (currently 3-4 day events, approximately 3 to 5 times a year) are expected to continue in the South Lot, but would require coordination between NYRA and NYAP. The commitment to coordinate these arrangements will be memorialized in the Shared Parking Agreement between NYRA, the FOB, and NYAP. In addition, separate from NYRA, NYAP would provide public open place space on Sites A and B for gathering and social purposes.

INDIRECT RESIDENTIAL DISPLACEMENT

Indirect residential displacement is the involuntary displacement of residents that can result from a change in socioeconomic conditions created by a project. In most cases where it occurs, indirect residential displacement is caused by increased property values generated by a project, which then results in higher rents in an area, making it difficult for some existing residents to continue to afford their homes. In other cases, indirect residential displacement can occur from disinvestment in a neighborhood. For example, if a project introduces a land use that is large enough or prominent enough to create a critical mass when combined with other similar uses in the area, a project can offset positive trends in the study area, impede efforts to attract investment to the area, or create a climate for disinvestment.

The assessment considers the following questions (in bold italics) in order to evaluate the potential for significant adverse impacts due to indirect residential displacement.

Would the Proposed Project add substantial new population with different socioeconomic characteristics compared to the size and character of the existing population?

The Proposed Project does not include any residential uses; therefore, the Proposed Project would not in this respect influence the demographic composition of the residential population.

Would the Proposed Project directly displace enough of one or more components of the population to alter the socioeconomic composition of the study area?

The Proposed Project would not directly displace any residents.

Would the Proposed Project introduce a substantial amount of a more expensive type of housing than existing housing or housing expected to be built in the study area by the time the program is developed?

The Proposed Project would not include any residential uses.

Would the Proposed Project introduce a critical mass of non-residential uses such that the surrounding area becomes more attractive as a residential neighborhood complex?

The Proposed Project would include multiple uses: retail and office space, an arena, a hotel and community facilities. Several of these uses—luxury outlet retail, an arena, and a hotel—would represent new additions to the study area and to the surrounding communities. Because the types of brands carried in luxury outlet retail spaces tend to concentrate high-value items that are purchased infrequently—even in high-income communities—it is unlikely that this component of the Proposed Project would become a frequent destination for local shoppers. Thus, the luxury outlet retail component, in spite of its large scale at up to 315,000 gsf, and despite the fact that some of its features would likely be attractive for shopping and general entertainment, would not present a new amenity catering exclusively to local residents that would make the study area or the surrounding communities more attractive as a residential neighborhood complex. The up to

Belmont Park Redevelopment Civic and Land Use Improvement Project FEIS

35,000-gsf dining and entertainment retail component could become an attractive feature for local residents, but this represents a smaller portion of the overall retail considered for the Proposed Project. The Proposed Project's luxury outlet retail component would not serve to meet the day-to-day consumer needs of local residents and therefore would not make the area more attractive as a residential neighborhood complex.

The Proposed Project would introduce up to approximately 30,000 gsf of office space that is expected to be used by New York Islanders staff and for Proposed Project operations. To the extent office space is leased to individuals and/or businesses not affiliated with the Proposed Project, the resulting amount of leasable space would not substantively affect the local office space market. The addition of office space as a result of the Proposed Project is thus not considered to be a factor that would contribute to making residential communities within the study area more attractive as a residential neighborhood complex.

These entertainment amenities are not expected to be used on a sufficiently regular basis by local residents such that they would become a critical factor that draws new residents to study area neighborhoods. Most potential new residents would continue to focus on traditional criteria, such as access to good schools, local retail, and transportation, rather than access to these entertainment amenities.

While the proposed hotel may be utilized by guests of residents within the local community, and the hotel's event space may be utilized by local residents, a majority of customers are expected to be out-of-area visitors to Belmont Park Racetrack and Grandstand, the arena, and destination shoppers visiting the luxury outlets. Thus, the hotel would not substantively contribute to making the study area more attractive as a residential amenity.

Finally, the proposed on-site and off-site open space improvements along with the Proposed Project's approximately 10,000-gsf community space would represent new amenities and improvements that would make the area more attractive as a residential neighborhood. However, the scale of these improvements is modest such that it would not be expected to substantively affect residential market conditions.

Would the Proposed Project alter land uses such that it offsets positive trends in the study area, impedes efforts to attract investment to the area, or creates a climate for disinvestment?

The Proposed Project would increase commercial investment in the immediate study area, drawing direct investment through building construction, enhanced retail activity and destination shopping, increased event-based economic activity, and office and community space activities. It would introduce new workers and visitors to the study area, thereby increasing the area's spending power and benefiting existing commercial establishments. The Proposed Project also would provide on-site publicly accessible open space, off-site open space improvements, and includes community space, all of which are residential amenities. Based on analyses performed as part of the EIS, all identified significant adverse environmental impacts within local neighborhoods could be fully mitigated with the exception of two traffic intersections. The adverse neighborhood effects would be limited, and would not individually or collectively present conditions that could impede efforts to attract residential investment to the area or create a climate for disinvestment.

CONCLUSION

This assessment finds that the Proposed Project would not add or directly displace populations and would not introduce new residents or housing that could affect residential market conditions. A majority of the Proposed Project's uses—including the proposed arena, hotel, office, and

retail—are expected to have a regional draw and would not cater exclusively to local residents. The proposed on-site and off-site open space improvements along with the Proposed Project’s community space would represent new improvements and amenities that cater more directly to local residents’ day-to-day needs, but the scale of these proposed improvements is modest such that it would not be expected to substantively affect residential market conditions. Finally, based on analyses performed as part of the EIS, all identified significant adverse environmental impacts within local neighborhoods could be fully mitigated with the exception of two traffic intersections. The adverse neighborhood effects would be limited, and would not individually or collectively present conditions that could impede efforts to attract residential investment to the area or create a climate for disinvestment. Overall, the Proposed Project would not result in significant adverse impacts due to indirect residential displacement.

INDIRECT BUSINESS DISPLACEMENT

This assessment considers three principle means by which significant adverse impacts can potentially occur due to indirect business displacement: (1) adverse changes in neighborhood character due to displacement caused by increases in property value and rent that make it difficult for some existing categories of business to remain in the area; (2) the introduction of land uses that offset positive trends in a study area, impede efforts to attract investment to an area and/or create a climate for disinvestment; and (3) adverse changes in neighborhood character due to displacement caused by competition with existing businesses.

The assessment considers the following questions (in bold italics) in order evaluate the potential for significant adverse impacts due to indirect business displacement.

Would the Proposed Project introduce enough of a new economic activity to alter existing economic patterns?

The Proposed Project would introduce five general types of economic uses to the Project Sites: retail space, office space, a sports and entertainment arena, a hotel, and community facilities. Of these five uses, the retail space, the arena and the hotel are considered to be new uses in the study area that may alter existing economic patterns.

According to CoStar, the ½-mile study area currently contains 1,402,790 square feet of retail space, consisting mostly of small-scale, low-end retail and fast food and small local restaurant dining.⁷ The Proposed Project’s retail uses would consist of up to 35,000 gsf of dining and entertainment retail on Site A, and up to 315,000 gsf of luxury outlet retail on Site B; the total amount of retail offered on Sites A and B would not exceed 350,000 gsf. Given the amount and type of new retail offerings, it is possible that these new retail uses could affect existing economic patterns in the study area. Therefore, a detailed analysis is necessary to determine the potential for significant adverse impacts resulting from the introduction of retail uses. See Section H, “Detailed Analysis of Indirect Business Displacement.”

Based on data from CoStar, the study area currently contains 429,377 square feet of office space. The Proposed Project would introduce up to approximately 30,000 gsf of office space; however, the office space introduced is expected to be utilized for New York Islanders employees and other staff associated with the Proposed Project’s operations. To the extent office space is leased to

⁷ Because it is not possible to employ census tracts as the geographical units of analysis in CoStar, all CoStar values for the ½-mile study area were computed using a ½-mile radius buffer surrounding the Project Sites.

Belmont Park Redevelopment Civic and Land Use Improvement Project FEIS

individuals and/or businesses not affiliated with the Proposed Project, the resulting amount of leasable space would not substantively affect the local office market. The addition of office space as a result of the Proposed Project is thus not considered to be an addition of new uses that could alter existing economic patterns.

The proposed arena would represent a new economic activity in the study area. It is currently anticipated that the arena would host approximately 200 events per year, with over 75 percent of those events (approximately 150 events) occurring in the evenings. As described in Chapter 1, “Project Description,” the arena would accommodate up to 18,000 seats for hockey games and up to 19,000 seats for other events. Considering that the arena would, at full capacity, draw a large number of persons to the study area and that some portion of these arena visitors would purchase goods and services not just within the arena but at businesses surrounding the arena, it is possible that the arena could increase demand for certain types of goods and services (e.g., restaurants) in the surrounding area. This could have some effect on existing economic patterns along retail corridors located within close proximity to the Project Sites. Therefore, a more detailed analysis is necessary to determine the potential for significant adverse impacts resulting from indirect business displacement resulting from the arena included in the Proposed Project. See Section H, “Detailed Analysis of Indirect Business Displacement.”

Similarly, the proposed hotel would represent a new economic activity in the study area. It would draw new visitors to the study area, which could influence existing economic patterns. The hotel would most likely function as a complement to economic activity within the arena and Belmont Park, however, and the potential effects of the hotel, which would consist of a full-service hotel with 250 rooms, would be considerably less than those of the arena. The potential effects of the hotel will also be discussed in Section H, “Detailed Analysis of Indirect Business Displacement.”

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

The Proposed Project would not displace uses that directly support local businesses or that draw a customer base to the area. Site A is currently used for overflow surface parking for Belmont Park visitors and Site B is currently used for overflow surface parking and for vehicle storage. The racing activities at Belmont Park are seasonal in nature (April–July and September–October) and the approximately 6,014 parking spots that would be located on the North, South, and East Lots are deemed sufficient to fulfill the associated parking demands, even during peak seasons. The current parking and vehicle storage uses at the Project Sites and other directly affected areas do not directly bring people to the area, so the customer base for local businesses would remain unaltered by the elimination of these uses.

While the Proposed Project would displace a substantial portion of the existing Backyard space at Belmont Park, the NYRA events currently held within the Backyard space are largely expected to continue in the future with the Proposed Project, utilizing the remaining Backyard space, or may otherwise be relocated to other parts of the Belmont Park property. NYAP and NYRA would explore opportunities to host Backyard events within Site A and the adjacent remaining Backyard area. Regardless, the Proposed Project would draw new visitors to the Project Sites, some of which may frequent existing businesses in the study area. Moreover, the neighborhoods surrounding the Project Sites are largely built-out and residential in nature, and, as such, any potential displacement of NYRA events would not be expected to affect the customer base for the study area’s local businesses.

Would the Proposed Project directly or indirectly displace residents, workers, or visitors who form the customer base of existing businesses in the area?

The Proposed Project would not directly displace any residents, and there are no regular on-site workers associated with the current uses on Sites A and B. Additionally, as mentioned in the “Indirect Residential Displacement” section, the Proposed Project is not expected to indirectly displace residents in the study area.

The Proposed Project, however, would create a new customer base of employees and visitors. The Proposed Project would introduce an estimated total of 3,179 permanent employees to the study area. In addition, the arena and the luxury outlet retail spaces would attract a substantial number of visitors throughout the year. The influx of employees and visitors to the study area would create a sizable new customer base for existing and future retail services and businesses.

Would the Proposed Project alter land use patterns such that it offsets positive trends in the area, impedes efforts to attract investment to the area, or creates a climate for disinvestment?

The Proposed Project would not impose any significant change that would diminish investment in the study area. On the contrary, the Proposed Project would increase commercial investment in the immediate study area, drawing direct investment through building construction, enhanced retail activity and destination shopping, increased event-based economic activity, and office and community space activities. In addition, the Proposed Project would introduce new workers and visitors to the study area, thereby increasing the area’s spending power and benefiting existing commercial establishments.

