

III.I: Socioeconomic Conditions

I. Socio-Economic Factors

This socio-economic section of this DEIS includes several constituent analyses:

1. A review of demographic information relating to population and housing conditions.
2. An overview of market conditions, including an in-depth study of the retail trade area and the effects of the proposed developments on other commercial locations in Yonkers.
3. An environmental justice analysis, describing the Proposed Action's potential effects on minority and low-income populations.
4. A fiscal analysis, assessing projected revenue and costs, including the proposed use of Tax Increment Financing to address extraordinary municipal infrastructure and public parking needs.

This chapter also includes a discussion of related actions and studies being undertaken by the City and the Applicant that address socio-economic issues.

Socio-economic impacts can occur when a proposed project directly or indirectly changes the economic or socio-economic characteristics of an area, including demographics, housing, employment, racial composition, and other factors. The purpose of the socio-economic assessment is to provide a qualitative assessment of potential socio-economic changes associated with the proposed development, including direct and indirect displacement of residential population (particularly low-income and/or minority residents), businesses, institutions or employees. Additional analysis will assess any adverse effects on conditions in the real estate market in the area and any adverse effects on socio-economic conditions in a specific industry.

Environmental justice is defined by the New York State Department of Environmental Conservation (NYSDEC) as the fair treatment and meaningful involvement of all people regardless of race, color, national origin, or income with respect to the development, implementation, and enforcement of environmental laws, regulations, and policies. Environmental justice efforts focus on determining whether minority or low-income communities may bear a disproportionate share of the negative environmental consequences, if any, resulting from a proposed action. An environmental justice analysis was performed for the proposed Project based upon the NYSDEC guidance. This analysis included a preliminary screening analysis to identify whether the Project is in or near a potential environmental justice area(s) and whether potential adverse environmental impacts related to the Project are likely to affect a potential environmental justice area(s). To identify potentially impacted minority and low-income populations, demographic information was obtained from the US Census Bureau for the year 2000. The US Census Bureau allows the collection of information using various geographic units such as census tracts, block groups, and blocks. For the purposes of this analysis, data were collected at the block group level. A preliminary screening assessment of potential displacement suggests that there is a potential for impacts. Therefore, a detailed analysis was performed and is presented in section four of this chapter.

For the purposes of the socio-economic analyses, the Project is anticipated to be fully completed and in service by 2012.

1. Geographic Areas and Impact on Data Collection

In order to evaluate the socio-economic factors associated with the proposed Project and to confirm with available data sources, several geographic areas were utilized in the socio-economic analysis. They are as follows:

- a. Project Area – the Project sites, collectively
- b. Study Area – the geographic area within a single, composite quarter-mile radius from the perimeter of each of the four Project Sites, as shown on Exhibit III.I-1. The Study Area is utilized to present demographic, housing and socio-economic profiles.
- c. ZIP Code 10701 – the geographic area used to present employment data, as it closely approximates the Study Area, and because employment data is only available for the City as a whole and by ZIP Code. See Exhibit III.I-2.

2. Demographic and Housing Conditions

a. Existing Conditions

(1) Study Area

The Study Area is generally the area within a 0.5 mile radius from the intersection of Main and New Main Streets in the City of Yonkers, referred to locally as “Getty Square”. More specifically, the Study Area extends north to Babcock Place, south to the intersection of Highland and Stanley Avenues, east to Walnut Street, and west to the Hudson River. The Study Area covers an area totaling 0.88 square miles, while the entire City of Yonkers is 18.3 square miles. Existing land use in the Overall Land Use Study Area is comprised of numerous multi-story, mostly mixed use buildings of various heights along with commercial, institutional and parking uses. Many of the buildings in the area are in deteriorated condition and are located within previously designated urban renewal areas. The deteriorated condition of buildings was confirmed by the “blight study” which is part of the Tax Increment Financing Feasibility Study and Preliminary Redevelopment Plan prepared pursuant to an authorization granted by the City Council (see Appendix 1F). The blight study indicates that portions of the Study Area including commercial and industrial buildings are seriously underutilized, e.g., the Chicken Island parking lot at the River Park Center site. In contrast there are important signs of revitalization in the Study Area, particularly along Main Street near the railroad station and City Pier where mixed-use buildings have recently been constructed. The existing context is described in greater detail and photographic exhibits in Chapter III.B *Visual and Community Character* of this DEIS.

As appropriate, the Study Area characteristics are presented, and then compared to the City (or to Westchester County) as a whole.

(2) Population

Data from ESRI Business Information Systems based on the 1990 and 2000 US Census were used to detail the current and historical socio-economic characteristics of the Study Area. According to US Census officials, data for 1980 is only available on either a block or census tract basis, which cannot be accurately adjusted to only reflect conditions in the Study Area. Therefore, 1980 data is not presented in the demographic analysis. These data were supplemented with real estate broker interviews and field reviews of housing stock and retail uses within the Study Area. The following presents the population profile for the Study Area.

As shown in Table III.I-1, the population in the Study Area was 24,586 in 2000 and Study Area population grew by 4.8% between 1990 and 2000. According to ESRI Business Information Systems, the estimated 2006 population is about 25,160, an increase of 2.3% from the 2000 Census. During the 1990 – 2000 timeframe, the City of Yonkers population grew by a lesser 4.3% rate, and was estimated to reach 199,749 in 2006. Approximately 14% of the growth in Yonkers between 1990 and 2000 took place in the Study Area, although it only had 12.5% of the total population.

**Table III.I-1
Population Trends**

	Total Population			% Change 1990-2000	% Change 2000-2006
	1990	2000	Estimated 2006		
Study Area	23,462	24,586	25,160	4.8%	2.3%
City of Yonkers	188,082	196,086	199,749	4.3%	1.9%

Source: and ESRI Business Information Systems

Current population density of the Study Area is estimated at 45.67 persons per acre, and for the City of Yonkers, 16.9 persons per acre.

(3) Age Distribution

As shown in Table III.I-2, the median age of Study Area residents in 2000 was 27.5 years, considerably younger than the figure for the City as a whole, which was 35.8 years. This is reflected in the significantly lower percentage of the over 65 population, which is 7.8% in the Study Area as compared to 15.0% in Yonkers. The age distribution of the Study Area compared to the City of Yonkers was similar in 1990, with the Study Area skewing to a younger population than the City as a whole. The median age of Study Area residents in 1990 was 27.7 years, while the City had a median age of 35.5 years. Analysis of estimated changes in the population of school-aged children is addressed in Chapter III.J *Community Facilities* of this DEIS.

**Table III. I-2
Age Profile**

Age Grouping	Study Area				City of Yonkers			
	1990 Population	1990 % of Total	2000 Population	2000 % of Total	1990 Population	1990 % of Total	2000 Population	2000 % of Total
0-14	6,632	28.3%	7,179	29.2%	34,254	18.2%	40,566	20.7%
15-24	3,870	16.5%	4,106	16.7%	25,079	13.3%	24,483	12.5%
25-44	7,137	30.4%	7,572	30.8%	58,982	31.3%	60,082	30.6%
45-54	1,919	8.2%	2,385	9.7%	19,108	10.2%	24,046	12.3%
55-64	1,488	6.3%	1,401	5.7%	19,811	10.5%	17,532	8.9%
65-84	2,118	9.0%	1,647	6.7%	27,981	14.9%	25,598	13.1%
85+	299	1.3%	295	1.2%	2,977	1.6%	3,779	1.9%
18+	15,724	67.0%	16,178	65.8%	147,657	78.5%	148,372	75.7%
Total Population	23,463	100.0%	24,586	100.0%	188,192	100.0%	196,086	100.0%
Median Age	27.7		27.5		35.5		35.8	

Source: ESRI Business Information Systems

(4) Household Size

The average household size for the Study Area was 3.04 in 2000, slightly higher than the 1990 Census figure of 2.92 persons per household. However, the average household size for the Study Area is significantly higher than the 2000 City of Yonkers average of 2.61 persons per household. According to ESRI Business Information Systems Inc., current estimates of household size are 3.06 persons per household for the Study Area and 2.64 persons per household for the City of Yonkers.

(5) Household Income

In general, the Study Area population has limited income. According to the 2000 Census, 36.1% of the households fell below the poverty level, as compared to only 15.5% of the households in all of Yonkers. Almost 25% of all households below the poverty line in Yonkers are found in the Study Area; these Study Area households represent only 4% of total Yonkers households. See Table III.I-3.

**Table III.I-3
Household Composition Characteristics, 1990 and 2000**

	Total Households		Average Household Size		% of Households Below Poverty Line	
	1990	2000	1990	2000	1990	2000
Study Area	7,862	7,962	2.92	3.04	29.3%	36.1%
City of Yonkers	72,101	74,368	2.61	2.64	10.9%	15.5%

Source: ESRI Business Information Systems and

Table III.I-4 presents the income distribution profile and median household income of the Study Area and the City of Yonkers for 1999 and 2006 (estimated).

**Table III.I-4
Household Income Distribution and Median Household Income, 1999 and 2006**

	Study Area		City of Yonkers	
	1999	2006	1999	2006
Household	7,871¹	8,060	74,358	74,785
Under \$15,000	39.0%	33.9%	18.8%	14.6%
\$15,000 - \$24,999	16.2%	14.0%	11.2%	9.4%
\$25,000 - \$49,999	26.2%	26.4%	24.6%	21.5%
\$50,000 - \$99,999	15.1%	19.6%	29.7%	29.7%
\$100,000 +	3.5%	6.1%	15.7%	24.8%
Median Household Income	\$21,825	\$26,488	\$44,703	\$55,595

Source: ESRI Business Information Systems

As shown in Table III.I-4, the estimates for 2006 show that only 25.7% of the Study Area households had incomes in excess of \$50,000. Overall, more than half of all households (54.5%) in the City have income exceeding \$50,000. Within the Study Area, the percentage of households with incomes in excess of \$50,000 has shown a marked increase since 1999 due to the infusion of new market rate housing within the Study Area. This has raised the median household income in the Study Area by 21.4% between 1999 and 2006. There has also been a significant increase in income City-wide since 2000.

(6) Study Area Housing Stock

Table III.I-5 presents the housing profile for the Study Area and the City of Yonkers. Housing units within the Study Area totaled 8,397 in 2000, an increase of only 33 units since the 1990 Census. For all of the City of Yonkers, there was an increase of 2,027 units during the same period. Since 2000, however, there has been an enormous increase in activity around the Yonkers downtown and the Study Area. This is evidenced by the construction of a total of 1,665 new residential units within or just beyond the Study Area limits.

¹ The difference in total number of households for the City of Yonkers and the Study Area presented in Tables III.I-3 and III.I-4 is due to differences in US Census Bureau data collection methods. ESRI Business Systems is derived from US Census Bureau data. Data in Table III.I-3 is from US Census Bureau Summary File 1 which presents counts and information [age, sex, race, Hispanic/Latino origin, household relationship, whether residence is owned or rented] collected from all people and housing units. Data in Table III.I-4 is from US Census Bureau Summary File 3, which presents detailed population and housing data (such as place of birth, education, employment status, income, value of housing unit, year structure built) collected from a 1-in-6 sample and weighted to represent the total population.

**Table III.I-5
Housing Characteristics, 1990 and 2000**

	Total Housing Units		Housing Occupancy				Housing Tenure			
			Occupied		Vacant		Owner		Renter	
	1990	2000	1990	2000	1990	2000	1990	2000	1990	2000
Study Area	8,364	8,397	7,862	7,962	502	435	579	586	7,283	7,376
City of Yonkers	75,562	77,589	72,101	74,351	3,461	3,238	31,391	32,115	40,710	42,236

Source: ESRI Business Information Systems

This recent activity in housing construction has resulted in the upward shift in family incomes in the Study Area and the acceleration of population growth within the Study Area as discussed above.

(7) Occupancy and Dwelling Type Characteristics

As shown in Table III.I-5 almost 93%, or 7,376 units, of the total occupied housing units in the Study Area were rental units in 2000, much higher than the City of Yonkers figure of 56.8%. Only 7.3% of the Study Area’s occupied units were owner occupied in 2000. Between 1990 and 2000, the total number of owner occupied units increased slightly (1.2%) in the Study Area and 2.3% in the City of Yonkers. Vacancy rates decreased in the Study Area from 6.0% in 1990 to 5.1% in 2000. Conversations with real estate brokers indicate that the vacancy rate has continued to decline and is currently less than 5% in the Study Area and City-wide. However, actual current vacancy rates are not known.