CONCLUSION

This assessment identified several potential changes to the study area business and economic profile that would occur as a result of the Proposed Project, including (a) the introduction of new luxury outlet retail spaces, an arena and a full-service hotel, all of which would represent new economic uses in the study area and (b) a potential increase in employees and visitors to the study area that could affect the customer base for neighborhood retail goods and services. The assessment finds that these changes would not result in indirect business displacement due to increases in property values and rents or due to a climate of disinvestment in the study area. However, because the assessment described above could not fully determine the potential competitive effects of the proposed uses, a more detailed analysis of this concern is presented in Section H. The more detailed analysis focuses on evaluating the potential for significant adverse impacts in the study area and broader trade areas stemming from potential displacement caused by competition with existing businesses.

H. DETAILED ANALYSIS OF INDIRECT BUSINESS DISPLACEMENT DUE TO POTENTIAL COMPETITIVE EFFECTS

The assessment presented in Section G identified several changes to the study area business and economic profile that would occur as a result of the Proposed Project, namely: the introduction of luxury outlet retail, an arena, and a hotel, all of which represent new economic uses in the study area and which could increase demand for retail goods and services in the area. The possibility that these new uses could cause significant indirect business displacement impacts could not be ruled out through the assessment presented above. Therefore, a detailed analysis was performed. This detailed analysis offers a more in-depth analysis of the changes to the study area business and economic profile in the context of demographic, business and employment trends. The objective of the detailed analysis is to determine whether these changes could lead to significant

adverse impacts from displacement, particularly those resulting from competitive effects that would make it difficult for existing businesses to remain in the study area.

The detailed analysis focuses on competition and is divided into five sections: (1) delineation of primary trade areas; (2) demographic market factors affecting market potential in primary trade areas; (3) existing business conditions in primary trade areas; (4) the future without the Proposed Project; and (5) the future with the Proposed Project. The analysis considers competition in the following sectors: (a) local retail (dining and entertainment); (b) luxury outlet retail; (c) arenas; (d) and hotels.

For the local retail sector, the detailed competition analysis considered estimated “capture rates” for the primary trade area to help characterize the potential for competitive effects from the Proposed Project. Capture rates are measures of business activity in a trade area and indicate the percentage of consumer expenditures for goods and services that are being “captured” by businesses in the trade area. To determine the rate at which existing businesses capture the spending potential of primary trade area households, the potential demand (i.e., amount of money available for retail expenditures) and supply (i.e., amount of retail sales realized by trade area stores) were compared. For the other four sectors—luxury outlet retail, arenas and the hotel—the detailed competition analysis employs other key metrics and qualitative analyses to assess impacts on competition. The data for producing capture rates is not available for hotels, nor for niche uses such as luxury outlet retail and arenas.

Overall, the detailed analysis finds that the Proposed Project would not significantly affect competition within the local study area or broader primary trade areas in any of the sectors analyzed, and therefore would not have the potential to generate adverse changes in neighborhood character.

DELINEATION OF PRIMARY TRADE AREAS

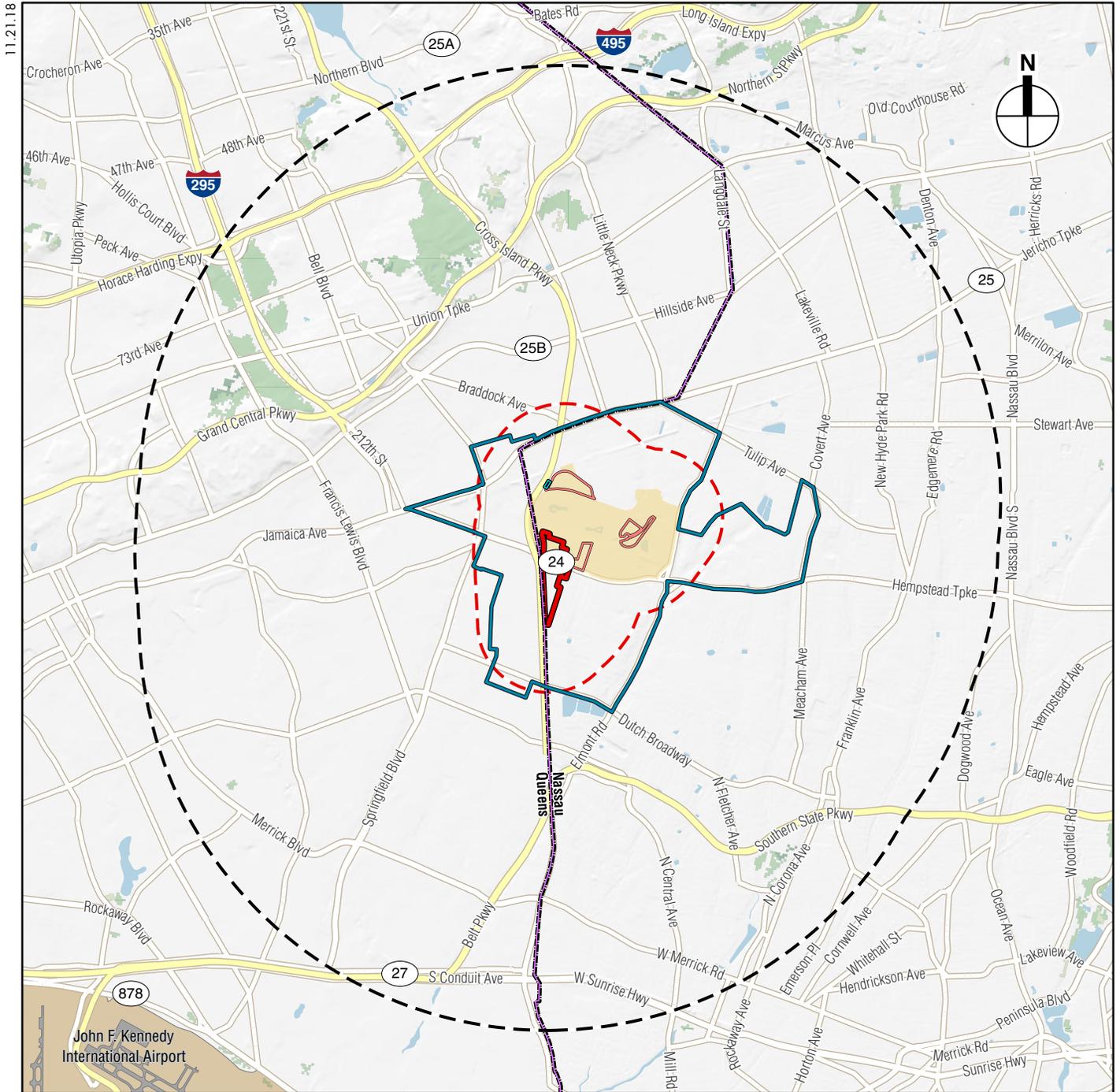
Each commercial component of the Proposed Project has a different relevant market (or primary trade area) based on where the sources of demand and competing supply are located. Primary trade areas represent the main markets for the relevant commercial uses—local retail, luxury outlet retail, arenas and entertainment venues and hotels—and are defined based on where the bulk of sources of demand and competing supply are located. Each component of the Proposed Project is therefore analyzed at one or more of these geographical levels based on the locations of supply and demand for the relevant economic sector. Specifically, this analysis uses the following primary trade areas:

LOCAL RETAIL: DINING AND ENTERTAINMENT

Given that most of the non-luxury outlet retail at the Proposed Project would consist of dining and entertainment that is complementary to the other large-scale uses (e.g., arena, luxury outlet retail, etc.), the competition analysis for local retail considers primarily the dining and entertainment sub-category of retail. Customers seeking dining and entertainment opportunities at the Proposed Project are expected to live relatively close to the development and are not expected to drive more than 20-30 minutes to visit the facilities. Thus, the primary trade areas considered for this retail category and the relevant competition analysis are the ½-mile study area and a broader primary trade area within a 3-mile buffer of the Project Site (see **Figure 7-2**).

LUXURY OUTLET RETAIL

The luxury outlet retail component of the Proposed Project would be expected to draw customers from a broader area beyond the local communities, given that price-sensitive customers looking for particular high-value goods at outlet prices are more willing to travel greater distances to obtain



Local Retail Trade Areas
Figure 7-2

those goods. Additionally, the product offering at the luxury outlet retail component would be very distinct from other outlet shopping experiences. Value Retail, which would be the operator of the proposed luxury outlet retail space, specializes in creating “full-price” environments for “outlet price” goods. This combination creates a unique shopping experience that attracts local and regional customers, as well as national and international visitors, as Value Retail’s experience in Bicester, United Kingdom and in Shanghai, China has shown. The primary trade area considered for the competition analysis for the luxury outlet retail component is therefore the entire New York-Newark-Jersey City, NY-NJ-PA MSA (see **Figure 7-3**). International visitors are also expected, however it is difficult to precisely predict from where these customers would originate and in what proportion, so the MSA is considered to be the primary trade area in which the luxury outlet retail component would operate.

ARENAS AND ENTERTAINMENT VENUES

The arena at the Proposed Project would be expected to compete with similar venues with approximately 15,000–20,000 seats that focus on sporting (e.g., hockey and basketball) and non-sporting events (e.g., concerts, musicals or shows). Given that individuals are willing to travel to more distant venues in certain cases, at least for non-sporting events, the primary trade area for the arena competition analysis is defined as the entire New York-Newark-Jersey City, NY-NJ-PA MSA, understanding that a significant number of the visitors to the arena would originate within Long Island. **Figure 7-3** presents the primary trade area for the arenas and entertainment venues sector.

HOTELS

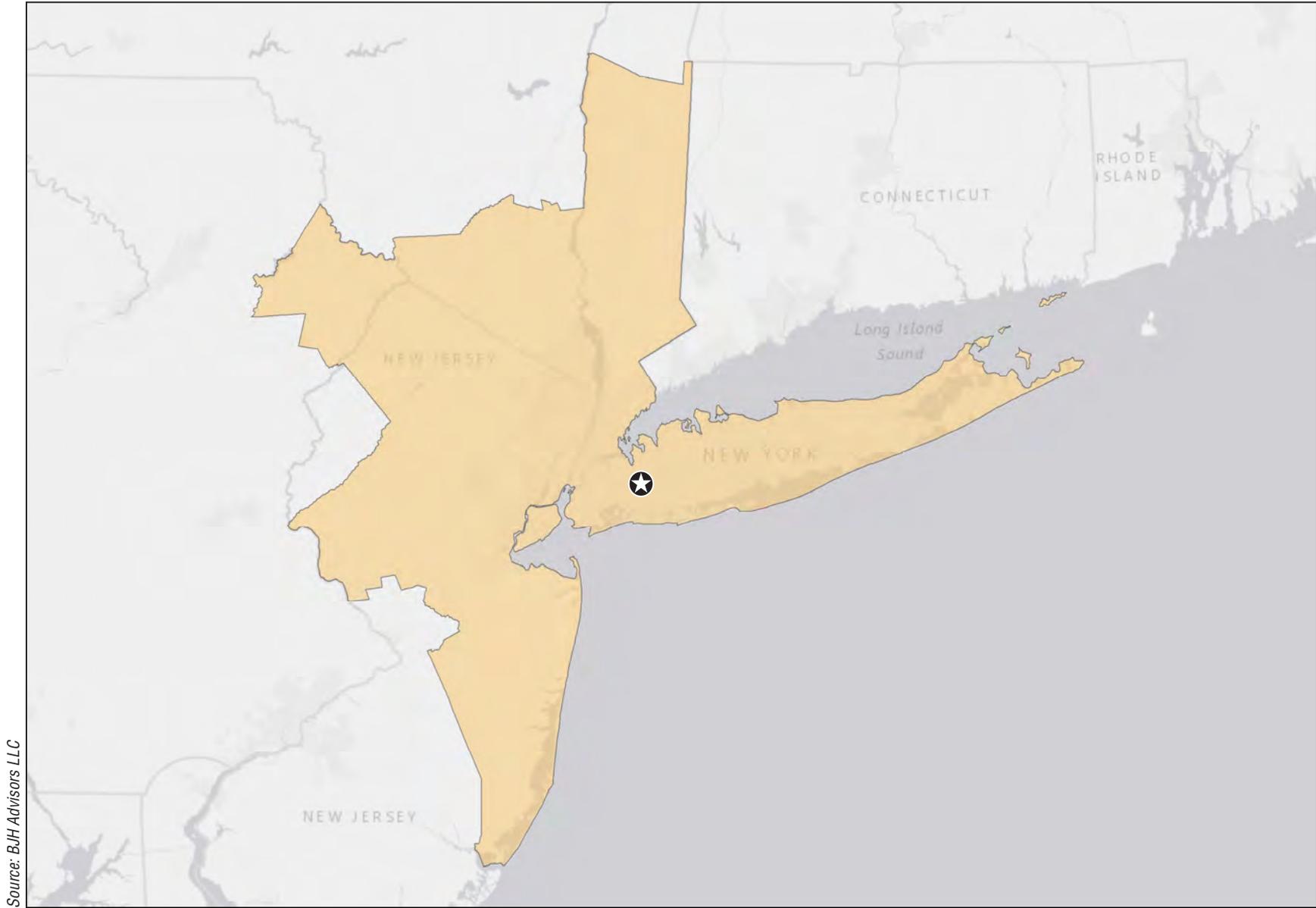
The set of hotels that would compete with the proposed hotel is comprised of other hotels similar in type, size and function—full-service hotels with 150–400 keys that are not primarily designed to service demand from airports or demand generated from visitors to Manhattan searching for cheaper lodging alternatives. Because most nearby hotels in Queens County are intended to service airports and Manhattan overflow demand, these are not considered to be in direct competition with the hotel at the Proposed Project. The supply of hotels in eastern Queens is, for the most part, smaller and of lower quality than the proposed Belmont hotel. There are four hotels in the entire Borough of Queens that are of the same quality of the Proposed Project’s hotel, and all four primarily service the two airports. Therefore, the demand for the hotel component is expected to primarily come from Nassau County, which is considered the primary trade area for the hotel analysis (see **Figure 7-4**).