Discussions with real estate brokers and housing advocates who are active in the Yonkers and Westchester County markets indicate that current (2007) vacancy rates within the City and the Study Area average less than 5%. There is high demand for market rate and assisted rental units.

As shown in Table III I.-6, Study Area housing stock consists of a mix of multi-family housing types while the City of Yonkers is dominated by single family and two-family homes. The housing stock in the Study Area has a greater percentage of recently built units than the City as a whole; 5% of the units in the Study Area were built post-1990 as compared to only 2.8% for the City of Yonkers. However, as previously noted, from 1990 to 2000, the increase in housing units was minimal within the Study Area, but has increased since 2000. Refer to Table III.I-7.

**Table III.I-6
Housing Units by Structure, 2000**

	Total Housing Units	1-2 Units	3-4 Units	5-9 Units	10-19 Units	20 + Units and Mobile Homes
Study Area	8,384	651	1,189	1,640	830	4,074
City of Yonkers	77,589	29,743	8,898	6,425	4,297	28,226

Source: ESRI Business Information Systems

**Table III.I-7
Housing Units by Construction Year 1969-2000**

	Total Hsg. Units	1999-2000	1995-1998	1990-1994	1980-1989	1970-1979	1969 or Earlier
Study Area	8,393	42	185	193	487	1,494	5,992
City of Yonkers	77,589	249	738	1,253	2,769	9,099	63,481

Source: ESRI Business Information Systems

The task of identifying populations at risk of displacement by quantifying housing units and/or household income by tenure is not possible with US Census data, as the rent stabilization criteria do not match the data sets reported by the Census. For example, those housing units within structures of 5 units or less would be considered at risk since they are not rent-stabilized units; however, Census identifies housing units within structures with 5-9 units. Moreover, US Census data sets do not provide income data by tenure. However, in the applicant’s opinion, it is possible that as much as 80% of the existing stock in the Study Area is old enough to be protected and as much as 75% of housing units is in building types that would be protected.

(8) Rental Rates

The Study Area is overwhelmingly a neighborhood of renters. According to the 2000 Census, the median rent for the Study Area was \$562 and the average rent was \$545. For the City of Yonkers, the median rent in 2000 was \$683 with an average rent of \$684. Table III.I-8 shows the rent distribution in the Study Area and the City in 2000.

**Table III.I-8
Specified Renter-Occupied Housing Units by Contract Rent (2000)**

	Study Area		City of Yonkers	
	Number	Percent	Number	Percent
Total Units	7,385	100.0%	42,212	100.0%
Paying Cash Rent	7,255	98.2%	41,249	97.7%
< \$200	923	12.5%	2,179	5.2%
\$200 - \$499	1,873	25.4%	7,308	17.3%
\$500 - \$699	2,420	32.8%	12,242	29.0%
\$700 - \$999	1,745	23.6%	14,497	34.3%
\$1000 - \$1249	250	3.4%	3,209	7.6%
\$1250 - \$1499	30	0.4%	1,296	3.1%
\$1500 - \$1999	12	0.2%	395	0.9%
\$2000 +	2	0.0%	123	0.3%
No Cash Rent	130	1.8%	963	2.3%
Median Rent	\$562		\$683	
Average Rent	\$545		\$684	

Source: ESRI Business Information Systems

According to Westchester Residential Opportunities Inc., a not-for-profit housing agency, the City of Yonkers average market rents ranged from \$925 per month for a studio unit to \$1,584 for a three-bedroom unit in 2006. Moreover,

recent real estate broker listings showed rental apartments within the City of Yonkers averaging \$950 per month for a studio, \$1,425 per month for a one-bedroom apartment, and over \$2,000 per month for a three-bedroom unit.

The median year 2000 contract rent updated to 2006 dollars approximates \$800 per month. Even though this figure is an average for all unit types, it is clearly below the lowest rent of \$925 per month for a studio as mentioned above. It is believed that this is not a reflection of market increases as much as it is a reflection of the impact of the New York State Emergency Tenant Protection Act of 1974 on restraining rent increases of existing units.

As shown in Table III.I-9, in the Study Area in 2000, the median value of owner occupied units was \$183,333 and the average value was \$236,561. The Study Area average home value is similar to the average home value in the City as a whole. However, the median value is significantly lower indicating lower valued homes within the Study Area.

**Table III.I-9
Owner-Occupied Housing Units by Value (2000)**

	Study Area		City of Yonkers	
	Number	Percent	Number	Percent
Total Units	578	100.0%	32,115	100.0%
< \$10,000	0	0.0%	21	0.1%
\$10,000 - \$19,999	0	0.0%	61	0.2%
\$20,000 - \$34,999	12	2.1%	611	1.9%
\$35,000 - \$79,999	41	7.1%	3963	12.3%
\$80,000 - \$149,999	154	26.6%	4322	13.5%
\$150,000 - \$249,999	217	37.5%	11838	36.9%
\$250,000 - \$399,999	91	15.7%	9282	28.9%
\$400,000 - \$499,999	32	5.5%	1,066	3.3%
\$500,000 - \$999,999	14	2.4%	620	1.9%
\$1,000,000 +	17	2.9%	331	1.0%
Median Value	\$183,333		\$214,054	
Average Value	\$236,561		\$228,836	

Source: ESRI Business Information Systems

According to the New York State Department of Real Property Services and the Westchester County Board of Realtors, the median sale price of a single family home in the City of Yonkers was \$435,000 in 2004. Based on recent (2007) sales data provided by www.trulia.com, the average sales price of a single family home in Yonkers (having an average floor area of 2,000 square feet) was \$468,029.

3. Employment and Business Profile

a. Existing Conditions

According to the New York State Department of Labor, total private sector employment reported for ZIP Code 10701 in the 2nd quarter of 2000 was 14,876. Healthcare and Social Assistance represented 36.3% of the total employment, while Manufacturing represented 14.4% of the total private sector employment, with Retail Trade at 7.8% of the total. Public sector employment totaled 6,333 in the 2nd quarter 2000 for the ZIP Code. The City of Yonkers had a total of 38,539 private sector employees in the 2nd quarter of 2000. Health Care and Social Assistance services represented 22.3% of the total private sector employment, with Retail Trade at 21.4% of the total, and Manufacturing representing 10.0% of the total private sector employment. Public sector employment for the City in the 2nd quarter of 2000 was reported to be 6,554 employees.

Table III.I-10 shows private sector employment for the 10701 ZIP Code for the second quarters of 2005 and 2006. The second quarter of 2006 is the most recent for which data is available, and is compared to the same quarter in the previous year in order to show trends. Public sector employment is not tabulated.

Non-agricultural, private sector employment in the 10701 ZIP code was reported to be 15,457 in the second quarter of 2006, a small increase of 0.6% over the second quarter of 2005, and a 3.9% increase since 2000. The business category with the largest number of firms and employment in ZIP Code is the Healthcare and Social Assistance service sector with 175 firms and 5,987 employees in 2006, which increased its share of total employment from 38.2% in 2005 to 38.7% in 2006. The Retail Trade sector had relatively few employees and represented only 7.8% of employment in 2006. The Arts Entertainment and Recreation sector consists of three sub-sectors: Performing Arts and Spectator Sports; Museums and Historical Sites; Amusement and Recreation. The entire sector is reported to contain 12 establishments with a total of 139 employees in the 2nd quarter 2006. Of this total, the Performing Arts and Spectator Sports sub-sector contains 9 establishments with a total of 24 employees, while the Museum and Historical Sites sub-sector has 1 establishment with the number of employees not available. Based on data for the City of Yonkers, which indicates that there is a single establishment within the Museums and Historical Sites sub-sector with a total of 47 employees, it is safe to assume that this establishment is the Hudson River Museum located on Warburton Avenue.

Table III. I-10
Private Sector Employment Profile – ZIP Code 10701
(Second Quarter 2005 and 2006)

Sector	2005			2006			% Change Empl. 2005–2006
	Total 2Q Firms	2Q Empl.	% of Total Empl.	Total 2Q Firms	2Q Empl.	% of Total Empl.	
PRIVATE SECTOR	1,210	15,362	100.0%	1,216	15,457	100.0%	0.6%
Utilities	0	0	0.0%	0	0	0.0%	0.0%
Construction	117	784	5.1%	127	929	6.0%	18.5%
Manufacturing	49	1,313	8.5%	50	1,246	8.1%	-5.1%
Wholesale Trade	76	764	5.0%	74	775	5.0%	1.4%
Retail Trade	142	1,315	8.6%	139	1,206	7.8%	-8.3%
Transportation and Warehousing	33	874	5.7%	33	824	5.3%	-5.7%
Information	8	670	4.4%	8	700	4.5%	4.5%
Finance and Insurance	59	530	3.5%	60	493	3.2%	-7.0%
Real Estate Rental and Leasing	163	570	3.7%	164	553	3.6%	-3.0%
Professional Tech and Scientific	61	327	2.1%	62	399	2.6%	22.0%
Management Of Companies	4	295	1.9%	6	281	1.8%	-4.7%
Admin. Support Scvs Waste and Remediation	42	596	3.9%	39	578	3.7%	-3.0%
Education Services	19	221	1.4%	16	179	1.2%	-19.0%
Health Care and Social Assistance	181	5,873	38.2%	175	5,987	38.7%	1.9%
Arts Entertainment and Recreation	15	135	0.9%	12	139	0.9%	3.0%
Accommodation and Food Services	67	572	3.7%	71	572	3.7%	0.0%
Other Services Ex Public Admin	119	475	3.1%	116	516	3.3%	8.6%
Unclassified and Other	55	48	0.3%	64	80	0.5%	66.7%

Source: NYS Department of Labor

Public sector employment totaled 7,577 for the ZIP Code in the 2nd quarter 2006, a small decrease from the prior year's figure of 7,725 employees, but a significant increase from the 2nd quarter 2000 when public sector employment was 6,333 employees.

As shown in Table III.I-11, employment in the City of Yonkers increased slightly during the 2005-2006 period. Total private sector employment in the second quarter 2006 was reported to be 39,898 in the City of Yonkers, up 0.7% from 2005. The industry sector that employed the largest number of people is Healthcare and Social Assistance services. In the second quarter 2006, employment in that sector represented 22.6% of total employment. The Arts Entertainment and Recreation sector had a total of 45 establishments with a 488 employees in the 2nd quarter 2006. The Performing Arts and Spectator Sports and the Amusement and Recreation sub-sectors each had 22 establishments with 168 and 273 employees, respectively. The Museum and Historical Sites sub-sector had one establishment with 47 employees.

Table III.I-11
Private Sector Employment Profile – City of Yonkers
(2nd Quarter 2005 and 2006)

Sector	2005			2006			% Change Empl. 2005–2006
	Total 2Q Firms	2Q Empl.	% of Total Empl.	Total 2Q Firms	2Q Empl.	% of Total Empl.	
Private Sector	3,693	39,627	100.0%	3,766	39,898	100.0%	0.7%
Utilities	0	0	0.0%	0	0	0.0%	0.0%
Construction	473	2,433	6.1%	526	2,752	6.9%	13.1%
Manufacturing	93	3,021	7.6%	97	2,978	7.5%	-1.4%
Wholesale Trade	155	1,255	3.2%	159	1,335	3.3%	6.4%
Retail Trade	576	8,507	21.5%	580	8,473	21.2%	-0.4%
Transportation and Warehousing	90	3,475	8.8%	92	3,487	8.7%	0.3%
Information	22	1,336	3.4%	25	1,401	3.5%	4.9%
Finance and Insurance	185	1,152	2.9%	180	1,110	2.8%	-3.6%
Real Estate Rental and Leasing	431	1,496	3.8%	430	1,504	3.8%	0.5%
Professional Tech and Scientific	194	821	2.1%	195	908	2.3%	10.6%
Management Of Companies	10	355	0.9%	11	335	0.8%	-5.6%
Admin. Support Scvs Waste and Remediation	156	1,683	4.2%	151	1,488	3.7%	-11.6%
Education Services	39	657	1.7%	34	623	1.6%	-5.2%
Health Care and Social Assistance	382	8,820	22.3%	378	9,004	22.6%	2.1%
Arts Entertainment and Recreation	50	672	1.7%	45	488	1.2%	-27.4%
Accommodation and Food Services	246	2,416	6.1%	255	2,305	5.8%	-4.6%
Other Services Ex Public Admin	363	1,288	3.3%	360	1,404	3.5%	9.0%
Unclassified and Other	228	240	0.6%	248	303	0.8%	26.3%

Source: NYS Department of Labor

According to the Westchester County Department of Planning Databook (2004), major private sector employers located in the City of Yonkers include Riverside/St. Johns Hospital (967 North Broadway) with about 1,000 employees, located to the north of the Study Area, and St. Joseph's Medical Center (127 South Broadway) with about 935 employees, located within the Study Area. Other private sector employers located outside the Study Area and having over 500 employees include Liberty Lines (625 employees), Stew Leonard's (600 employees), and Leake and Watts Services (578 employees).