DEMOGRAPHIC FACTORS AFFECTING MARKET POTENTIAL IN PRIMARY TRADE AREAS

The most critical demographic and socioeconomic factors that are considered to affect market potential in primary trade areas are: population and household growth; and the evolution of income and poverty rates in the given geographies. The following sections present the statistics for these variables for the relevant primary trade areas in each sector.

LOCAL RETAIL: DINING AND ENTERTAINMENT

Tables 7-14 and 7-15 present population, household, income, and poverty data for the study area and for the 3-mile buffer primary trade area relevant to the local retail dining and entertainment market. Population in the ½-mile study area decreased by 4.4 percent from 2000 to 2010; similarly, the total number of households and the average household size decreased during this period, by 2.1 percent and 2.3 percent, respectively. The 3-mile primary trade area also lost population and households from 2000 to 2010, but by a lower rate: a 1.4 percent decrease in population, and a 2.3 percent decrease in households. Average household size in this area, however, increased modestly from 3.03 to 3.05.



Source: BJH Advisors LLC

-  *New York-Newark-Jersey City, NY-NJ-PA metropolitan statistical area (MSA)*
-  *Belmont Park*



Source: BJH Advisors LLC

-  Nassau County
-  Belmont Park

Table 7-14

Demographic, Household and Income and Poverty Statistics – Local Retail Primary Trade Areas – ½-Mile Study Area

Indicator	2000	2010	Percent Change
Total Population	38,568	36,996	-4.1
Total Households	11,664	11,443	-1.9
Average Household Size	3.30	3.23	-2.1
Indicator	2000	2012–2016	Percent Change
Median Household Income (2016 dollars)	\$91,368	\$90,212	-1.3
Poverty Rate	7.3%	6.0%	-17.8

Sources: U.S. Census Bureau, 2000 and 2010 Census, DP-1 (Profile of General Population and Housing Characteristics); DP-3 (Profile of Selected Economic Characteristics); 2012–2016 American Community Survey 5-Year Estimates B19013, S1701 (Median Household Income in the past 12 months, Poverty Status).

Table 7-15

Demographic, Household and Income and Poverty Statistics – Local Retail Primary Trade Areas – 3-Mile Buffer

Indicator	2000	2010	Percent Change
Total Population	448,554	442,287	-1.4
Total Households	146,518	143,137	-2.3
Average Household Size	3.03	3.05	0.7
Indicator	2000	2012–2016	Percent Change
Median Household Income (2016 dollars)	\$81,873	\$80,670	-1.5
Poverty Rate	7.9%	8.4%	6.3

Sources: U.S. Census Bureau, 2000 and 2010 Census, DP-1 (Profile of General Population and Housing Characteristics); DP-3 (Profile of Selected Economic Characteristics); 2012–2016 American Community Survey 5-Year Estimates B19013, S1701 (Median Household Income in the past 12 months, Poverty Status).

With regard to median household income, both the ½-mile study area and the 3-mile primary trade area experienced slight decreases of 1.3 percent and 1.5 percent, respectively, after adjusting for inflation. The poverty rate in the study area decreased by 0.7 percentage points during this time, whereas in the 3-mile primary trade area, the poverty rate increased by 0.5 percentage points. Overall, the demographic trend in the study area and in the primary trade area seems to be negative, but the socioeconomic panorama seems to be more favorable and potentially conducive to economic growth in the local retail sector.

LUXURY OUTLET RETAIL AND ARENAS AND ENTERTAINMENT VENUES

The primary trade area for both the luxury outlet retail and the arenas and entertainment venues sectors is the New York-Newark-Jersey City, NY-NJ-PA MSA. **Table 7-16** shows the population, household total and average household size and income and poverty rate data for the MSA. The population in the MSA from 2013 to 2016⁸ increased by 1.0 percent: from 19.9 million to 20.1 million inhabitants. Similarly, during this time, households increased in the MSA by 0.5 percent, while average household size increased by 0.4 percent. Between 2013 and 2016, median

⁸ Due to the fact that the U.S. Census Bureau changed the boundaries for MSAs in 2013, 2013 is the oldest available date for the current MSA and 2016 is the latest available date.

household incomes in the MSA increased by approximately 6.6 percent per year, on average, from \$67,459 to \$71,897, while the poverty rate in the MSA fell by 7.5 percent. These data suggest that the demographic and socioeconomic trends in the MSA are favorable for retail and entertainment activities, both of which are largely driven by demographic and socioeconomic growth.

**Table 7-16
Demographic, Household and Income and Poverty Statistics – Luxury Outlet
Retail and Arenas and Entertainment Venues Primary Trade Area – MSA**

Indicator	2000	2010	Percent Change
Total Population	19,949,502	20,153,634	1.0
Total Households	7,080,691	7,118,024	0.5
Average Household Size	2.76	2.77	0.4
Indicator	2013	2016	Percent Change
Median Household Income (2016 dollars)	\$67,459	\$71,897	6.6
Poverty Rate	14.6%	13.5%	-7.5

Source: American Community Survey 1-Year Estimates, 2013 and 2016, DP03 (Selected Economic Characteristics)

HOTELS

Table 7-17 shows population, household and income and poverty data for the primary trade area for the proposed hotel: Nassau County. The population, total households and average household size in Nassau County were stable from 2000 to 2010, with growth rates below 1.0 percent during the 10-year period. Median household incomes, however, decreased slightly from 2000 to 2012–2016, from \$103,795 to \$102,044, a 1.7 percent decrease. Along with the decrease in income, the poverty rate in Nassau County increased by approximately 0.8 percentage points, or 15.4 percent. Despite the lack of income growth during this period of analysis, Nassau County has a high median household income relative to the broader MSA, indicating conditions that are conducive to further growth in the hotels sector.

**Table 7-17
Demographic, Household and Income and Poverty Statistics – Hotels Primary
Trade Area – Nassau County**

Indicator	2000	2010	Percent Change
Total Population	1,334,544	1,339,532	0.4
Total Households	447,387	448,528	0.3
Average Household Size	2.93	2.94	0.3
Indicator	2000	2012–2016	Percent Change
Median Household Income (2016 dollars)	\$103,795	\$102,044	-1.7
Poverty Rate	5.2%	6.0%	15.4

Sources: U.S. Census Bureau, 2000 and 2010 Census, DP-1 (Profile of General Population and Housing Characteristics); DP-3 (Profile of Selected Economic Characteristics); 2012–2016 American Community Survey 5-Year Estimates B19013, S1701 (Median Household Income in the past 12 months, Poverty Status).

EXISTING BUSINESS CONDITIONS IN THE PRIMARY TRADE AREAS

The following section presents economic snapshot profiles detailing current economic conditions within each of the industries associated with the three uses considered in this detailed analysis:

Belmont Park Redevelopment Civic and Land Use Improvement Project FEIS

retail, arena, and hotel. The profiles include a description and inventory of the economic activity in each sector and an assessment of trends, based primarily on employment data for each activity.

LOCAL RETAIL – DINING AND ENTERTAINMENT

The local retail dining and entertainment concentrations in the primary trade area are generally found outside of the ½-mile study area and scattered throughout the 3-mile primary trade area, as shown in **Figure 7-5**.

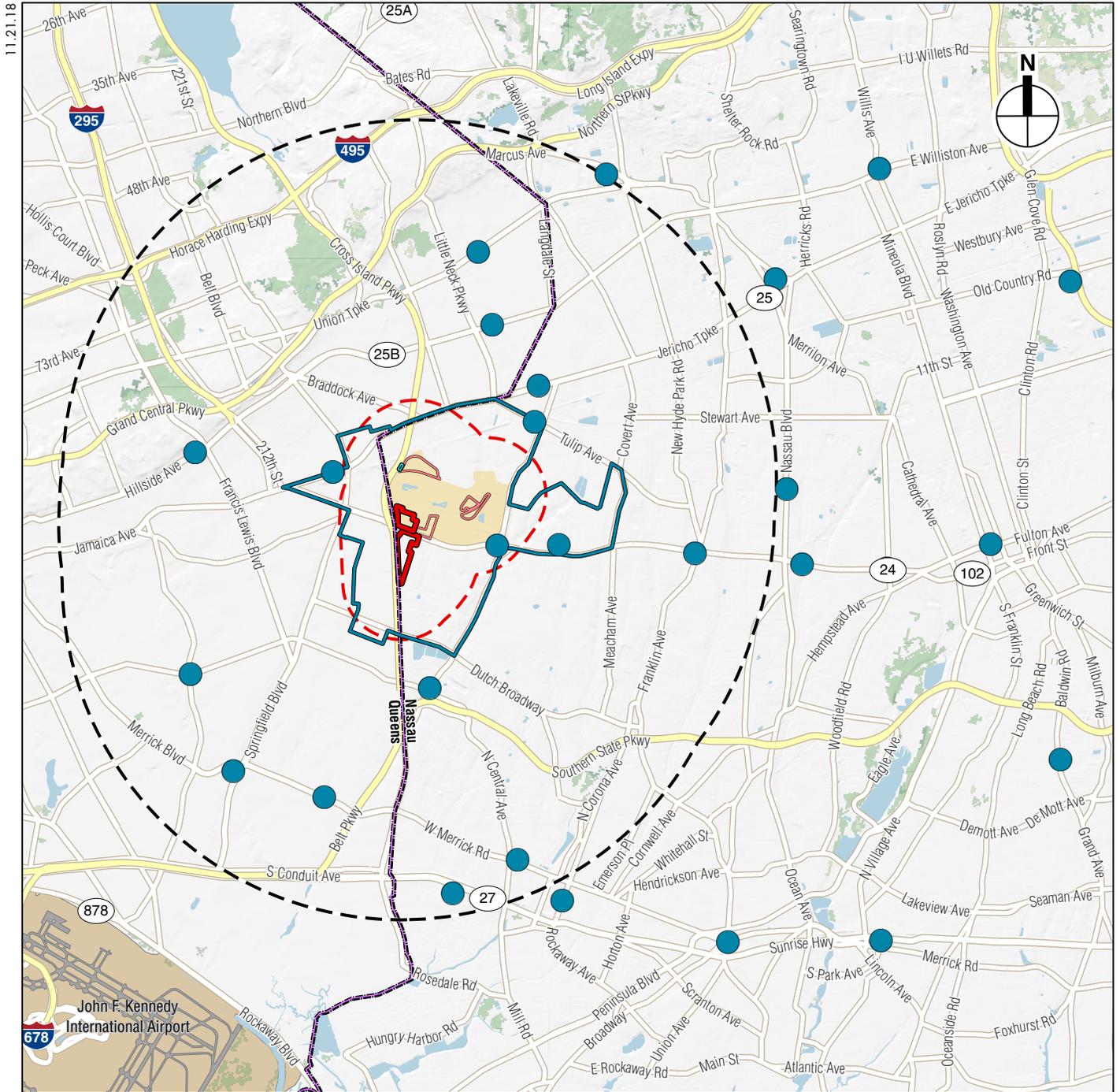
Table 7-18 presents the total retail inventory for the study area and the primary trade area, as well as total dining and entertainment businesses and jobs. In the ½-mile study area there are currently 68 dining and entertainment businesses that generate approximately 591 jobs. The total square footage for all retail in the study area, including dining and entertainment, is approximately 1.4 million. In the 3-mile primary trade area, there are a total of 593 dining and entertainment establishments and a total of 4,618 related jobs. The total retail square footage in the primary trade area is approximately 8.8 million.