(1) Study Area Retail

Within the Study Area, retail facilities are primarily concentrated in the Getty Square area (at the center of this Study Area at the intersection of Main and New Main Streets), on South Broadway and in the downtown waterfront area. Based on the Ridge Hill Village EIS (2004), retail facilities total approximately

500,000 square feet of space. Retail in the Getty Square area is a mix of value-priced and small retail establishments with few broadly recognized retailers. There are few vacancies in and around Getty Square, but vacancies increase beyond the immediate area. According to local brokers familiar with the area, gross rents in the area vary by location and can range from \$15 - \$20 per square foot in less desirable locations to \$30 - \$40 per square foot in proximity to Getty Square. These are significantly lower rents than in the Central Avenue corridor, which can reach net rents of \$50 - \$60 per square foot, which equates to gross rent of more than \$75 per square foot.

Towards the waterfront district on lower Main Street, retail activities reflect the recent residential developments that attract a broader consumer base. The Gazette Building contains a full-service restaurant, and the new construction of Hudson Park has over 20,000 square feet of retail space including two waterfront restaurants. The renovation of several loft buildings in the area also contains newly occupied retail space. The renovated historic pier at the end of Main Street contains X₂O, a new restaurant.

According to the Westchester County Department of Planning Databook (November 2005), there is a total of approximately 3.75 million square feet of retail facilities in Yonkers. Beyond the Study Area to the east there are major regional retail destinations such as the Cross County Shopping Center, and many other big-box retailers and strip shopping centers, particularly along Central Avenue. Under construction is Forest City Ratner's Ridge Hill Village Center, a 1.2 million square foot development of retail, entertainment, office uses, and a hotel located to the east of the New York State Thruway and north of Tuckahoe Road. The Ridge Hill project is expected to be completed in 2009. Once Ridge Hill is completed, retail facilities in the Study Area will be only approximately 10 percent of the retail space total. Additionally, the Cross County Shopping Center is expected to be expanded, which will further lower the percentage of retail space in the Study Area. A location map and further market analysis of existing local and destination retail corridors or concentrations is provided in Section III *Market Factors* in Appendix 1.F of this DEIS.

(2) Office Market

The office market within the Study Area is primarily located on the upper floors of commercial buildings. The CB Richard Ellis Market View for Westchester County (1st Quarter 2006), estimates that there is 2.5 million square feet of office space in the "South" market segment that includes Yonkers, Bronxville, Larchmont, Mamaroneck, Mt. Vernon, New Rochelle, and Pelham. The total amount of space in this large geographic area is only 7.7% of the entire inventory of 32.5 million square feet in Westchester County. For comparison purposes, this "South" market covers approximately 38.47 square miles, which yields a density of approximately 65,000 square feet per square mile, while

Westchester County as a whole has a density of approximately 74,300 square feet per square mile.

Office leasing activity in Yonkers is dominated by larger corporate transactions outside the Study Area in and around Executive Boulevard. The proposed Project is expected to add 475,000 square feet of new office space, of which 21.0%, or 100,000 square feet will be used for City offices relocated from the Health Center Building. Therefore, about 375,000 net square feet will be added to downtown Yonkers. This represents 14.9% of the total space in the “South” Westchester County market segment, but a much higher percentage of the existing space in the Study Area and in Yonkers as a whole.

(3) Hotel Market

According to Smith Travel Research, there are over 5,300 hotel rooms in full or limited service hotels throughout Westchester County. Approximately 35% are facilities with 100 to 200 rooms. Many are located near White Plains and Tarrytown, along the I-287 corridor. According to the Westchester County Office of Economic Development and Smith Travel Research, the Westchester/Rockland hotel occupancy rate reached 80% in October 2006, a 4.2% increase over the rate in 2005. In Yonkers, there are four hotels, located outside of the Study Area: Ramada Inn (103 Rooms), Royal Regency (91 Rooms), Yonkers Gateway Motel (40 rooms), and Tuckahoe Motor Inn (82 Rooms). Two new hotels have been approved for the Southern Westchester Executive Park off North Broadway: a Residence Inn by Marriott, an extended-stay hotel, with 144 rooms, and a Hilton Hampton Inn with 150 rooms. The proposed Project includes a 150 room hotel at the Cacace Center.

Based on employment and trade data, the Study Area contains a broad mix of commercial establishments, with no single business concentration constituting a defining element of the character of the Study Area.

4. Anticipated Impacts

(1) Retail Market

A retail market analysis was conducted to evaluate market support for the retail component of the proposed Project. The key findings are briefly summarized below, and the report is included in Appendix 3.E of this DEIS.

The retail market analysis concludes that there is sufficient unmet demand in the two trade areas analyzed (a “convenience goods trade area” and a “comparison goods trade area”) to support the 563,000 square feet of retail and restaurant space included in the proposed Project. The analysis also indicates that there is sufficient unmet retail demand to support additional retail development in the analyzed trade areas, including Ridge Hill and the Cross County Shopping Center expansion.

The following are the key findings from the retail market analysis:

- The annual retail expenditure potential of Study Area residents within the trade areas is projected to be approximately \$8.4 billion in 2011.
- Existing retail sales in the trade areas currently total approximately \$5.5 billion.
- The difference between retail expenditure potential in 2011 and current sales within the trade areas (the projected “sales leakage”) is about \$2.9 billion.
- The projected sales leakage within the trade areas indicates potential support for approximately 8.4 million square feet of retail by 2011, an optimistic estimate of unmet demand.
- Limited car ownership and public transportation service within parts of the trade areas have the potential to reduce capturable sales leakage to \$1.5 billion.
- With the access constraints noted above, the projection of sales leakage within the trade areas indicates potential unmet demand for roughly 4.2 million square feet of new retail space by 2011, a conservative estimate of unmet demand.
- Under both optimistic and conservative scenarios, estimated unmet demand for retail space is sufficient to support the retail program of the proposed Project and other future retail developments, including Ridge Hill and the expansion of the Cross County Shopping Center.
- The Applicant’s retail development must capture between 7 percent and 14 percent of total unmet demand for retail uses, which is realistic given the magnitude of the proposed retail component and the entertainment uses.
- There is sufficient unmet demand to support the specific retail categories envisioned at the proposed Project.

Table III.I-12 presents estimated demand for retail uses, including restaurants and drinking establishments, in the trade areas by 2011. As shown, the greatest demand is projected for general merchandise, which includes department stores. Restaurants and drinking places are also anticipated to be in high demand. The analysis finds that there will be limited unmet demand to support new health and personal care stores.

**Table III.I-12
Summary of Projected Retail Demand by 2011**

Retail Category	Estimated Unmet Retail Potential (SF)	
	Conservative	Optimistic
<u>Convenience Goods Trade Area</u>		
Food and Beverage Stores	129,786	129,786
Health and Personal Care Stores	7,417	7,417
Miscellaneous Store Retailers	89,116	89,116
	226,318	226,318
<u>Comparison Goods Trade Area</u>		
Furniture and Home Furnishings Stores	107,852	225,633
Electronics and Appliance Stores	165,321	345,860
Building Material, Garden Equip. Stores	431,830	903,411
Clothing and Clothing Accessories Stores	101,174	211,662
Sporting Goods, Hobby, Book, Music Stores	187,737	392,754
General Merchandise Stores	2,194,530	4,591,067
Foodservice and Drinking Places	739,721	1,547,534
Comparison Goods Trade Area Total	3,928,166	8,217,921
Combined Trade Area Total	4,154,485	8,444,239

Source: Economic Research Associates

(2) Potential Displacement

Because the sites proposed for redevelopment include existing businesses and government offices, and because of the proximity of the Project to residential neighborhoods, an analysis has been performed to assess whether the proposed Project would result in significant impacts due to: (1) direct residential displacement; (2) indirect residential displacement; (3) direct business and institutional displacement; (4) indirect business and institutional displacement; and/or (5) adverse effects on a specific industry. A preliminary screening assessment of potential displacement suggests that there is a potential for impacts due to the size and nature of the Proposed Action. Therefore, a detailed analysis was performed.

Direct Residential Displacement

Although condemnation is not proposed as a part of the Project, there will be some residential displacement from properties privately acquired by the Applicant. Of the four project sites, River Park Center is the only site that currently contains residential units. At this project site, there are a total of 22 residential units situated on two parcels (Section 1, Block 475, Lot 26; Section 1, Block 484, Lot 53). A reverse directory review indicated that 20 of the units had active telephone numbers; for the purposes of this analysis, it was assumed that all 22 units are occupied.

These 22 households represent slightly more than 0.2% of the total Study Area households, a statistically insignificant portion of the population within the

Study Area, and too small a number of persons to represent a loss of a particular population group within the Study Area.

Although there are no current estimates of Study Area residential vacancy, the 2000 Census indicated there were 434 vacant units within the Study Area. While brokers indicate that the vacancy rate has declined since 2000, the 22 displaced households would be only 5% of the vacancies recorded in the 2000 Census. Based on this data, there is expected to be sufficient current vacancy in the Study Area to accommodate the displaced households. In addition, the Applicant is also committed to providing affordable/workforce units equal to 6% of the new residential units either through new construction or through an equivalent financial contribution to an affordable housing fund.

As is commensurate with such a large project there will be a variety of relocation referral services provided by the Applicant to current commercial and residential tenants. The Applicant will assist and expedite the relocation of these tenants as follows:

Commercial Tenants – Many of the current commercial tenants, as part of their purchase contracts will receive relocation assistance at the time of purchase. Relocation personnel will assist displaced commercial tenants in finding new space for rent for their businesses. Broker’s listings will be compiled and shared with commercial tenants wishing to remain in the downtown area. Financial assistance may be provided to commercial tenant to ensure their relocation is completed without an interruption of their business and to ensure their viability.

Residential Tenants – All residential tenants will receive relocation assistance in the form of assistance in finding a new apartment to relocate to and/or relocation stipends to cover the cost of moving, possible rent increase, and relocating their residences.

Indirect Residential Displacement

Indirect residential displacement is caused if rising property values and rents make it difficult for some existing residents to continue to afford their homes. The potential for indirect displacement is evaluated based on socio-economic data related to the Study Area population and data on the housing market.

According to the 2000 Census, Study Area population is reported to be 24,586, a 4.8% increase from the 1990 figure of 23,462 persons. Based on data from ESRI Business Information Systems, Inc., in 2006, approximately 25,160 persons resided in the Study Area. According to the 2000 Census, there were a total of 8,397 housing units in the Study Area, approximately 420 or 5% of which were constructed after 1990.

Since 2000, there have been a total of 1,665 new residential units constructed within or just beyond the Study Area boundaries (see Table III.H-3 in Chapter

III.H *Utilities* of this DEIS). Of this total, 418 units are senior housing units. Including all of the new housing construction since 2000, the number of Study Area housing units has increased by over 16%. The rate of new housing construction in the past six years is three times greater than in the Study Area in the 10 prior years.

The recently added market rate units are located in downtown Yonkers or along the waterfront. Rental units range between \$1,625 per month for a one-bedroom unit to \$2,600 per month for a two-bedroom unit.² These current market rents are significantly higher than the \$562 median rent for the Study Area reported in the 2000 Census. Because of this marked shift in housing market construction, a change in the character of the Study Area household incomes is already in evidence.

Additionally there are two large waterfront projects in the planning/construction stages in the Study Area. First there is “Point Street Landing,” which is expected to be mostly townhouse and condominium units with a small portion of market rate rental units that would add approximately 1,219 new units in total. The second is “Hudson Park North” which is currently under construction and will feature 294 one- and two-bedroom apartments in two buildings of 14 and 12 stories. The Yonkers Municipal Housing Authority is overseeing an urban redevelopment project along Ashburton Avenue, which would include a replacement of Mulford Gardens (adding a net increase of 225 affordable units) and the construction of 62 affordable two-family homes. Once these projects are complete, the total number of housing units within the Study Area would increase by 34% from the 2000 census total to approximately 11,551. The residential units of the proposed Project (1,386 units) would therefore add only 11.9 % to the total supply in the Study Area and would continue the trend of growth that has already taken place.

The proposed Project is estimated to add 1,957 new residents associated with the residential development at River Park Center and Palisades Point. Table III.I-13 summarizes the breakdown of number of bedrooms and number of units, and the resulting population growth for Palisades Point.

Table III.I-13
Estimated Population Generation from Palisades Point

Number of Bedrooms	Approx. Number of Units	Northeast Population Multiplier³	Projected Population Growth
Studio	39	1.4969	58
1 br	70	1.4969	105
2 br	244	1.3862	338
3 br	83	1.3862	115
Total	436	-	616

Note: The one bedroom multiplier was used for studio units and the blended (all BRs) multiplier was used for three bedroom units. The 2-bedroom multiplier is considered to be too low, and has been adjusted to 1.38.

² Current rent estimates developed through market research and interviews with local brokers

³ Urban Land Institute, Development Impact Assessment Handbook, 1994. Northeast Townhouse Multipliers.

Table III.I-14 summarizes the breakdown of number of bedrooms and number of units, and the resulting population growth for River Park Center.

Table III.I-14
Estimated Population Generation from the River Park Center Residential Component

Number of Bedrooms	Approx. Number of Units	Northeast Population Multiplier⁴	Projected Population Growth
Studio	86	1.4969	129
1 br	152	1.4969	228
2 br	532	1.38	734
3 br	180	1.3862	250
Total	950	-	1,341

Note: The one bedroom multiplier was used for studio units and the blended (all BRs) multiplier was used for three bedroom units. The 2-bedroom multiplier is considered to be too low, and has been adjusted to 1.38.

Based on the Urban Land Institute multipliers for total household size, the proposed Project would bring an additional ±1,957 people to the community, increasing the total population of the City to 198,382 people. This is a 1% increase in the City of Yonkers population, and an 8% increase in population in the Study Area, based on the U.S. Census 2005 numbers. This amount of growth is consistent with the general pattern of population increase in the city of Yonkers for the last five years. It is anticipated that Project residents will be empty nesters, young professionals and small families. To be conservative, it is estimated that the Project will introduce 2,000 additional residents.

Based on information provided by the Applicant, the condominium units would range in price from \$450,000 for a one-bedroom unit to \$900,000 for a three-bedroom unit. Based on an income to mortgage ratio of 3.5, the new residents of these units are estimated to have household incomes of at least \$100,000 - \$200,000. Compared to the median household income of Study Area residents (\$26,488), these new residents would have incomes that are significantly higher. However, these new residents represent only 7.8 % of the current Study Area population, too small a portion of the population to cause the character of the area to shift significantly, especially in light of the minimal direct displacement caused by the proposed Project. However, the population of the Study Area will continue to diversify as new market rate housing is introduced by the proposed Project and at Point Street Landing, Hudson Park North and other developments

No significant indirect displacement is anticipated as a result of the Project. It should also be noted that any potential impacts would be mitigated by a number of factors. Yonkers is subject to The New York State Emergency Tenant Protection Act of 1974, which covers all residential buildings of 6 units or more built before 1974. While no exact figures can be discerned from the Census data, given the large proportion of rental buildings in the City (over 42,000), the size of these buildings (38% are more than 5 units) and the fact that over 93% of the multi-family housing stock is pre-1979, it can reasonably be assumed that

⁴ Urban Land Institute, Development Impact Assessment Handbook, 1994. Northeast Townhouse Multipliers.

many of the existing units in the City and Study Area are subject to the Act and the Westchester rent stabilization guidelines and the tenants are therefore protected from significant rent increases.

While no significant indirect displacement is anticipated, it is possible that redevelopment of the Project sites in an area in which nearly 33% of all lots and buildings are determined to be in “poor” condition (see Section II of the Tax Increment Financing Feasibility Study and Preliminary Redevelopment Plan in Appendix 1.F) could increase surrounding property values and therefore create the potential for project-induced displacement. The likelihood of this occurring in downtown Yonkers is minimized by several factors. First, the vast majority of the land comprising the Project sites is presently vacant and/or underutilized and a significant proportion of parcels surrounding the Project sites (approximately 41.7 acres or 54% of the Study Area) are either vacant or underutilized (i.e., partially vacant) (see Table II-6 in the Tax Increment Financing Feasibility Study and Preliminary Redevelopment Plan in Appendix 1.F). Therefore, if these surrounding parcels were to be improved, there would be minimal primary or secondary population displacement. Second, as has been discussed in the previous paragraphs, it is estimated that a significant proportion of the affordable housing in the downtown area is located in buildings protected by the New York State Emergency Tenant Protection Act of 1974. Finally, the Applicant has committed to provide affordable/workforce units equal to 6% of the new residential units either through new construction or through an equivalent financial contribution to an affordable housing fund. The Applicant will also contribute funds to assist in the rehabilitation of older housing and/or storefronts in the immediate vicinity of the Project, augmenting the City’s ongoing property rehabilitation efforts (see “Section c” below). Also, establishing a “redevelopment project” in the Study Area under New York Municipal Redevelopment Law will not cause assessed values of properties in the redevelopment project area to be increased unless and until a property is improved, as would be the case for any property not located in the redevelopment project area, and whether or not tax increment financing is implemented. Assessed values in the redevelopment project area will be determined by the City assessor in accordance with State law based on the same methodologies and criteria applied to property outside of the redevelopment project area. The mere fact that a property is located in the redevelopment project area is not a basis for reassessment under applicable State law.

Additionally, there are existing affordable housing units in Yonkers and more are planned, as noted above. Between 1990 and 1999 there were 829 affordable units built and a \$60 million renovation of Parkledge Housing (a 311 unit affordable housing development) on Yonkers Avenue was completed in 2005. The Yonkers Municipal Housing Authority is overseeing a HOPE VI urban redevelopment project along Ashburton Avenue, which would include a replacement of Mulford Gardens (adding a net increase of 225 affordable units) and the construction of 62 affordable two-family homes. Further, there are

approximately 183 new affordable housing units to be provided by other planned projects in the Yonkers downtown (see Table III.I-15 below).

The proposed River Park Center would replace the “Chicken Island” parking area and other under-utilized properties, thereby adding to the mixed use nature of the downtown area. The residential components at River Park Center would not cause the Study Area as a whole to shift to affluence as it would only add 950 new units or 8.2% of the then estimated housing stock in the Study Area. Palisades Point would add 436 units and continue the market rate residential expansion of this portion of the Study Area.

The redevelopment already occurring in downtown Yonkers suggests that a trend of change is underway that will make downtown Yonkers a more attractive place to live. By nature of its mixed-use program, the proposed Project would not introduce a critical mass of non-residential uses that would solely contribute to that trend. As discussed in Chapters III.A and III.B of this DEIS, the list provided by the City of anticipated projects includes 15 developments within the Yonkers downtown area in and around the proposed Project sites. Of these, there are six residential developments with a total of over 700 units. The largest of these is Hudson Park North, with 312 units located at a site on the Hudson Riverfront near the Yonkers Metro-North Railroad Station. Spatially, much of the growth is concentrated in an area surrounding the Yonkers Metro-North Railroad Station and along Main Street. In contrast, there is no substantial development planned in the immediate vicinity of around Getty Square, Yonkers’ traditional downtown shopping and commercial area, or near Nodine Hill, a lower-income, multi-family residential neighborhood. Further, The City’s “no-build” list includes a significant number of office and residential uses and very few retail and food service establishments (see Exhibit III.H-4 and Table III.H-3), both of which are included in the proposed Project. As described in Section 2 in Chapter III.B of this DEIS, the new retail and restaurant offerings, in combination with other new uses in the proposed Project, will create a destination in downtown Yonkers for shoppers and visitors and provide amenities for those who live in the area. These amenities include open space and recreation opportunities such as improved access to Hudson River waterfront and baseball games, as well as food services and shopping opportunities in River Park Center. The proposed Project would also provide a significant number of employment opportunities available to local residents. These jobs, in addition to Applicant’s commitment to provide affordable housing in the area, will enable local residents to remain in the area and participate in a positive way in the growth and change that is already underway in downtown Yonkers.

The Future Without the Proposed Action

In the future without the Project, downtown Yonkers area would be expected to continue to see additional market rate residential development. Additionally recent rehabilitation of the various loft type buildings in the Yonkers downtown

will also continue even without the Project. Therefore the residential changes that have taken place since 2000 would continue and the income mix of the Study Area would continue to diversify. Table III.I-15 summarizes the projected population growth within the Study Area absent the proposed Project.

**Table III.I-15
Estimated Population Growth Within the Study Area in the Future Without the Project***

	Total Number of Units	Number of Bedrooms	Number of Units	Projected Population Growth
179 Riverdale ⁵	83	1	33	49
		2	50	69
Buena Vista Phase II	60	1	24	36
		2	36	50
Stan-Lou Building	15	1	6	9
		2	9	12
Main Street Lofts	171	1	68	102
		2	103	143
Hudson Park North	312	1	125	187
		2	187	259
Greyston ⁶	100	1	40	60
		2	60	83
TOTALS	741			1,060

The multiplier 1.469 was used to estimate future population for 1-bedroom units; the multiplier 1.3862 was used to estimate future population for 2-bedroom units.

* Does not include Point Street Landing, which was approved after submission of this DEIS

Direct Business and Institutional Displacement

The potential for business and institutional displacement directly resulting from the development of the proposed Project is evaluated based on employment and business characteristics of the affected businesses. There are a number of existing businesses and/or institutional uses located on the Project sites, including businesses on New Main Street, the City of Yonkers offices in the Health Center Building and the City’s Fire Department Headquarters. To be conservative, all of the businesses currently located on the Project sites are considered to be directly displaced, even though all of the properties which comprise the sites have not yet been acquired. The Yonkers Fire Department and other City of Yonkers offices are also considered directly displaced uses, despite the fact that the proposed Project relocates both. Affected businesses are subject to no other regulations designed to preserve, enhance or protect them than those provided under present land use regulations including zoning and existing urban renewal plans as described in Chapter II.A of this DEIS.

Based on information provided by the Applicant, in total, there are 32 existing private sector businesses occupying approximately 110,400 square feet of space, all located on the River Park Center project site. Of this total, about 71,750 square feet is occupied by 25 retail establishments. Most of these retail

⁵ All units are planned to be senior affordable units

⁶ All units are planned to be affordable units

businesses are convenience type retailers which attract local customers from the nearby area. Some are comparison goods stores, such as the furniture and apparel stores, but are not of the size and strength associated with destination type retailers, which attract customers from a wide area. Several of the major downtown (Getty Square area) retailers such as the C. H. Martin Store would remain.

Approximately 6,130 square feet is occupied by 2 business-service firms, and 13,840 square feet is associated with construction and auto-related services, including a gas station and two auto repair facilities. Additionally, there are two not-for-profit tenants (Salvation Army and Renaissance Project), which occupy office space, and the Philippi Pentecostal Church on Palisade Avenue. The Salvation Army would be relocated into new space constructed as a part of the Project on New Main Street near the corner of Nepperhan Avenue.

Although approximately 110,400 square feet of occupied commercial space would be directly displaced as a result of the proposed Project, that represents only a small percentage of the total retail and office space within the Study Area, and does not account for the transient nature of many retailers (i.e., month-to-month leases by tenants who make only limited capital improvements to the spaces.). Additionally, much of the displaced retail space is “owner-occupied” and is being voluntarily vacated pursuant to agreements made with the Applicant. The displaced retail uses would be replaced by 465,000 square feet of new retail space and 90,000 square feet of restaurant space at the Project. While there are few vacancies in Getty Square, a recent survey found 16 vacancies in the vicinity totaling 30,000 square feet into which directly displaced businesses could relocate if they elect to remain in the area. The asking net rent for these spaces is \$20 per square foot, which is less than the net rents in the immediate vicinity of Getty Square, which are in the \$25 to \$30 per square foot range.