Table 7-18
Retail Inventory – Study Area and Primary Trade Area

Area	Total Businesses (Dining and Entertainment)	Total Jobs (Dining and Entertainment)	Total Retail Square Footage
½-Mile Study Area	68	591	1,402,790
3-Mile Primary Trade Area	593	4,618	8,811,895
Sources: ESRI Business Analyst, Retail Marketplace Profile Report, and Business Summary Report – Food and Drink Subcategories (April 2018) and CoStar			

The following analysis focuses on the communities either contained within or lying near the study area and the 3-mile primary trade area. This snapshot uses data from ESRI Business Analyst on establishments classified under the North American Industrial Classification System (NAICS) Code for Food Services and Drinking Places. While the focus of this snapshot is on restaurants, it should be noted that the NAICS classification contains the sub-categories for Food Service Contractors, Caterers, Mobile Food Services, Drinking Places, Full-Service Restaurants, Limited-Service Restaurants, Cafeterias, Grill Buffets and Buffets and Snack and Nonalcoholic Beverage Bars.

Most of the dining options near the Project Sites cluster along the commercial corridors on Hempstead Turnpike in Elmont; Tulip Avenue, Covert Avenue, and Jericho Turnpike in Floral Park; and Jamaica Avenue in Queens Village. These establishments are primarily locally oriented in nature and include multiple fast food and fast-casual options that provide relatively inexpensive meals. Further out, the unincorporated community of Elmont contains 55 dining establishments that have a total of approximately 433 employees. The Elmont area contains a typical mix of fast food and fast casual, family-style sit-down and fine dining establishments. The restaurants vary greatly in nature, ranging from national pizza chains like Pizza Hut and Papa John’s to local independent restaurants offering international foods like Yard Flavors Restaurant (Caribbean style offerings) or El Sabor Catracho with Honduran options. Fast food and fast casual options include fast-food chains like Subway, Checker’s, Wendy’s and Taco Bell, as well as multiple local delis. There are also numerous casual sit-down or take-out options that consist of pizza restaurants, barbecue restaurants, a variety of standard take-out establishments and other miscellaneous dining establishments. The Village of Floral Park, which contains approximately 47 dining



- Project Sites
- North, South, and East Parking Lots
- Proposed Belmont Electrical Substation
- Half-mile Radius
- Socioeconomic Study Area
- Local Retail Primary Trade Area (Three-mile radius)
- Retail Shopping Clusters

0 1 MILE

Local Retail Dining and Entertainment Concentrations within the Primary Trade Area

establishments and a total dining workforce of approximately 388 employees, contains similar offerings as Elmont, but also more full-service, sit-down restaurants like Crabtree’s Restaurant (Mediterranean), Arturo’s Ristorante Italiano, Park Place (an Americana style bar and restaurant), and Oak House, offering Mexican dishes among others. The greater area covered by the Town of Hempstead has a range of dining options similar to Elmont, but on a larger scale and with more upscale or fine-dining establishments. Examples include well-known restaurants like The Capital Grille and Ruth’s Chris Steak House, or Waterzooi Belgian Bistro and Oyster Bar, and Revel Restaurant, where entrees average over \$35.

At 86.5 percent,⁹ the capture rate of the Town of Hempstead indicates that the population in the Town of Hempstead spends most of its dining expenditures at restaurants within the Town of Hempstead. The capture rate of Elmont and Floral Park, however, are much lower, at 55.1 percent and 59.4 percent, respectively. This denotes the relatively low level of supply of dining establishments at this more local level and the relative ease with which residents of Elmont and Floral Park can travel to restaurants in other communities within the Town of Hempstead and Queens. The capture rate for the 3-mile primary trade area is 47.4 percent, similar to the capture rates of the study area (57.0 percent), Elmont (55.1 percent), and Floral Park (59.4 percent).

Table 7-19 contains aggregated data on the dining industry in the geographical areas included in this section. Additionally, the table has data on Nassau County and the New York-Newark-Jersey City, NY-NJ-PA MSA. While these two broader trade areas are not part of this analysis and any dining components of the Proposed Project are unlikely to have any impact on them, they are useful as references. The principal conclusion drawn from this analysis is that the Elmont and Floral Park communities, as well as the 3-mile primary trade area, appear to have room for additional dining and entertainment retail.

Table 7-19

Local Retail – Dining and Entertainment – Supply and Demand Data

Geography	Study Area (1/2-Mile Radius)	Primary Trade Area (3-Mile Buffer)	Elmont	Floral Park	Town of Hempstead	Nassau County	NY-NJ-PA MSA
Potential Demand (\$MM)	\$57.3	\$579.2	\$47.2	\$36.2	\$1,406.9	\$2,807.6	\$34,663.6
Total Sales (\$MM)	\$32.7	\$274.6	\$26.0	\$21.5	\$1,217.4	\$2,307.4	\$33,028.2
Retail Gap (\$MM)	\$24.7	\$304.5	\$21.2	\$14.7	\$189.5	\$500.2	\$1,635.5
Capture Rate	57.0%	47.4%	55.1%	59.4%	86.5%	82.2%	95.3%
Total Businesses	68	638	55	47	2,191	4,042	57,083
Total Jobs	591	4,618	433	388	22,127	40,079	545,469
Note: Numbers may not add up to total due to rounding.							
Sources: ESRI Business Analyst, Retail Marketplace Profile Report, and Business Summary Report – Food and Drink Subcategories (April 2018)							

⁹ Capture rates reflect the demand in an area (total expenditure by residents) over the supply (total sales are area businesses).

LUXURY OUTLET RETAIL

The up to 315,000 gsf of luxury outlet retail contained on Site B within the Proposed Project would be of a different nature than that offered at retail stores and malls found in the study area and the broader surrounding communities. This retail space would consist primarily of “destination shopping.” Value Retail, the operator of the proposed luxury outlet retail space, specializes in creating “full-price” environments for “outlet price” goods. This combination creates a unique shopping experience that attracts local and regional customers, as well as national and international visitors, as Value Retail’s experience in Bicester, United Kingdom and in Shanghai, China has shown. This retail center product would not attract shoppers making regular everyday purchases, but rather those making special excursions to purchase high-value items. Based on Value Retail’s existing outlet center in the United Kingdom, a substantial percentage of customers (around 30 percent) could be national and international tourists.

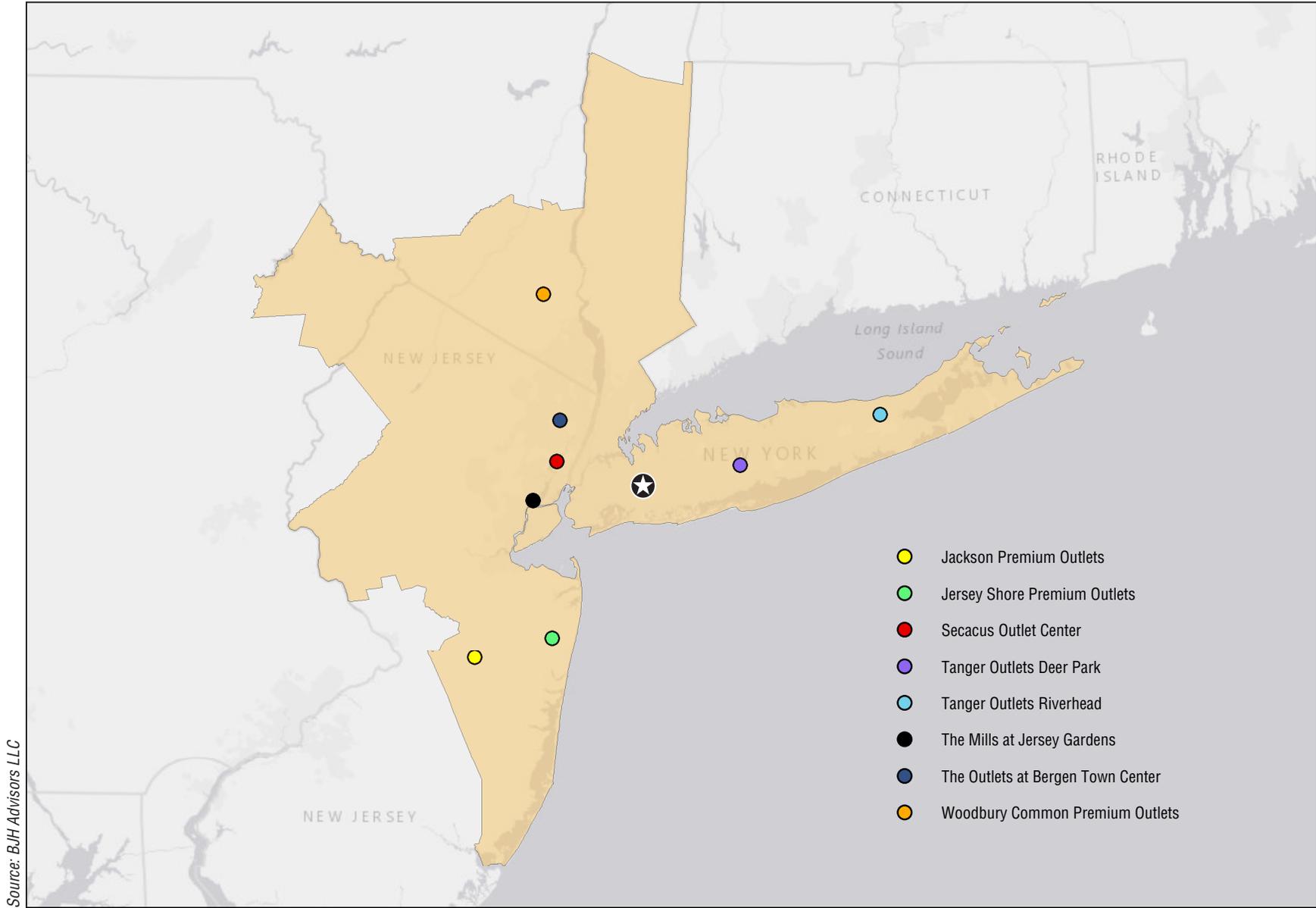
Looking at the broader metropolitan area, there are several outlet shopping centers. Nonetheless, with the possible exception of Woodbury Common, most of these outlet shopping centers do not offer the same top-tier brands and products that would be available at the Proposed Project. Examples of other outlet malls in the MSA are (see also **Figure 7-6**):

- Jackson Premium Outlets (Jackson, NJ)
- Jersey Shore Premium Outlets (Tinton Falls, NJ)
- Secaucus Outlets (Secaucus, NJ)
- Tanger Outlets Deer Park (Deer Park, NY)
- Tanger Outlets Riverhead (Riverhead, NY)
- The Mills at Jersey Gardens (Elizabeth, NJ)
- The Outlets at Bergen Town Center (Paramus, NJ)
- Woodbury Common Premium Outlets (Central Valley, NY)

There are also other more traditional, major retail shopping centers in Nassau County and New York City. Nassau County contains major malls like the American Manhasset, Broadway Commons Mall in Hicksville, Carle Place Discount Outlets, Great Neck Plaza, Green Acres Mall in Valley Stream, Westfield Sunrise in Massapequa, and Roosevelt Field Mall in Garden City. Both Green Acres Mall and Roosevelt Field Mall are particularly large, spanning 1.8 million square feet and 2.2 million square feet respectively. Americana Manhasset contains some luxury retailers, such as Armani, Brooks Brothers, Fendi, Chanel, Gucci, and Versace.

In New York City, the offerings include Westfield World Trade Center, the Shops at Columbus Circle, Brookfield Place, traditional suburban malls or individual stores of interest in New York City, like Bergdorf Goodman or Saks Fifth Avenue. These New York City and suburban shopping destinations, however, offer full-price items and attract a different customer base than the proposed luxury outlet mall.

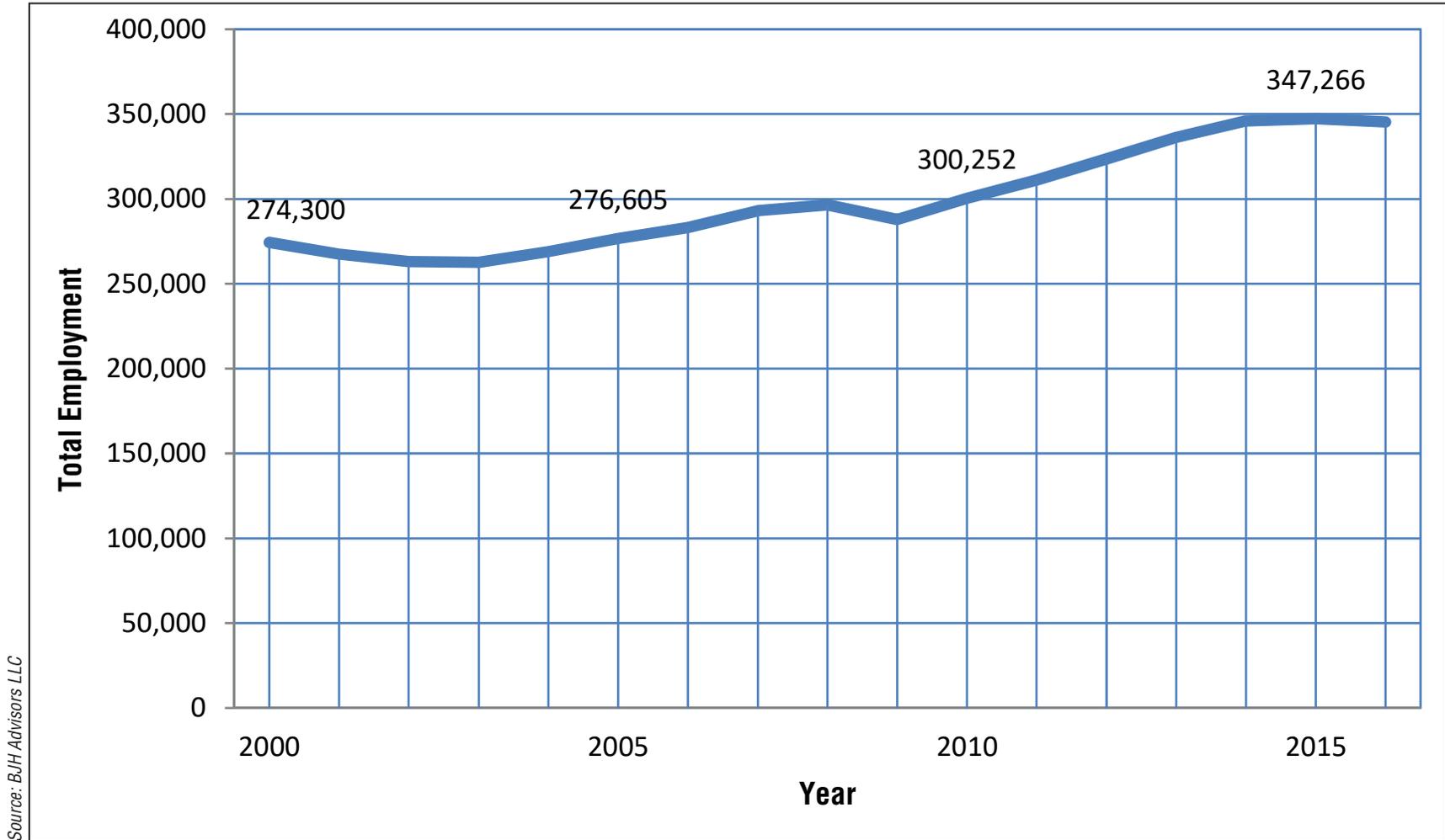
In order to obtain a general sense of the trends being experienced by retail in the MSA overall, the following analysis observes employment trends in “Retail Trade,” using data from the New York State Department of Labor. According to this data, in 2000, the retail trade sector in the New York City Region, a proxy for the New York-Newark-Jersey City, NY-NJ-PA MSA, had 274,300 retail employees. By 2016, this number had reached 345,238 employees, a total increase of 25.9 percent over the 16-year period. This trend, at an average annual rate of growth of 1.6 percent, seemed consistent over the period of analysis, but may be leveling out, as shown in **Figure 7-7**. Given the



 New York-Newark-Jersey City, NY-NJ-PA metropolitan statistical area (MSA)

 Belmont Park

Outlet Shopping Centers
in the NY-NJ-PA MSA



Total Employment in Retail Trade
New York City Region (2000–2016)

demographic and socioeconomic analysis for the MSA in the previous section, however, the MSA’s retail sector is expected to continue to grow as population and incomes continue to increase. Both scenarios are favorable for a luxury retail market that is carving out new segments in an environment with little competitive overlap, given the particular nature of the proposed Value Retail shopping experience.

ARENAS AND ENTERTAINMENT VENUES

The Proposed Project includes an arena that would host hockey games, as well as non-sporting events such as concerts and shows. The following section provides a snapshot for the arenas and entertainment venues industry in the MSA, which, given the size and nature of the Proposed Project, is the relevant trade area. **Figure 7-8** illustrates the locations of venues within the MSA.

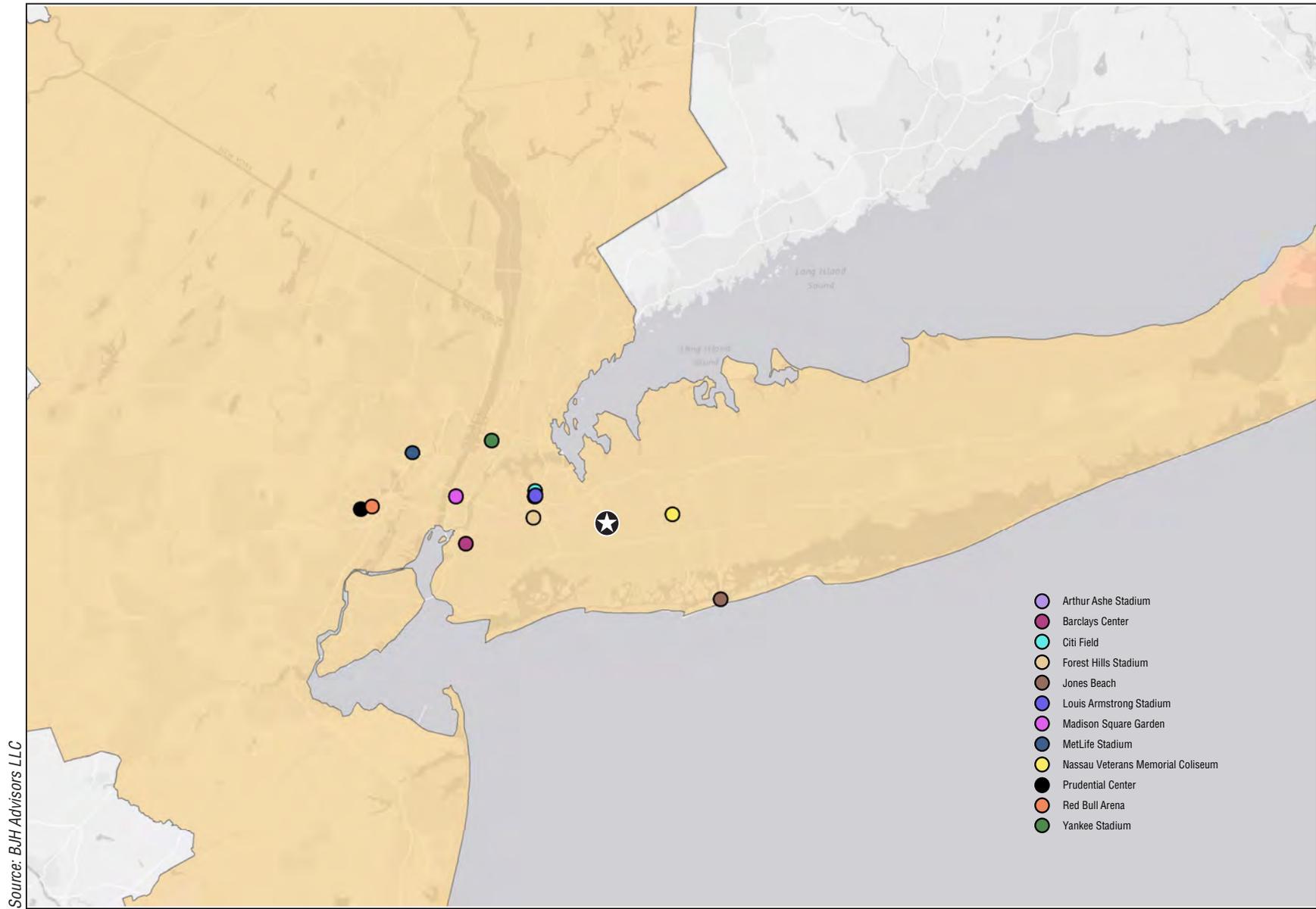
The proposed arena would have four competitors in the metro area that are similar in size and use: Madison Square Garden; the Barclays Center; the Prudential Center; and Nassau Coliseum. All four of these are indoor arenas with a seating capacity of approximately 15,000–20,000 that host basketball or hockey games and other year-round events, like concerts. Additionally, there are seven other venues in the metro area less similar in scale and function, but that may still be comparable, as well as other smaller venues in the vicinity, like New York Community Bank’s Theatre at Westbury, Hofstra’s David S. Mack Sports and Exhibition Complex and the venues at Jones Beach Theater. These smaller venues are community theatres, college arenas and outdoor music venues and tend to attract events and acts that are different than those that take place at major arenas. Therefore, the competitive overlap between the proposed arena and existing venues would be minimal. Details on capacity for all these arenas are shown in **Table 7-20**.