In addition, it should be noted that some properties are apparently being held off the market in anticipation of the approval and development of the Project.

The remainder of the River Park Center site (including Government Center) contains a mix of vacant space, public parking areas, the existing Government Center parking garage, the City of Yonkers Fire Department Headquarters, and the Health Center Building. The governmental agencies expected to be displaced by the proposed Project are projected to be relocated to the Cacace Center site. The Cacace Justice Center building would remain and current operations would continue. The impact of the proposed Project on the delivery of City services will be mitigated by timing and phasing the construction at the River Park Center and Cacace Center project sites to ensure continuity.

The directly displaced business and institutional uses employ an estimated 175 workers. As shown in Table III.I-10, the total private sector employment in ZIP

Code 10701 was reported to be 15,457 in the 2nd Quarter 2006. Therefore, the total number of employees subject to direct displacement by the proposed Project is only 1.1 % of the total employment for the ZIP Code, and the 32 business establishments are only 2.8% of the total number of establishments in the ZIP Code. Even if none of the displaced establishments elected to remain in the Study Area, the loss of this small portion of the business and institutional base would not significantly impact the overall economic base of the Study Area.

Indirect Business and Institutional Displacement

Indirect business and institutional displacement is caused if rising property values and rents cause businesses to relocate from the Study Area. As noted above, the total private sector employment in ZIP code 10701 was 15,457 in the 2nd Quarter 2006, an increase of only 0.6% from the 2nd Quarter 2005. The business category with the largest number of establishments and greatest employment in the Study Area is the Health Care and Social Assistance services sector with 175 firms and 5,987 employees. The vitality of this sector is typically dependent on the demand for these services, which would only increase as new Project residents are introduced to the Study Area.

Public sector employment within the ZIP Code 10701 is reported to be 7,577 in the 2nd Quarter 2006. According to local City officials, approximately 2,000 employees are associated with government offices located in downtown Yonkers. The majority of these workers are City employees who would either be relocated from the Health Center Building into a new office facility at Cacace Center, or remain in their existing offices (e.g., City Hall, Cacace Justice Center).

Local real estate brokers report that the overall Westchester County office market has done well in recent years, and in general a Yonkers location has been recognized as an attractive alternative to other well established Westchester County locations such as White Plains. However, the Study Area office market currently offers upper floor office space with relatively small floor plates in contrast to the single user, single story office buildings outside the Study Area mainly along Executive Boulevard. Gross rent for available office space in downtown Yonkers ranges from \$13 to \$18 per square foot. At 45 South Broadway, 60,000 square feet of renovated small offices would be available over several floors and the asking gross rent is expected to be \$18 per square foot. Additional space is also available at 30 South Broadway. At Station Plaza, almost 35,000 square feet over four floors is being marketed at a gross rent of \$26 per square foot

Although there are several not-for-profits that currently occupy ground floor space, there is sufficient upper floor office space available to accommodate the relocation of these organizations if the demand by prospective retailers for ground floor space increases due to the proposed Project. Traditionally, not-for-

profits have a lower rent tolerance compared to retail tenants and would seek less expensive, upper floor space.

The Applicant's experience in many other markets indicates that office users typically move into higher quality space as quality space is introduced into the market. Larger office users occupying "Class B" space will move into "Class A" space when it becomes available, while the vacated Class B space will be occupied by growing, more rent-sensitive tenants. Many of these tenants will be currently occupying Class B or lower quality space. Their movement into better quality space will vacate space that then becomes attractive to start-ups and extremely rent-sensitive tenants such as not-for-profit users. This has been the experience in White Plains and New Rochelle according to presentations made by real estate development professionals at the Third Annual "Real Share" Conference on Westchester County Development held on December 5, 2007 in White Plains.

While the Project office space will no doubt command rents higher than those currently attained in the Study Area, this will not necessarily cause rents in less desirable buildings to increase. Rental rates in general are a function of supply and demand and because supply in the Study Area is expected to be sufficient to meet demand, it is unlikely that rents in the Study Area will rise substantially, especially for less desirable buildings.

Secondary Retail Displacement

The majority of the potential retail tenants for the proposed Project would be destination-type retailers, entertainment uses and restaurants. Therefore, the proposed Project is not expected to adversely impact the convenience-type stores that exist throughout the Study Area, since it is not in direct competition with them. Additionally, given the increase in residential units in the Study Area anticipated as a result of the Project and other approved and planned developments, and the major infrastructure improvements that are associated with the proposed Project, it is expected that existing retailers in the Study Area and the existing restaurants would benefit from the development of the Project.

While it is certain that the retail rents in the proposed Project would be higher than the prevailing rents in the Study Area, these new facilities would not directly compete with the existing supply as they would be of an entirely different character appealing to different tenant types. Based on the Project's program, this new retail space would most likely attract retailers that currently have no presence in downtown Yonkers.

Commercial activity associated with the proposed baseball stadium in River Park Center would not compete directly with existing businesses because these would be of a different character, marketing to game-day customers. It is estimated that patrons who attend games will purchase food and drink in the area, either within the ballpark or at local establishments outside the stadium. It

is estimated that approximately 20 percent (or $\pm 1,200$) of ballpark visitors will arrive by mass transit including Metro North Railroad. The proposed Project will improve pedestrian access and mobility in the downtown area where the retail/restaurant frontages and sidewalk improvements will establish a primary pedestrian connection from the existing downtown shopping area in Getty Square to City Hall and the Cacace Center. These improvements will formalize the pedestrian route from the Yonkers Metro-North Station to the proposed ballpark, bringing substantial foot traffic through Getty Square and past many local off-site retail establishments.

While the overall retail climate in the Study Area should improve substantially, it is probable that some existing, marginal retailers would be at risk of displacement by more substantial retailers with a higher rent tolerance.

Secondary Office Displacement

As noted above, office space within the Study Area is primarily located on the upper floors of the commercial buildings, some rather small. These spaces are in contrast to the larger spaces available outside of the Study Area in the City and Westchester County as a whole. Overall, available office space is limited and asking rents have been rising throughout the Study Area and the City of Yonkers. The proposed Project is expected to add 532,700 square feet of new office space, of which 37.3%, or 100,000 square feet, would be occupied by relocated City offices. While rents for the Project space would be higher than the prevailing rents in the Study Area, it is likely that the bulk of the tenants would be businesses that currently have no presence in the downtown, and the small amount of existing office space that might relocate into the proposed Project would free up secondary space that would be affordable to smaller firms and start-ups.

Several renovated office buildings are also due to come on the market. The most notable are 45 South Broadway, where 60,000 square feet of renovated small offices would be available over several floors and the asking gross rent is expected to be \$18 per square foot and 30 South Broadway, which also has available space at the lower end of the market rent scale.

Secondary Hotel Displacement

The improvement in the national, regional and local economies over the past few years has significantly increased demand for hotel rooms in Westchester County, and there is a consensus among hotel experts that demand will remain strong. Occupancy rates for Westchester County are above national levels and this typically indicates that the market can absorb additional rooms. According to the Westchester County Office of Economic Development and Smith Travel Research, the Westchester/Rockland hotel occupancy rate reached 80% in October 2006, a 4.2% increase over the rate in 2005. There are over 5,300 hotel rooms in full or limited service hotels throughout Westchester County.

Approximately 35% are facilities with 100 to 200 rooms. Many are located near White Plains and Tarrytown, along the I-287 corridor.

In Yonkers, there are four hotels beyond the Study Area: Ramada Inn (103 Rooms), Royal Regency (91 Rooms) and Tuckahoe Motor Inn (82 Rooms) and Yonkers Gateway Motel (40 rooms). Two additional hotels with a total of 294 rooms have been approved but are not yet built in Southern Westchester Executive Park. The proposed Project includes a 150-room hotel to be located on the Cacace Center project site. None of the existing hotels would be displaced as a result of the construction of the proposed hotel.

The Future Without the Proposed Action

Should the proposed Project not be built, the Study Area would not be transformed into a 24-hour mixed-use environment and the existing retailers would not benefit from the proposed public infrastructure improvements. The supply of office space and associated employment would not increase substantially as existing spaces that can accommodate significant growth are limited.

Businesses and institutional uses at the River Park Center site would remain. Since the total number of market rate housing units planned and under construction (without the proposed Project) is substantial, it is possible that some existing retailers would be replaced by retailers selling product lines that appeal to the more affluent purchasers who would reside in the new residences.

Potential Effects on Specific Industries

Based on the business profiles of the existing businesses that would be directly displaced by the proposed Project, the displaced businesses do not constitute a concentration of any specific type of business, institutional or industrial use.

b. Mitigation

In addition to the Applicant's commitment to provide affordable/workforce units equal to 6% of the new residential units either through new construction or through an equivalent financial contribution to an affordable housing fund, the Applicant will also contribute funds to assist in the rehabilitation of older housing and/or storefronts in the immediate vicinity of the Project, augmenting the City's ongoing property rehabilitation efforts.

The Applicant will also prepare a study, in conjunction with the Downtown Business Improvement District, of recommended business marketing and management strategies and techniques that will help existing retail and service establishments to increase business activity as a result of their proximity to the proposed Project.

Patterned after a similar program developed by Cappelli Enterprises in New Rochelle, the Applicant will create an employment initiative for local tradesmen, focusing on pre-apprenticeship training and permanent employment. This program will be

designed to prioritize residents' participation in various aspects of the construction program in downtown Yonkers.

Many of the total number of construction jobs and permanent jobs will be filled by Yonkers residents. The permanent jobs will include positions in management, office, hospitality, retail sales, restaurant, entertainment and services.

Continued support for public services organizations and not-for-profits is also anticipated. In 2006-7, the Applicant and its related entities funded an extensive number of community organizations in Yonkers that needed assistance in their efforts to address a variety of issues in the City. Among many others, these included the YMCA, YWCA, American Red Cross, St. Joseph's Medical Center, Hudson River Museum, Beczak Environmental Education Center, Yonkers Public Schools, Family Service Society, Groundwork Yonkers, My Sister's Place, Yonkers Community Action Program, and Nepperhan Community Center.

5. Environmental Justice

Environmental justice is generally defined as the fair treatment and meaningful involvement of all people regardless of race, color, national origin, or income with respect to the development, implementation, and enforcement of environmental laws, regulations, and policies. Environmental justice efforts focus on improving the environment in communities, specifically minority and low-income communities, and addressing disproportionate adverse environmental impacts that may exist in those communities. An environmental justice analysis was performed for the proposed Project based upon the New York State Department of Environmental Conservation (NYSDEC) guidance for such analyses, which is described below.

a. NYSDEC Guidance

NYSDEC uses the following definitions and methodology to identify potential adverse environmental impacts and determine whether the impacts are likely to affect a potential environmental justice area:

- **Low-income community.** A census block group or contiguous area with multiple census block groups, having a low-income population equal to or greater than 23.59% of the total population.
- **Low-income population.** A population having an annual income that is less than the poverty threshold. For purposes of the guidance, poverty thresholds are established by the U.S. Census Bureau.
- **Minority community.** A census block group or contiguous area with multiple census block groups, having a minority population equal to or greater than 51.1% in an urban area and 33.8% in a rural area of the total population.

- **Minority population.** A population that is identified or recognized by the U.S. Census Bureau as Hispanic, African-American or Black, Asian and Pacific Islander or American Indian.
- **Potential environmental justice area.** A minority or low-income community that may bear a disproportionate share of the negative environmental consequences resulting from industrial, municipal, and commercial operations or the execution of federal, state, local, and tribal programs and policies.

The NYSDEC Division of Environmental Permits utilizes a preliminary screening analysis to identify whether a proposed action is in or near a potential environmental justice area(s) and whether potential adverse environmental impacts related to the proposed action are likely to affect a potential environmental justice area(s). A two-step screening process is used:

- **Step 1:** Identify potential adverse environmental impacts and area to be affected. In this step, potential adverse environmental impacts associated with the proposed action and the area affected are identified.
- **Step 2:** Determine whether potential adverse environmental impacts are likely to affect a potential environmental justice area (i.e. a “community of concern”).

Using the information collected in Step 1, geographic information systems (GIS) are used to determine whether any census block groups that meet the thresholds for a potential environmental justice area are located within the affected area.

Methodology

This environmental justice analysis uses the NYSDEC guidance to determine whether minority or low-income communities may bear a disproportionate share of the negative environmental consequences, if any, resulting from the proposed Project.

To identify potentially impacted minority and low-income populations, demographic information was obtained from the US Census Bureau for the year 2000. The US Census Bureau allows the collection of information using various geographic units such as census tracts, block groups, and blocks. For the purposes of this analysis, data were collected at the block group level.

b. Identification of Minority Communities

The NYSDEC guidance defines a minority as a member of a population that is identified or recognized by the US Census Bureau as Hispanic, African-American or Black, Asian and Pacific Islander or American Indian. To identify the total number of minority residents in each study area block group, the number of Black, Asian, Other and Hispanic persons was tallied. Hispanic origin is considered an ethnic rather than a racial characteristic; therefore Hispanics can be of any race. The total number of minorities was used to determine the percentage by block group. As set forth in the NYSDEC guidance and for purposes of this assessment, block groups containing

51.1% minority population as defined above are considered as potentially affected communities for environmental justice analysis.

c. Identification of Low-Income Communities

The proportion of the total number of households having an annual income less than the federal poverty level was used to identify low-income communities. According to NYSDEC guidance and for purposes of this assessment, concentrations of population below the federal poverty level which comprise 23.59% or more of the block group are considered low-income communities.

(1) Identification of Study Areas and Communities of Concern for the Proposed Project

Using GIS base mapping, a single, composite quarter-mile radius study area encompassing all of the Project sites was delineated. To identify the low-income and minority communities within the study area, an assessment of census tract and census block group data from the 2000 US Census was performed. Using the NYSDEC environmental justice guidance, all of the census block groups within the study area were identified. Block groups which meet or exceed the 51.1% threshold for minority population and/or the 23.59% threshold for low-income population are considered communities of concern for the purpose of this analysis. The resulting communities of concern are shown on Exhibit III.I-3.

As shown on this exhibit, it should be noted that all of the block groups within the study area are above at least one of the thresholds for a community of concern, and 74% of them are at or above the threshold for both criteria. At the center of the study area, the community of concern is a predominantly minority group population, and most of the Project sites are within this area. A portion of the River Park Center project area is also within a community of concern that is a population that is both minority and below the poverty level. The Palisades Point project area is not within a community of concern, but it is immediately adjacent to the identified communities, and is therefore subject to environmental justice analysis.

After identifying the communities of concern, the next steps in the environmental justice assessment include:

- Identifying the significant adverse impacts of the Project, if any, in each community of concern.
- Determining whether any significant impacts of the Project would disproportionately occur mostly within a community of concern.
- Comparing the severity of the adverse impacts in a community of concern to severity in other impacted communities to determine if the impacts are disproportionately severe in a community of concern.

- As appropriate, consider mitigation measures and alternatives to the proposed Project.

(2) Potential Environmental Impacts on Communities of Concern

This environmental justice analysis considers the proposed Project's potential to cause significant adverse environmental impacts in the areas of traffic, air quality, hazardous materials, noise, natural resources and infrastructure as well as during construction. Except for construction impacts, which are necessarily limited to the Project construction period, this analysis examines the future condition with the proposed Project completed and all mitigation measures implemented.

(a) Traffic

Traffic operations are considered because traffic congestion can have a direct impact on air quality, and pedestrian operations, including safety, can be adversely affected by traffic conditions. As communities of concern are less likely to own cars and are more likely to use public transportation, the pedestrian environment is also an indicator of potential impacts to neighborhood character.

In order to be as conservative as possible, the environmental justice analysis with respect to traffic impacts examines potential impacts in the traffic study area (please see Exhibit III.E-1), rather than only in the smaller ½-mile environmental justice study area. Potential traffic impacts are analyzed based on the projected incremental difference between the “No-build” and “Build” conditions. As discussed in Section III-E, “Traffic, Transportation and Parking” of this DEIS, certain traffic improvements are recommended for the future Build Condition, which if implemented are projected to provide similar Levels of Service (LOS) between the future Build and No-build conditions. The mitigated levels of service for all the traffic study area intersections are presented in Table III.I-16. This table shows that most intersections (with mitigation) are projected to operate at acceptable levels of service, with none operating at a level of service lower than LOS D. Conditions highlighted with *italics* actually improve, with mitigation, over the no-build condition, while locations highlighted have worsened levels of service; most levels of service are considered acceptable under applicable traffic impact criteria with the exceptions noted following.

**Table III.I-16
Build Condition Traffic Levels of Service With Mitigation**

Intersection Number	Intersection	Existing			Future No Build			Future Build		
		AM	PM	Sat	AM	PM	Sat	AM	PM	Sat
1	Nepperhan Ave and Elm St	B	C	B	B	C	B	C	C	B
2	Nepperhan Ave and New School St	C	C	B	C	C	B	A	A	A
3	Nepperhan Ave and New Main St	C	C	B	C	C	C	C	C	C
4	Nepperhan Ave and South Broadway	C	D	C	D	D	C	C	C	C
5	South Broadway and Hudson St	A	B	B	B	C	B	B	C	C
6	South Broadway and Main St	B	B	B	B	B	B	B	B	B
7	Main St and Palisade Ave	B	B	B	B	B	B	B	C	C
8	Palisade Ave and Locust Hill Ave	A	B	A	A	B	A	A	B	A
9	Palisade Ave / Elm St / New School St	B	B	B	B	C	B	B	B	B
10	Ashburton Ave and Warburton Ave	C	B	B	C	C	B	C	B	B
11	Ashburton Ave and North Broadway	C	C	B	C	C	B	D	C	C
12	Ashburton Ave and Locust Hill Rd (No signal)									
	<i>WB left/through</i>	A	A	A	A	A	A	A	A	A
	<i>NB left/right</i>	B	C	B	C	C	C	C	D	C
13	Ashburton Ave and Palisade Ave	B	C	B	B	C	B	B	C	C
14	Ashburton Ave and Nepperhan Ave	D	D	C	D	E	C	D	D	D
15	Ashburton Ave / NYS Route 9A / Walnut St									
16	Yonkers Ave and Walnut St	C	C	B	C	C	C	C	C	C
17	Yonkers Ave and Prescott St	B	C	B	B	C	B	C	D	B
18	Yonkers Ave and Ashburton Ave	C	C	B	C	C	B	C	C	B
19	Yonkers Ave and Saw Mill River Pkwy SB Ramp	F	F	F	F	F	F	C	C	B
20	Yonkers Ave and Saw Mill River Pkwy NB Ramp	E	E	D	E	F	D	D	C	B
21	Buena Vista Ave and Dock St	A	B	A	B	B	B	B	B	B
22	Buena Vista Ave and Main St	B	B	B	B	B	B	B	B	B
23	Buena Vista Ave and Hudson St (No Signal)									
	<i>SB left/through</i>	A	A	A	A	A	A	A	A	A
	<i>WB left/right</i>	B	B	B	B	B	B	B	B	B
24	Warburton Ave and Dock St / Nepperhan St	B	B	B	C	B	B	C	B	B
25	Warburton Ave / Riverdale Ave and Main St	C	C	C	C	C	C	C	C	C
26	Riverdale Ave and Hudson St	B	B	B	B	B	B	B	B	B
27	Riverdale Ave and Prospect St	C	C	C	C	D	C	D	D	C
28	Riverdale Ave and Vark St	C	B	B	C	B	B	C	C	B
29	Riverdale Ave and Herriot St	B	B	B	B	B	B	B	B	B
30	Riverdale Ave and Ludlow St	C	B	B	C	B	B	C	B	B
31	Riverdale Ave and Radford St	B	B	B	B	B	B	B	B	B
32	Riverdale Ave and Valentine Ln	B	B	B	B	B	B	B	B	B
33	South Broadway and Vark St	C	C	C	C	D	C	C	D	C
34	South Broadway and Herriot St	B	B	B	B	B	B	B	B	B
35	South Broadway and Bright Pl	B	B	B	B	B	B	B	B	B
36	South Broadway and Ludlow St	A	A	A	A	B	A	A	B	B
37	South Broadway and Mclean Ave	B	B	B	B	B	B	C	C	B
38	South Broadway and Radford St	C	C	C	C	C	C	C	C	C
39	South Broadway and Valentine Ln	B	B	B	B	B	B	B	B	B
40	Yonkers Ave and Midland Ave (West)	B	B	B	C	B	B	C	B	B
41	Yonkers Ave and Midland Ave (East)	C	B	B	C	B	B	C	B	B

Intersection Number	Intersection	Existing			Future No Build			Future Build		
		AM	PM	Sat	AM	PM	Sat	AM	PM	Sat
42	Yonkers Ave and Seminary Ave	B	B	B	B	B	B	B	C	B
43	Yonkers Ave and Central Park Ave (SB)	C	C	C	C	C	C	C	C	C
44	Yonkers Ave and Central Park Ave (NB)	C	C	C	C	C	C	C	C	C
45	Warburton Ave and Glenwood Ave	B	B	B	B	B	B	B	B	B
46	Warburton Ave and Lamartine Ave	B	B	B	B	B	B	B	B	B
47	North Broadway and Glenwood Ave	B	B	B	B	B	B	B	B	B
48	North Broadway and Lamartine Ave	B	B	B	B	B	B	B	B	B
49	Nepperhan Ave and Lake St	C	C	B	C	C	C	C	C	C
50	Prospect St and Buena Vista Ave (no signal)	B	B	A	B	C	B	C	D	C
51	Prospect St and Hawthorne Ave (no signal)	A	B	A	B	B	B	B	C	B
52	Rumsey Rd / Saw Mill River Pkwy / Cross County Pkwy Ramps	B	B	B	B	B	B	C	B	B
53	Rumsey Rd / Spruce St	C	B	B	D	C	B	D	C	B
54	Spruce St / Van Cortlandt Park Ave (all-way stop)	A	A	A	A	B	A	B	B	B
55	Van Cortlandt Park Ave and Elm St (no signal)									
	WB left/through	A	A	A	A	A	A	A	A	A
	NB left/through	B	B	B	B	B	B	B	C	C
56	Elm St and Walnut St	B	B	B	B	B	B	B	C	C
57	Elm St and Linden Pl (all-way stop)	A	B	A	B	B	A	B	C	B
58	Saw Mill River Pkwy SB On-Off Ramp and Lockwood Ave (no signal)									
	EB left/through	A	A	A	A	A	A	A	A	A
	SB left/through	C	D	C	D	E	C	E	F	E
59	Saw Mill River Pkwy NB On-Off Ramp and Palmer Rd (no signal)									
	EB left/through	A	A	A	A	A	A	A	A	A
	NB left/through	F	F	E	F	F	F	F	F	F
60	Nepperhan Ave and Executive Blvd	C	C	C	C	D	C	D	D	C

As shown in the table above, the proposed Project offers an opportunity to improve operations at four locations, over and above the operations of the existing or No-build conditions. Intersections 1 through 51 are within the traffic study area, while intersections 52 through 60 are part of an alternate route through Nodine Hill which was also analyzed in Section III.E, “Transportation, Traffic and Parking”. Most intersections would not operate at an unacceptable LOS, nor would the change in operations (i.e., mitigated change in level of service) be considered significant or adverse. However, the mitigated conditions at the Saw Mill River Parkway southbound ramp (see Intersection No. 58, southbound left and through movements) would operate at LOS E and F. The AM condition would drop from LOS D to LOS E; the PM condition would drop from LOS E to LOS F and the greatest change would be during the Saturday condition, with a drop from LOS C to LOS E.

The Saw Mill Parkway Ramps at Lockwood Avenue are located outside the environmental justice study area. It is not expected that adverse impacts of the Project at that intersection would disproportionately impact the identified communities of concern. Furthermore, the air quality screening for particulate matter (see Section III.G of this DEIS) indicates no significant adverse impacts from traffic-induced changes in air quality at this intersection.