**Table 7-20
Potential Competitor Arenas and Stadiums**

Facility	Capacity (Seats)	Suites	Club Seats
MetLife Stadium	82,566	218	10,005
Yankee Stadium	49,642	56	6,000
Citi Field	41,922	54	8,310
Red Bull Arena	25,189	30	1,116
Arthur Ashe Stadium	23,771	90	N/A
Madison Square Garden	20,789	89	540
Prudential Center	19,500	76	2,275
Barclays Center	19,000	101	3,243
Belmont Park Arena	19,000	65	2,890
Jones Beach Theater	15,000	N/A	N/A
Nassau Veterans Memorial Coliseum	16,800	32	100
Forest Hills Stadium	14,000	N/A	N/A
Louis Armstrong Stadium	10,103	N/A	N/A
Total	354,982	811	34,479

Notes: “N/A” indicates data on suites and/or club seats for Arthur Ashe Stadium, Jones Beach Theater, Forest Hills Stadium, and Louis Armstrong Stadium that were either not available or that did not apply to the specific venue.
Source: Pollstar (2012–2019); proposed arena information provided by NYAP.

Madison Square Garden is the premier event venue in the MSA. Of the four peer venues in the MSA, it had the second-most reported events between 2012–2019 despite being temporarily closed for renovations. It also had the highest ticket prices and substantially higher gross revenues than its competitors. Aside from Madison Square Garden, the other three key competitor arenas—Barclays Center, Prudential Center and Nassau Coliseum—tend to host smaller events than



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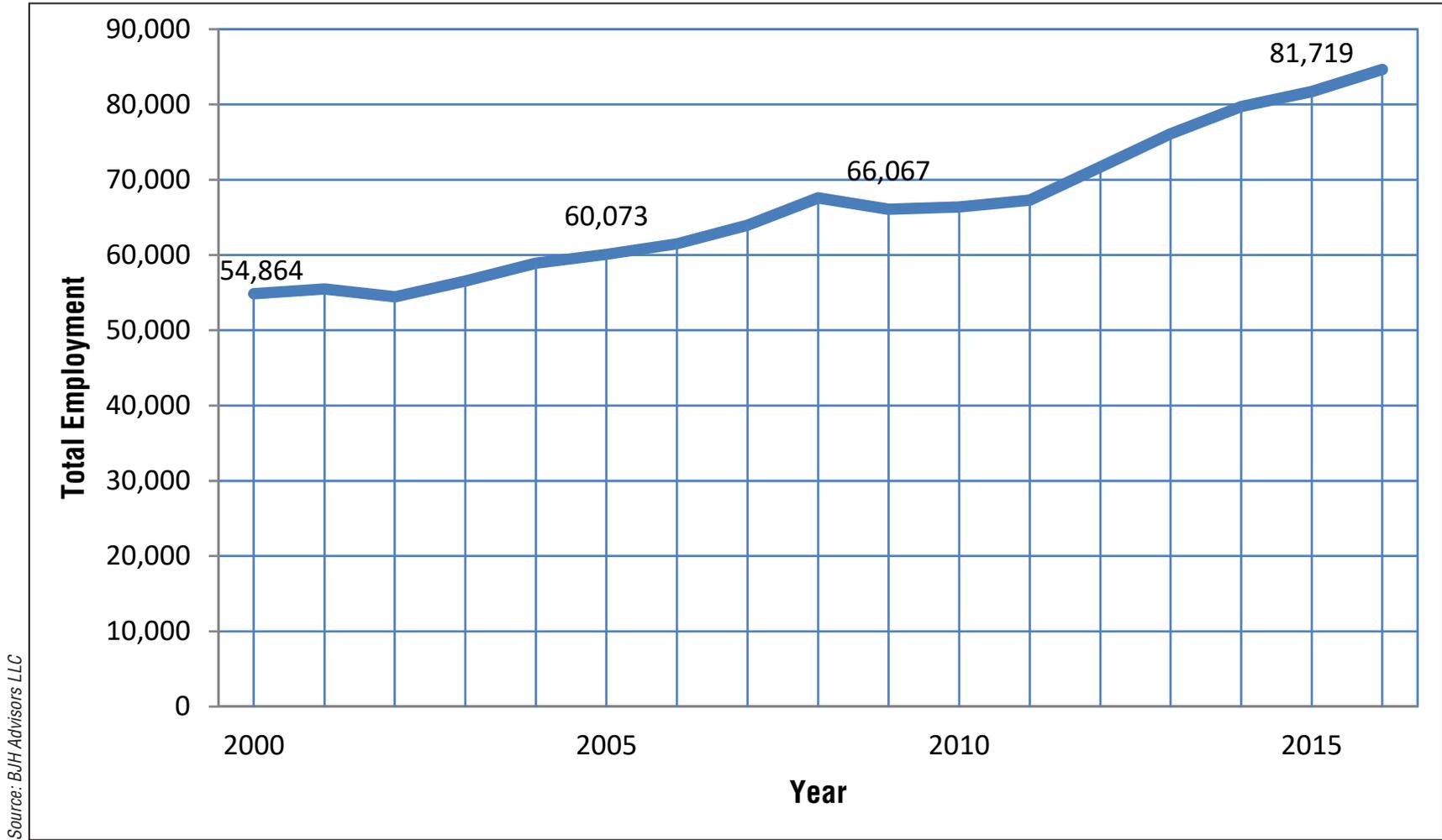
Madison Square Garden and have lower ticket prices and gross revenues.¹⁰ Out of the four arenas, only Madison Square Garden reported sales as a percentage of total show capacity exceeding 75 percent and total sales as a percentage of maximum capacity exceeding 50 percent. This suggests that, whereas Madison Square Garden is operating almost at capacity, Prudential Center, Barclays Center and Nassau Coliseum are frequently hosting events below their total capacity. Nassau Coliseum reported significantly lower attendance and ticket prices compared to the other three arenas during this span. Full data on events, capacity and ticket sales and pricing are presented in the **Table 7-21**. The data does not reflect sporting events.

**Table 7-21
Performance Metrics for Key Competitor Arenas**

	Barclays Center	Madison Square Garden¹	Prudential Center	Nassau Coliseum²
Total Events (2012–2016)	<u>611</u>	<u>465</u>	<u>471</u>	<u>357</u>
Events per Year	<u>87</u>	<u>66</u>	<u>67</u>	<u>51</u>
Average Tickets Sold	8,468	14,825	8,006	4,669
Average Total Gross (USD)	<u>\$1,335,706</u>	<u>\$2,397,439</u>	<u>\$1,068,813</u>	<u>\$794,921</u>
Average Ticket Price (USD)	<u>\$79.78</u>	<u>\$105.03</u>	<u>\$76.30</u>	<u>\$61.90</u>
Average Show Capacity	<u>13,390</u>	<u>15,310</u>	<u>10,457</u>	<u>7,093</u>
Total Sold as % of Total Show Capacity	<u>67%</u>	97%	<u>77%</u>	<u>66%</u>
Building Maximum Capacity	19,000	20,789	19,500	<u>16,800³</u>
Total Sold as % of Maximum Capacity	<u>47%</u>	71%	41%	<u>28%</u>
Notes:				
1) Data only accounts for non-sporting events				
2) Madison Square Garden was closed June–September 2013 for renovations				
3) Nassau Coliseum <u>was closed from August 2015–April 2017 for renovations. The capacity before renovations was 14,500</u>				
4) Numbers may not add up to total due to rounding.				
Sources: Pollstar (2012–2019)				

In order to obtain a general sense of the trends being experienced by the entertainment industry in the MSA overall, the following analysis observes employment trends in the Arts, Entertainment, and Recreation sector, using data from the New York State Department of Labor. According to this data, in 2000, the Arts, Entertainment, and Recreation sector in the New York City Region, a proxy for the New York-Newark-Jersey City, NY-NJ-PA MSA, had 54,864 employees. By 2016, this number had reached 84,634 employees, a total increase of 54.3 percent. This trend, at an average annual rate of growth of 3.4 percent, is rather pronounced and seems consistent over the period of analysis, with the exception of the economic recession in 2008 and 2009. The trend seems poised to continue and does not seem to be leveling out, as can be seen in **Figure 7-9**. The pronounced positive trend in employment in the Arts, Entertainment, and Recreation sector, coupled with the favorable demographic and socioeconomic trends for the MSA highlighted in the previous section, suggest that the market for arenas and entertainment venues in the MSA will continue to grow going forward.

¹⁰Ticket price and revenue data for Nassau Coliseum do not account for the planned use of Nassau Coliseum as home ice for NHL New York Islanders hockey games prior to the opening of the proposed arena at Belmont Park.



Source: BUH Advisors LLC

Total Employment in Arts, Entertainment, and Recreation
New York City Region (2000–2016)

HOTELS

The Proposed Project includes a full-service hotel with up to 250 keys that would serve as a complement to other uses at the proposed development and to other businesses in the surrounding community. The hotel inventory in Nassau County can be divided into three principal categories: large, full-service hotels; limited- or select-service hotels that are affiliated with major national lodging brands; and independent hotels, most of which are smaller and offer minimal food and beverage service. The inventory is distributed evenly throughout Nassau County, though there are concentrations in Garden City and Westbury, as can be seen in **Figure 7-10**.

For many years, the inventory of hotels in Nassau County was stable and dominated by economy and midscale hotels, as well as full-service hotels in the upper-upscale classification. More recently, the market has seen an influx of hotels in the upscale category. These hotels are typically smaller than traditional full-service hotels and offer minimal food and beverage service. They are affiliated with well-known brands and are positioned to appeal to both individual business travelers and leisure customers. **Table 7-22** shows the current inventory of hotels for Nassau County. The most common hotel types in Nassau County fall in the “Economy” category, followed by the “Upscale” and “Upper Midscale” hotel categories. Currently, there are only four hotels with a total of 813 keys in the category planned for the hotel at the Proposed Project, “Upper Upscale.” These hotels are The Andrew Hotel, Freeport Inn & Marina, Marriott Long Island Hotel & Conference Center, and The Roslyn Hotel. The Marriott accounts for 615 of the total 813 keys in this hotel category, while The Andrew Hotel, Freeport Inn & Marina, and The Roslyn Hotel account for 61, 60, and 77, respectively.

Table 7-22
Profile of Nassau County Hotels

Chain Scale	Hotels	Total Keys	Average No. of Keys
Economy Class	28	1,744	62
Midscale Class	6	495	83
Upper Midscale Class	9	936	104
Upscale Class	14	1991	142
Upper Upscale Class	4	813	203
Luxury Class	3	557	186
Total	64	6,536	102