The traffic study also presents an analysis to determine whether the Yonkers local and collector street system could accommodate the additional traffic associated with the proposed ballpark, which would operate with non-standard peak hours, when the bulk of cars exiting the area would be particularly noticeable. As referenced above, the Applicant also analyzed a route through the Nodine Hill neighborhood as an alternate means for reaching the Saw Mill Parkway. However, it is the Applicant's opinion that this would not be viewed as a viable route by most Project patrons and visitors, given the topography, the lack of signage, the narrow and congested roadway system through Nodine Hill, and the presence of multiple stop signs and traffic signals. In any event, the results of the traffic analysis indicate that the local and collector street system can handle the additional traffic, with the addition of police officers and/or traffic control personnel to direct traffic to and from parking areas. Refer to Section III.E of this DEIS "Traffic, Transportation and Parking" as noted above.

Public parking for the Project would be provided within the garages at River Park Center, Government Center and the Cacace Center (see Chapter III.E.1 of this DEIS). They would accommodate approximately 5,000 vehicles. According to the parking analysis, it is anticipated that off-street and on-street parking would be adequate to accommodate the accumulated parking demand. Therefore, it would be unnecessary for traffic to circulate through adjacent neighborhoods for parking, and significant adverse impacts would not occur. The sequencing of the Project construction is designed such that new replacement parking will be provided for residents and existing business patrons throughout the construction period (e.g. the proposed redevelopment of the existing City Hall parking garage on New Main Street would not occur until Cacace Center parking garage has been completed). In addition, temporary and replacement parking for residents and business will be provided at several parking lots in the Project area (see Chapter III.M *Construction Impacts* and Exhibits III.M-18, II-49, II-49a, II-49b and II-49c for location of parking locations).

Given that the impacts of Project traffic can be adequately mitigated, no significant adverse traffic impacts to identified communities of concern are anticipated.

(b) Air Quality

According to Section III.G (Air Quality) of this DEIS, Yonkers is in non-attainment with federal and state standards for PM_{2.5} (fine particulate matter) and O₃ (ozone). The Clean Air Act requires that each state identify areas where National Ambient Air Quality Standards (NAAQS) for criteria pollutants are exceeded, and designates these areas as “nonattainment” areas. Areas that meet the NAAQS for a criteria pollutant are designated as being in “attainment” of the air quality standards for that pollutant. Some “nonattainment” areas are subcategorized based on the severity of air contaminant concentrations (marginal, moderate, serious, severe, and extreme for ozone; and moderate and serious for PM₁₀ and CO). According to the USEPA, Westchester County, New York’s attainment status with respect to the NAAQS is listed in Table III.G-3.

The results of a three-level screening process indicate that none of the 60 intersections analyzed in the traffic study would be so significantly changed by the proposed Project as to rise to the level requiring mobile source modeling for the air quality analysis. See Section III.G “Air Quality.” From these results, it was concluded that Project-related traffic emissions would not have a significant air quality impact. In addition, stationary source emissions from parking garages would not have a significant air quality impact.

The estimated one-hour and eight-hour CO concentrations from the River Park Center parking garages do not result in a significant impact. Refer to Section III.G, “Air Quality.” However, due to existing sources of particulate matter created by the American Sugar Refinery, Inc. facility on the Hudson River that may affect the Palisades Point, it would be necessary to locate air intakes for these buildings in the manner described in the Section III.G. The new buildings, however, would not house a community of concern.

Final building designs and equipment schedules for Project components such as boilers, emergency generators, etc. are not yet available, but it is not anticipated that any of these equipment items would be classified as major stationary sources of pollution.

It is anticipated that there would be no significant adverse impacts to air quality for communities of concern as a result of the proposed Project. However, short term air quality impacts related to construction are possible. These are discussed below under “Construction.”

(c) Hazardous Materials

Phase I environmental site investigations have been performed for all of the constituent development sites. Of the four, issues of concern relate to the River Park Center site. The River Park Center site has been accepted into the New York State voluntary Brownfield Cleanup Program (BCP) based on

historical information that most of the parcels are likely contaminated with petroleum, solvents and/or metals. As part of the BCP, a Remedial Investigation Work Plan would be completed. Until then, remediation activities are neither defined nor finalized. However, possible activities include: removal of contaminated soils, rocks and foundations and appropriate disposal; prevention of uncontrolled contaminated groundwater discharge back to the ground or surface water; and, elimination of sources of contamination and cleaning of Saw Mill River and its sediments. Mitigation of these short-term impacts would likely include: a stabilized construction entrance and exit area with a clean gravel roadway and a truck wash; erosion control measures and site perimeter security fencing; air monitoring stations; and, dust suppression. The Remedial Investigation Work Plan would be subject to approval by NYSDEC and the Westchester County Department of Health.

Residents in the surrounding neighborhoods and workers will be protected during the cleanup process. The same health controls designed to protect the site workers, who would be most immediately affected, would be adequate to protect at-risk residents in identified communities of concern.

The clean up of the River Park Center site in accordance with applicable regulation would be a substantial and positive environmental benefit of the Project. With the appropriate measures in place during the remediation process, it is anticipated that there would be no significant adverse impacts to communities of concern as a result of hazardous materials.

(d) Noise

Potential noise impacts are analyzed based on the projected incremental difference between future conditions with and without the Project. For the proposed Project, potential noise impacts could occur as a result of the following factors: Project-generated traffic, operations at the proposed ballpark and noise generated at the Palisades Point development. Each of these factors is analyzed in Section III.F of this DEIS, "Noise" and their potential to impact communities of concern is discussed below. Short term noise impacts related to construction are also possible. These are discussed below under "Construction."

As detailed in Section III.F, two intersections were identified for more detailed noise modeling analysis following the initial screening procedure. The results indicate that Project related noise increases at those intersections are at the 3 dBA threshold detectable by the human ear, but below the 5 dBA increase considered to be a significant impact.

Potential noise at the proposed ballpark is most likely to come from crowd noise and the Public Address (PA) system. The results of the noise modeling indicate the proposed ballpark would result in noise increments during

baseball game events that are lower than existing peak noises from other sources. Ballpark-generated noise is most likely to be perceptible to residents of the two River Park Center towers. As these are expected to be market-rate units, there is no disproportionate impact to a community of concern.

Although concert-related noise from speakers would be directed toward the seats and a substantial amount would be absorbed by them, some noise is expected to spill over to the surrounding areas. It is assumed that twelve concert events would occur at the ballpark each year. The periodic noise from concerts would be perceptible to all non concert-goers. The identified communities of concern could be adversely affected by the spill-over noise from the concerts, especially given that most concerts would be expected to occur at night during the temperate seasons of the year. The impacts on the communities of concern could be significant and adverse. The mitigating factor would be that the concerts would be relatively short, and the duration of the impact would be limited and finite. (See Section III.F, “Noise”).

Fireworks displays may occur at the ballpark. Fireworks explosions can be heard from five to ten miles away because they occur high in the air. These explosions would be much larger than ballpark crowd noise or concert noise, but they would be short in duration. Given the anticipated infrequency of fireworks displays, it is not expected that there would be a significant adverse impact on the communities of concern, who would be able to enjoy the fireworks displays as well. However, the noise analysis notes that fireworks displays are often undertaken after minor league baseball games; the City may wish to limit fireworks displays as post-game events as a mitigation measure.

If the HVAC units at Palisades Point are placed on the rooftop, it is likely to cause a noise impact for the residential community along the eastern boundary of the site. If a rooftop location is chosen, “quiet designs” should be specified to limit the impact on communities of concern.

(e) Natural Resources

The Hudson River is a major resource enjoyed by the entire metropolitan region as a whole. As a result, water quality is a major issue of concern.

The development of Palisades Point would improve the quality of the stormwater that is discharged into the Hudson River from that site. As part of the Project, a stormwater management/treatment system, built in accordance with NYSDEC requirements, would be constructed to limit the discharge of particulates/pollutants to the Hudson River. In addition, as described more fully in Section III.C of this DEIS and below under Infrastructure, all Project components would be served by separate storm and sanitary sewer systems and portions of the existing combined sewer

would be eliminated. As a result, the proposed Project is neither expected to have a significant adverse impact on the hydrology of the Hudson River, nor on existing aquatic resources. In addition, no construction would occur within the Hudson River floodway, and the Project would not result in increased flooding along the largely bulkheaded Hudson River waterfront in Yonkers.

Currently, the Saw Mill River is channelized under the streets of downtown Yonkers except in several discrete locations where it is open and visible for small stretches. The Saw Mill River would be “daylighted” and appropriately landscaped at River Park Center and, if the City elects, at Larkin Plaza. The Project stormwater management/treatment system, built in accordance with NYSDEC requirements, would limit the discharge of particulates/pollutants to the Saw Mill River. As a result, the proposed Project is not expected to have a significant adverse impact on the hydrology of the Saw Mill River, nor on existing aquatic resources.

Since the proposed Project would not result in any significant adverse impacts to natural resources, it can be concluded that there would be no significant adverse impacts to communities of concern with respect to natural resources. In fact, the proposed Project would create new waterfront resources for the enjoyment of area residents.

(f) Infrastructure

The proposed Project would increase average daily water demand at the four development sites by approximately 223% to 692,000 gallons per day over existing conditions. The 12-inch water main in the eastern end of Larkin Plaza would need to be relocated due to the “daylighting” of the Saw Mill River. The City Water Bureau has noted that there is sufficient water supply available to serve the four Project sites. It is anticipated the connection of the 20-inch main in Riverdale Avenue to the 24-inch main in Elm Street would provide redundancy to the downtown area and the extension of a 20-inch main at Palisades Point would provide sufficient pressure and redundancy to that site. As a result, the proposed Project is not expected to have a significant adverse impact on water service. Even so, the proposed use of water saving fixtures would reduce the projected water demand by approximately 20%.

The proposed Project would increase average daily sanitary flows at the four development sites by approximately 92%, to 968,500 gallons per day. There would be no increase at Larkin Plaza because no development is planned there. At Larkin Plaza, the existing sewer overflow pipes would need to be rerouted to discharge directly into the enclosed section of the Saw Mill River at the western end of the park to minimize potential visual and odor impacts. During construction, all existing on-site infrastructure would be upgraded to accommodate the proposed Project and all City-owned

combined storm/sanitary systems adjacent to the sites would be separated whenever possible. An opportunity exists to separate stormwater runoff from the existing combined sewers as part of the Larkin Plaza “daylighting,” which would allow existing or future buildings in the adjacent area to be connected to the new storm drain system. The proposed Project is not expected to have a significant adverse impact on storm drainage or sanitary sewers.

Natural gas and electric demand for the proposed Project have not yet been determined. Energy conservation features and appliances would be incorporated into the Project. Once gas and electric loads are calculated, projected demand would be submitted to Con Edison, which will provide gas and electric service. Con Edison has preliminarily indicated that gas and electric service would be available but that some improvements to feeder lines may be necessary. Con Edison will provide electric and gas service to the four development sites and will include off-site improvements and associated equipment. All new utilities, including electric, gas, telephone and cable services, would be located underground. The proposed Project is not expected to have a significant adverse impact on gas, electric, telephone or cable service.

Since the proposed Project would not result in any significant adverse impacts to gas, electric, telephone or cable service, it can be concluded that there would be no significant adverse impact to communities of concern with respect to infrastructure. In fact, the new modern underground gas and electric systems would likely result in greater reliability and the gas systems would potentially reduce pollution relative to existing oil-based systems.

Lighting fixtures for the proposed ballpark at River Park Center would provide a level of illumination sufficient for sporting events. Additional lighting will be provided for people walking around the exterior of the ballpark and for those walking to the parking garage after the game. Specifically, the spillover light on streets surrounding the proposed Project is anticipated to generally measure 0.1 footcandles. This intensity of light will have no adverse impact on the adjacent properties (see Section III.B of this DEIS). Any lighting associated with the Project would be directed inward and is not anticipated to cause an adverse impact on the communities of concern.

(g) Construction

Each Project site would be a separate and distinct construction area. Temporary impacts directly associated with construction at these four sites could fall into two categories: interruptions to City services currently located at one of the sites or environmental impacts such as fugitive dust, construction-related traffic and noise. Section III.M “Construction Impacts” outlines potential short-term impacts specific to construction activities at

each site and outlines the Applicant's proposed mitigation measures. To minimize any potential impacts to the surrounding areas, construction sequences have been developed for all four sites. Even so, some short-term construction-related impacts are anticipated.