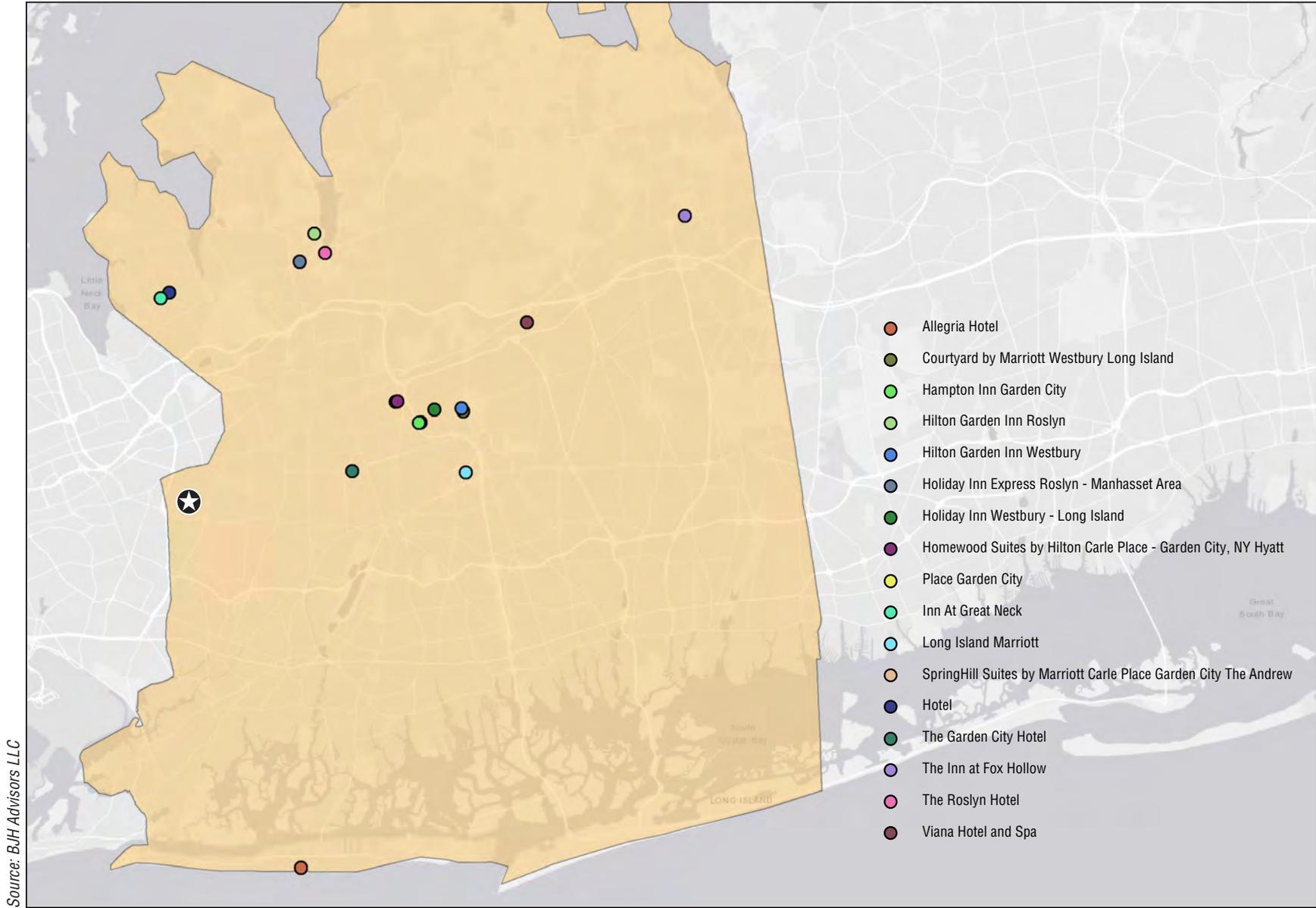
Sources: STR, “Trend Report – Tract – Nassau/Long Island, NY, All Properties, starting in 2008.” (last accessed June 2019)

Table 7-23 shows performance metrics for the hotel sector in Nassau County for years 2013–2017, including average daily rates (ADR), revenue per available room (revPAR), and average occupancy rates. All three indicators suggest that the hotel market in Nassau County is robust: occupancy rates are close to 80 percent, ADRs have been increasing steadily, and revPARs have also increased overall.

Table 7-23
ADR, RevPAR and Average Occupancy in Nassau County

Metric	2013	2014	2015	2016	2017
Average Occupancy (%)	78.4	76.1	78.2	79.4	78.6
ADR (\$)	142.27	142.35	143.84	149.68	149.88
RevPAR (\$)	111.56	108.37	112.54	118.87	117.86

Source: STR, “Trend Report – Tract – Nassau/Long Island, NY, All Properties, starting in 2008” (last accessed June 2019)



Nassau County
 Belmont Park

In order to obtain a general sense of the trends being experienced by the hotel industry in Nassau County overall, the following analysis observes employment trends in the “Accommodation and Food Services” sector, using data from the New York State Department of Labor. As shown in **Figure 7-11**, according to this data, in 2000, the Accommodation and Food Services sector in Nassau County had 35,227 employees. By 2016, this number had reached 48,907, a total increase of 38.8 percent. This trend, at an average annual rate of growth of 2.4 percent, seems consistent over the period of analysis, except for short periods including 2004–2005 and the economic recession in 2008–2009. The robust positive trend in employment in the “Accommodation and Food Services” sector, in conjunction with the favorable demographic and socioeconomic conditions for Nassau County highlighted in the previous section, suggest that the local market for hotels in Nassau County will continue to grow.

THE FUTURE WITHOUT THE PROPOSED PROJECT

The analysis of conditions in the future without the Proposed Project examines whether upcoming developments would continue or alter existing trends. This analysis is based on (1) the perceived trends for each of the key sectors potentially affected by the Proposed Project and (2) information regarding projects known to be planned for the area. For the local retail (dining and entertainment) category, the No Action scenario considers future local retail job estimates and future capture rate estimates. For all other categories of commercial uses for the Proposed Project, the No Action scenario considers future job estimates and, where available, other key metrics.

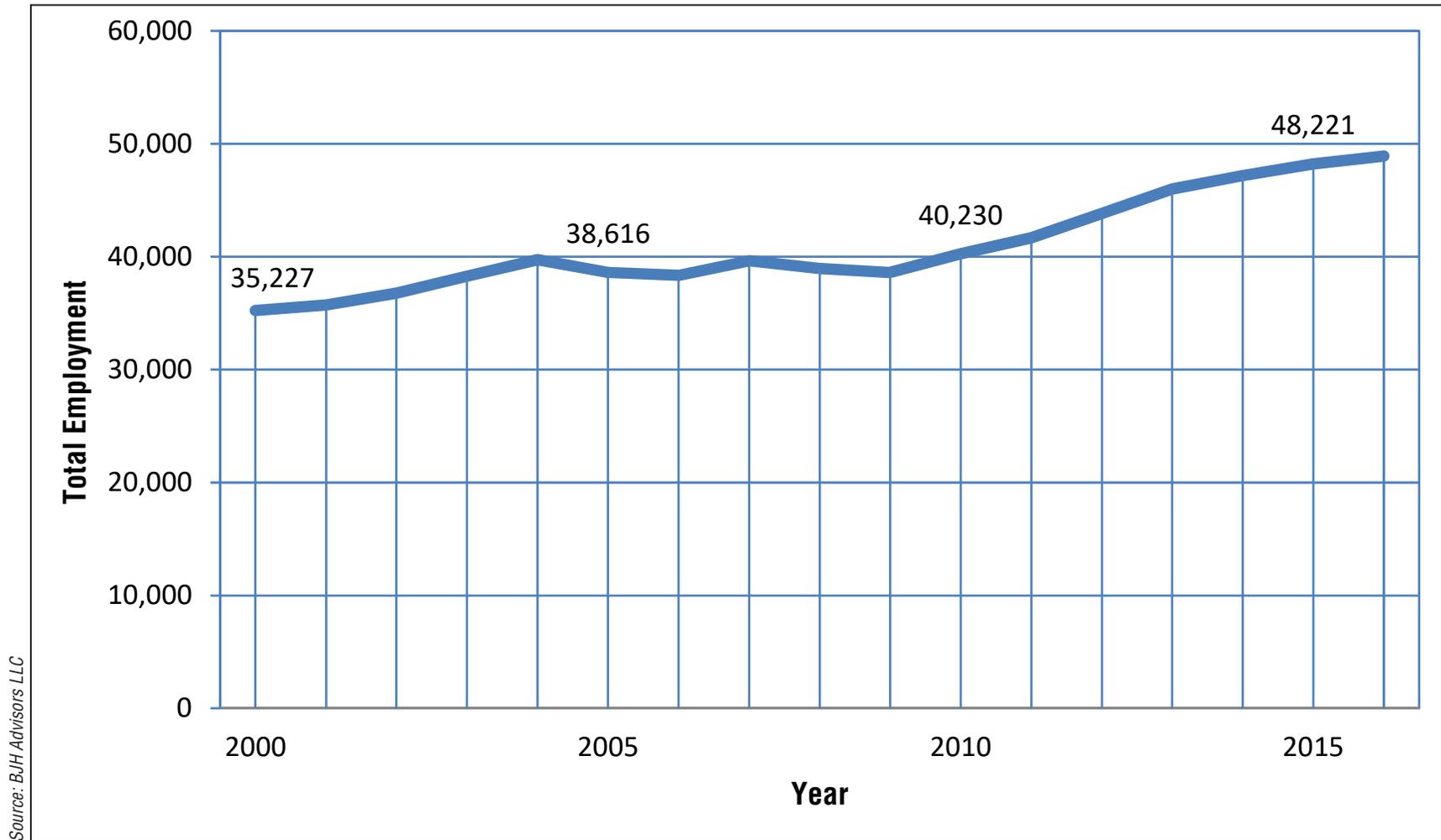
LOCAL RETAIL: DINING AND ENTERTAINMENT

The previous section established that given the substantial dining and entertainment retail trade gap of approximately \$304.5 million annually, the primary trade area can accommodate further retail in dining and entertainment. While modest planned retail projects will work to fill this gap, there are currently no major retail developments planned within the primary trade area, and therefore consumer expenditures for dining and entertainment retail will continue to flow out of the primary trade area in the future without the Proposed Project. Beyond the primary trade area, the closest local retail developments that include dining and entertainment-oriented retail uses were a shopping center called Syosset Park in Northeastern Nassau County, and a Regal Cinemas movie theater in Lynbrook, NY (about 5 miles southeast of Belmont). Neither of these are found in the primary trade area of local retail components of the Proposed Project. The No Action scenario therefore does not include any substantial local retail (dining and entertainment) growth in the primary trade area, so employment and capture rates in the area are not expected to noticeably shift from current levels. Similarly, there are no major retail developments planned within the ½-mile study area, an area in which, generally, there is very limited retail activity.

LUXURY OUTLET RETAIL

As established in the previous section, the trend for retail overall in the New York-Newark-Jersey City, NY-NJ-PA MSA is favorable as population and incomes continue to grow or remain stable. Thus, in the scenario for the MSA that considers the future without the Proposed Project, retail is expected to continue to grow at a modest, but not insignificant rate. The luxury outlet retail market also has the particularity of attracting destination shoppers, and this trend seems to be on the rise. This additional infusion of international shoppers is also likely to contribute to overall growth for the No Action scenario, as tourism to New York City continues to grow at approximately 4.0 percent per year.

Upcoming large retail projects identified through our research are shown in **Table 7-24**. None of these projects include a luxury retail development of the sort planned as part of the Proposed Project. The American Dream at the Meadowlands in East Rutherford, NJ is in development and



Total Employment in Accommodation and Food Services
Nassau County (2000–2016)

will be an entertainment and experiential retail shopping center but will primarily service visitors to the Meadowlands Stadium in New Jersey.

**Table 7-24
Planned Large Retail Projects in the MSA**

Planned Retail Development	Location	Square Footage	Estimated Direct Permanent Jobs	Estimated Completion Date
American Dream at the Meadowlands	East Rutherford, NJ	4.4 million	9,074	<u>Fall 2019</u>
Empire Outlets NYC	Staten Island, NY	350,000	720	2018 ¹
Garvies Point	Glen Cove, NY	75,000	154	Fall/Winter 2019
Heartland Town Square	Brentwood, NY	1 million	2,058	April 2019
Ronkonkoma Retail	Ronkonkoma, NY	90,000	185	N/A
Ronkonkoma Hub	Ronkonkoma, NY	195,000	401	June 2019
Syosset Park	Oyster Bay, NY	355,000	730	N/A
Note: 1) Empire Outlets NYC was delivered after the DEIS was published but is still included in the development pipeline in all analyses				
Sources: Independent research by BJH Advisors				

Assuming that all of these developments are built, the pipeline of large retail developments in the MSA would produce nearly 6.5 million in additional retail square footage by the 2021 analysis year. This increase in retail activity translates into approximately 13,322 direct permanent retail jobs, using standard industry data showing the average number of square feet per employee within various types of commercial space.¹¹ The increase in direct permanent retail jobs expected for this No Action scenario represents a 1.1 percent increase in relation to retail trade jobs in the New York City Region (a proxy for the MSA).¹² This growth rate is below the 1.6 percent observed from 2000 to 2016 in the New York City Region, as was shown in the previous section. This suggests that in the No Action scenario, the trend in retail employment will be slightly flatter than in previous years.

ARENAS AND ENTERTAINMENT VENUES

As established in the previous section, the trend for entertainment venues overall in the MSA is favorable as population, incomes, and employment in this sector continue to grow. Thus, in the scenario for the MSA that considers the future without the Proposed Project, the arenas and entertainment venues sector is expected to continue to grow. The No Action scenario in the study area and trade area (the MSA) is likely to include only a few, if any, additional arenas, however. Two such projects were identified through research (details presented in **Table 7-25**), but their likelihood of completion is uncertain.

¹¹The benchmark used for retail was 486 square feet per employee.

¹²For this calculation, New Jersey jobs are excluded, as they are not accounted for in the New York City Region. The number of retail trade employees in the New York City Region is projected from 2016 to 2021 by using the average annual rate of growth in employment in this sector from 2000 to 2016 (1.6 percent). It is also assumed that all jobs in the pipeline go online by 2021.

Table 7-25
Planned Arenas, Stadiums and Entertainment Venues in the MSA

Planned Venue	Location	Seats	Sport	Estimated Completion Date
Ronkonkoma <u>South Arena</u>	Ronkonkoma, NY	17,500	Hockey	N/A
Harlem River Yards	The Bronx, NY	26,000	Soccer	2022

Source: Independent research by BJH Advisors

Assuming that both of these developments are built, the MSA would experience an increase of 43,500 in arena/entertainment venue seats, an increase of 12.3 percent over total seats in the MSA.¹³ This rate of growth in arena/entertainment venue seats would be a departure from the overall trend (an average annual rate of growth of 3.4 percent) in the New York City Region in employment in the Arts, Entertainment, and Recreation sector, which is a proxy for the arena/entertainment venue sector. This finding suggests that in the No Action scenario, the trend in arena/entertainment venues would increase vis-à-vis present levels.

The New York Islanders have an agreement with the operators of the Nassau Coliseum to play 21 regular season games at Nassau Coliseum during the 2020–2021 season. If the Proposed Project were to be delayed, the Islanders would have to seek out other options for any season after 2020–2021. If the Proposed Project is not approved, the New York Islanders would seek another venue.

HOTELS

As established in the previous section, the trend for hotels in Nassau County is favorable as population, incomes, and employment in this sector continue to grow. In the No Action scenario, the Nassau County hotel market will continue to grow, albeit moderately. **Table 7-26** presents the details of the planned hotel development identified through research.

Assuming these hotels are built, Nassau County would experience an increase of 591 rooms and 206,850 in hotel square footage. This increase in hotel activity could translate into approximately 202 direct permanent hotel jobs in Nassau County, using standard industry data showing the average number of square feet per employee within various types of hotel space.¹⁴ These jobs represent an increase in hotel employment in Nassau County of 0.4 percent.¹⁵ This growth rate is well below the 2.4 percent observed from 2000 to 2016 in Nassau County, as was shown in the previous section. This suggests that in the No Action scenario, the trend in hotel employment will be substantially flatter than in previous years.

¹³This estimate considers seats from all potential competitor arenas and stadiums shown in **Table 7-20**.

¹⁴The benchmark used for hotels was 1,021 square feet per employee. Rooms were converted into square feet using as a benchmark, the US average: 350 square feet per room.

¹⁵For this calculation, the number of accommodation and food service jobs in Nassau County from 2016 to 2021 was projected by using the average annual rate of growth in employment in this sector from 2000 to 2016 (2.4 percent). All jobs in the pipeline are also assumed to go online by 2021.

**Table 7-26
Planned Hotels in Nassau County**

Planned Hotel Development	Location	Square Footage	Rooms	Direct Permanent Jobs	Estimated Completion Date
43 Broadway Avenue	Lynbrook, NY	54,600	156	53	N/A
1100 Corporate Drive	East Garden City, NY	5,950	17	6	Late 2018 [±]
Syosset Park	Oyster Bay, NY	113,750	325	111	N/A
<u>Jericho Turnpike Marriott</u>	<u>Jericho, NY</u>	<u>32,550</u>	<u>93</u>	<u>31</u>	<u>N/A</u>
Note: 1) 1100 Corporate Drive in East Garden, NY was delivered after the completion of the DEIS, but is still included in the development pipeline for all analyses.					
Source: Independent research by BJH Advisors					

THE FUTURE WITH THE PROPOSED PROJECT

The preceding section considered a scenario for the relevant primary trade areas without the Proposed Project. This section considers the scenario with the Proposed Project and its impact on the primary trade areas. As in the previous section, for the local retail (dining and entertainment) category, local retail job estimates and future capture rate estimates are utilized. For all other categories of commercial uses, the analysis considers future job estimates and, where available, other key metrics.

LOCAL RETAIL: DINING AND ENTERTAINMENT

The Proposed Project would increase local retail (dining and entertainment) in the primary trade area by up to 35,000 gsf. As was expressed in the “Economic Benefits” section, the proposed dining and entertainment retail component would create an estimated 328 direct permanent jobs. When considering local retail sales from the Proposed Project, as well as the expected growth in demand in the primary trade area, the capture rate for the primary trade area in the future with the Proposed Project would be an estimated 49.6 percent;¹⁶ currently, the capture rate for dining and entertainment in the primary trade area is 47.4 percent. This capture rate suggests that the primary trade area has the capacity to absorb the local retail component of the Proposed Project and that there is even room to grow. Qualitatively, there are two factors that allow for this: (1) local retail supply in the primary trade area is currently not sufficient to meet demand; and (2) the type of local retail (dining and entertainment) that is planned for Site A of the Proposed Project is different in nature than most of the existing offerings in the area. Even though the addition of up to 35,000 gsf of dining and entertaining local retail is substantial, as far as its effect on employment and sales trends in the primary trade area, the fact that capture rates are below 50 percent currently suggests that the local retail component of the Proposed Project would not cause undue pressure from competition that would lead to economic displacement or other significant adverse impacts in the primary trade area that would cause adverse changes in neighborhood character. On the contrary, the Proposed Project would attract a greater number of visitors to the area that could increase demand for local commerce off-site, including dining and entertainment.

¹⁶This estimate assumes sales of \$367.50 per square foot, based on a benchmarking exercise for retail in Nassau County in 2018.

LUXURY OUTLET RETAIL

The Proposed Project would introduce up to 315,000 gsf of luxury outlet retail uses. As discussed previously, the luxury outlet retail component of the Proposed Project would generate an estimated 1,148 direct permanent FTE jobs. Adding these 1,148 direct permanent jobs to the 4,248 jobs projected under the No Action scenario results in an increase of 1.6 percent in direct permanent retail trade jobs in the New York City Region (a proxy for the MSA). Once again, even including the Proposed Project, the growth rate in retail trade jobs remains level with the 1.6 percent observed from 2000 to 2016 in the New York City Region. This suggests that even with the Proposed Project, the trend in retail employment would be similar to previous years, and that the MSA has the capacity to absorb the new luxury outlet retail at the Proposed Project without dramatically altering trends in this sector. This is particularly true given the fact that the trends in population, income and tourism in the MSA are positive, and that the value offering at the luxury outlet retail component of the Proposed Project is differentiated from the rest of the market, even within the outlet retail sub-market. Therefore, considering that: the primary trade area for the luxury outlet retail component of the Proposed Project is the entire MSA; retail trade growth in the MSA is expected to be positive; the concept offered by the luxury outlet retail component would be unique for the primary trade area; and the demand at this development would be supplemented by national and international destination shoppers, the Proposed Project's luxury retail offering would not lead to the displacement of other outlet shopping centers, or lead to significant adverse impacts in the MSA. Further, it is expected that, rather than crowding out commerce in the primary trade area, the draw of the new luxury outlet retail component would have positive spillover effects on the local retail (dining and entertainment) sector beyond the development within the ½-mile study area and the 3-mile primary trade area.

ARENAS AND ENTERTAINMENT VENUES

The Proposed Project would include an arena of approximately 745,000 gsf and 19,000 seats. As shown in previous sections, the arena would generate 618 direct jobs. Adding the 19,000 seats to the 43,500 seats projected under the No Action scenario would result in a total increase of 18.6 percent over total current seats in the MSA. This rate of growth in arena/entertainment venue seats would be a departure from the overall trend (an average annual rate of growth of 3.4 percent) in employment in the Arts, Entertainment, and Recreation sector, which is a proxy for the arena/entertainment venue sector. However, the proposed arena would play a very particular role within the MSA, and it is unlikely to interfere with other arenas in the primary trade area, which has a population of approximately 20 million people. As the home of the New York Islanders hockey team, this arena would primarily serve customers in Long Island (approximately 80 percent of arena visitors are expected to come from Nassau and Suffolk Counties). These patrons would primarily be Islanders fans, a very specific group that no other arena in the MSA would compete for. Further, as discussed previously, the Arts, Entertainment, and Recreation sector is expected to continue to grow, at a rate even greater than that of retail trade. It is thus expected that the MSA would be able to absorb economic activity from the arena and that, like the luxury outlet retail component, the arena would generate positive economic externalities for the surrounding communities.

Finally, with regards to the Nassau Coliseum and the Barclays Center, as far as sporting events are concerned, they are expected to continue operations without major disturbances as the proposed arena comes online, given that Nassau Coliseum has already shifted away from hockey use and the Barclays Center has not had success as a home for the Islanders. As far as non-sporting events are concerned, the Barclays Center would continue to be the premier entertainment venue

for the Brooklyn Borough (with approximately 2.6 million residents), and the Nassau Coliseum would continue to focus on smaller-scale events. While the Proposed Project's arena and the Nassau Coliseum would be proximate geographically, both venues would attract visitors from throughout the entire MSA, which as previously stated is large enough to absorb the additional supply of events and entertainment. One venue might focus on larger shows, both venues could host the same acts on different nights, or perhaps host events marketed at different audiences. It is also likely that the Proposed Project would attract new consumers to the area, some of whom will attend events at Nassau Coliseum as well.

There are other smaller venues in the area such as Jones Beach Theater and Forest Hills Stadium, but these are both outdoor venues that attract acts that are of a different genre, style and scale than what would be expected for an indoor arena such as the one at the Proposed Project; these two smaller venues are also only open in warm weather seasons. Overall, the metro area is considered sufficiently large to comfortably absorb additional events from the proposed arena without having a significant impact on the existing venues. Therefore, the proposed arena would not be expected to lead to undue pressures that would displace competitors or lead to significant adverse impacts in the MSA with regards to arena and entertainment venues.

HOTELS

The Proposed Project would include a hotel of approximately 210,000 gsf and up to 250 keys. As shown in previous sections, the hotel would generate 205 direct permanent FTE jobs. Adding these 205 direct permanent hotel jobs to the 202 jobs projected under the No Action scenario would result in an increase of 0.7 percent in direct permanent hotel jobs in Nassau County.¹⁷ Once again, even including the Proposed Project, the growth rate in hotel jobs would remain well below the 2.4 percent observed from 2000 to 2016 in Nassau County. This suggests that even with the Proposed Project, the trend in hotel employment would be substantially flatter than in previous years and that Nassau County would be able to absorb the proposed hotel without dramatically altering trends in this sector. Further, as a full-service hotel primarily serving as a complement to the other commercial uses of the Proposed Project (e.g., arena, luxury outlet retail, and Belmont Park Racetrack and Grandstand), the hotel is expected to draw largely from the visitors induced by the Proposed Project. Given its niche role within Nassau County, and the fact that the hotel market in Nassau County is sufficiently robust, the proposed hotel would not be expected to exert competitive pressures in its primary trade area that would lead to displacement or to significant impacts that would cause adverse changes in neighborhood character.

CONCLUSIONS

The results of the detailed analysis conclude that none of the commercial components of the Proposed Project would lead to significant adverse environmental impacts resulting from changes in socioeconomic conditions within a local area or within broader trade areas. No mitigation efforts are therefore considered necessary. *

¹⁷For this calculation, the number of accommodation and food service jobs in Nassau County from 2016 to 2021 is projected by using the average annual rate of growth in employment in this sector from 2000 to 2016 (2.4 percent). It is also assumed that all jobs in the pipeline go online by 2021.