Construction impacts to air quality are generally related to fugitive dust (i.e. land clearing, excavation, and demolition) and mobile source emissions (i.e. construction equipment). These fine and heavy particulates can be disturbing to all persons and especially to residents of the identified communities of concern. In recognition of the inherent nature of construction, the City of Yonkers has adopted a code regulating exhaust emissions of particulate matter from the use of diesel-powered vehicles. During construction of the Project, the potential for soil erosion and sedimentation, and the release of fugitive dust (particulates) will be controlled through the use of temporary soil erosion and sediment control measures. These measures will be designed and installed in accordance with New York Guidelines for Urban Erosion and Sediment Control, dated October 2005, and Chapter 56 of the City Code (Flood, Erosion and Sediment Control). The soil erosion and sediment control plan will minimize the downstream erosion by controlling runoff at its source, minimizing runoff from disturbed areas and de-concentrating storm water runoff. Temporary and permanent stabilization methods will be implemented before construction begins and will be continuously modified throughout the Project to provide best management practices for erosion and sediment control and pollution prevention.

According to Table III.M-2 (see Section III.M of this DEIS), the proposed Project would be constructed over a 30-month period. Only the River Park Center site would experience construction activities from the beginning to the end of the 30-month construction period; most Project components are projected for completion in one year or less within that 30-month construction period. The Cacace Center site construction would be ongoing for 20 months. Construction of the Project will involve substantial demolition and site excavation. The volume of trucks needed to move materials from and to each of the Project sites is unavoidable, and the recommended mitigation to reduce the temporary impacts to air quality from fugitive dust and from vehicle exhaust should be implemented. As noted above, the Applicant would implement an erosion and sediment control plan to control of dust resulting from site disturbance. All construction trucks would be limited to designated truck routes only, and would not be allowed to travel on local roads. While impacts during the construction period would be unavoidable, they can be controlled through careful application of mitigation techniques.

Temporary, construction-related traffic impacts to the identified communities of concern would include shifts in vehicular and foot traffic

patterns along the northern portion of New Main Street. Specific truck routes have been proposed and flagmen will be used to mitigate traffic impacts.

Noise would be generated by construction activities, including pile driving at the Palisades Point site. To mitigate these noise impacts, mufflers will be required on all equipment at all sites. Beyond the excavation phase, the most significant noise would be produced by the cranes used to erect the steel structures at the Cacace Center and River Park Center. The noise would primarily be associated with making the structural steel fit together and in terms of the overall length of the construction, would be for only a short period of time. This noise would be intermittent and limited to typical construction hours.

A temporary parking plan is proposed to address the displacement of existing public parking (see Exhibit III.M-18 in Section III-M of this DEIS). Shuttle buses will carry visitors to the Cacace Center to and from a designated parking lot on Downing Street. Temporary merchant parking has also been identified. A temporary worker parking lot has also been arranged, with workers shuttled to the various job sites.

Provided the mitigation measures described above and the additional measures identified below are implemented, it is not anticipated there would be any significant impacts to the communities of concern:

- Construction of stabilized construction entrance and exit areas with a clean gravel roadway
- Installation of fixed air monitoring stations
- Continual monitoring for dust generation and the need for dust suppression. Nuisance dust will be controlled with water trucks and tarping of stockpiled soil.

(h) Utilities

It is not anticipated that any significant utility impacts would result from construction of the proposed Project.

6. Economic and Fiscal Analysis

This section of the DEIS analyzes existing economic conditions, economic and fiscal impacts of the Project and the proposed tax increment financing.

a. Existing Conditions

(1) Existing Sales and Use Tax

To estimate the proposed Project’s sales and use tax impacts, Economic Research Associates (“ERA”) analyzed existing sales and use taxes in the Project area. Based on existing condition surveys conducted by Saccardi & Schiff, Inc., ERA has estimated current sales and use taxes generated from existing retail development. The estimate of current sales and use taxes assumes sales revenues of \$200 per square foot⁷ for approximately 110,400 square feet of retail currently existing in the Project area. The calculation reflects sales tax exemptions on clothing, food and beverages, and personal care items.⁸

Table III. I- 17
Estimate of Current Sales and Use Taxes

Tax	NY State (4%)¹	Westchester County (1.5%)	City of Yonkers (2.5%)	Metropolitan Commuter Transportation District (M CTD) (.375%)	Total
Sales and Use Tax	\$ 474,441	\$ 212,742	\$ 354,470	\$ 53,185	\$ 1,094,938
Total	\$ 474,441	\$ 212,742	\$ 354,570	\$ 53,185	\$ 1,094,938

Source: New York Department of Taxation and Finance, 2006; Westchester County Department of Finance, 2006; Economics Research Associates

(2) Existing Property Taxes

The current property tax generation from privately-owned land located wholly or partially within the River Park Center site is \$505,000 of which \$82,000 is provided to the City (16%), \$324,000 to the school district (64%) (based on the current City budget) and \$99,000 to the County (29%). There are no taxes generated from the other Project sites. Table II-18 (below) lists the privately-owned tax lots that are within the Project sites. Table II-1 in Chapter II, “Description of the Proposed Action,” lists the private and public parcels that comprise the Project sites.

⁷ Source: Cappelli Enterprises

⁸ Source: Economic Research Associates. ERA's calculation of existing sales and use tax revenue reflects tax exemptions on certain clothing, food and beverage, and personal care items. Based on data from the US Census Bureau's Economic Census, ERA estimates that in the Project area 46 percent of retail sales are exempt from New York State sales tax and 36 percent of retail sales are exempt from Westchester County, City of Yonkers, and Metropolitan Commuter Transportation District sales tax.

**Table III.I-18
Privately-Owned Tax Lots Comprising the Project Sites ⁹**

Privately-Owned Tax Lots				
	<u>SECTION</u>	<u>SUBSECTION</u>	<u>BLOCK</u>	<u>LOT</u>
	156	044	0475	001
	156	044	0475	019
	156	044	0475	022
	156	044	0475	025
	156	044	0475	026
	156	044	0475	053
	156	044	0475	064
	156	044	0475	065
	156	044	0475	067
	156	044	0475	070
	156	044	0483	005
	156	044	0483	007
	156	044	0483	009
	156	044	0483	010
	156	044	0483	012
	156	044	0483	013
	156	044	0483	016
Total (36 Lots)	156	044	0484	001
	156	044	0484	003
	156	044	0484	005
	156	044	0484	008
	156	044	0484	015
	156	044	0484	051
	156	044	0484	053
	156	044	0484	055
	156	044	0484	056
	156	044	0484	057
	156	044	0484	061
	156	044	0484	063
	156	044	0487	013
	156	044	2027	054
	157	044	2027	052
	158	044	2027	051
	159	044	2027	050
	160	044	2027	048
	161	044	2027	045

Source: SFC

⁹ For comparison of privately-owned tax lots shown in Table III.I-18 and in the proposed tax increment financing project area, reference Exhibits II-3 through II-9 and Exhibit II-1 in Appendix 1.F of this DEIS.

(3) Existing Employment

The existing businesses at the River Park Center site include retail and service jobs. Based on the Applicant’s observation and discussions with each owner, the estimated number of jobs is 175 full time and part time positions. There are no jobs at the other sites.

b. Anticipated Impacts

ERA has conducted an analysis of economic and fiscal impacts for the proposed Project. The Project includes approximately 483,700 square feet of retail space; 90,000 square feet of restaurant space, 1,386 residential units; 150 hotel rooms; 475,000 square feet of office space, a 80,000 square feet and multiplex cinema space, and a 6,500 seat minor league ballpark. For economic analysis purposes, the ballpark is analyzed separately from the balance of the Project.

The purpose of ERA’s study is to quantify the expected economic and fiscal benefits to be generated by the Project. Specifically, ERA has examined the economic and fiscal impacts attributable to the construction and ongoing operation of the fully built-out Project.

(1) Development Overview

Table III. I-19 summarizes the overall development program for the proposed Project. The total number of square feet does not include ballpark square footage.

**Table III. I-19
Proposed Development Program**

Program Use	Size (SF)	Number of Spaces, Rooms, Seats, Screens, Units
Residential	1,717,000	1,386 units
Office	475,000	
Hotel	120,000	150 rooms
Retail	483,700	
Restaurant	90,000	
Cinema	80,000	14 screens
Ballpark	245,198	6,500 seats
Fire House	50,000	
Parking		6,793 spaces
Total ¹	±3,000,000	

¹ Numbers rounded

Table III. I-20 summarizes overall development costs of the proposed Project, including the costs to the City to improve Larkin Plaza and replace the existing public parking with a new replacement parking structure.

**Table III. I-20
Development Cost Assumptions**

Program Element	Cost
RIVER PARK CENTER/CACACE CENTER	
Hard Costs:	
Retail	\$118,750,000
Restaurant	\$ 22,500,000
Movies	\$ 20,000,000
Hotel	\$36,000,000
Office	\$ 118,750,000
Private structured parking	\$23,400,000
Public structure parking	\$110,407,500
Firehouse	\$10,000,000
Ballpark	\$ 45,000,000
Residential	\$ 427,500,000
Daylighting – River Park Center – Riverwalk	\$ 15,000,000
Total Hard Costs	\$947,307,500
Soft Costs	\$ 295,292,250
Subtotal	\$ 1,242,599,750
PALISADES POINT	
Hard Costs:	
Retail	\$ 2,175,000
Private Structured Parking	\$ 10,350,000
Public Structured Parking	\$ 6,650,000
Public Street Parking	
Residential Units	\$ 255,060,000
Total Hard Costs	\$ 274,235,000
Soft Costs	\$ 84,070,500
Subtotal	\$ 358,305,500
LARKIN DAYLIGHTING	
Public Structured Parking	\$ 2,700,000
Daylighting – Larkin Plaza	\$ 20,000,000
Total Hard Costs	\$ 22,700,000
Soft Costs	\$ 11,310,000
Subtotal Costs	\$ 34,010,000
TOTAL DEVELOPMENT COST	\$1,634,915,250

Source: SFC Partnership; Economic Research Associates

(a) Overview and Key Assumptions

- In conducting the analysis ERA made the following key assumptions:
- Economic impacts from construction occur on a one-time basis.
- Economic impacts from operations occur on an annual basis.
- Local firms will supply goods and services required for construction and operations.
- Sufficient market demand exists to achieve a high level of stabilized occupancy.

Economic and fiscal impacts from operations are presented on a stabilized-year basis. All figures are presented in 2006 dollars.

ERA has worked with relevant municipal, local, and state financial agencies to determine the specific tax rates and revenue-sharing policies that apply for each fiscal category and relevant jurisdiction. The analysis assumes that there are no changes to the current tax regime.

(2) Economic Impacts

To estimate the total economic output, earnings, and employment that may be generated by the proposed Project, ERA has conducted a regional economic analysis.

(a) Overview of Regional Economic Analysis

ERA relies on an Input/Output (I/O) model to estimate multiplier effects, as discussed in detail below. Regional economic analysis and I/O models in particular provide a means to estimate total regional effects stemming from a change in a particular industry. Specifically, I/O models produce quantitative estimates of the magnitude of regional economic activity resulting from a specified change in the regional economy. I/O models rely on multipliers that mathematically represent the relationship between the initial change in one sector of the economy and the effect of that change on economic output, income, or employment in other regional industries.

Regional economic analysis provides a means of estimating the significance of economic activity in a regional economy by quantifying contributions to output and employment. Because industries in a geographic area are interdependent, the total economic contribution of any one specific project will be larger than its individual (direct) effect on regional output and employment, a concept referred to as the “multiplier” effect. Industries in a geographic region are interdependent in the sense that they both purchase output from and supply input to other industries in the region.

This regional economic analysis relies on the Regional Input-Output Modeling System (RIMS II), an I/O model maintained by the U.S. Department of Commerce, Bureau of Economic Analysis (BEA). The

RIMS model allows economic analysts to estimate the economic impacts resulting from specific changes in a regional economy. According to BEA, RIMS-generated results should be considered “approximate order-of-magnitude estimates of impacts.” BEA also suggests that RIMS multipliers are best suited for estimating the impacts of small changes on a regional economy.

(b) Interpretation of Model Results

In order to estimate economic impacts using an I/O model, the analyst must first posit an initial change in output or employment within a specific sector. The model then translates the initial change into changes in demand for output from other interdependent sectors, corresponding changes in demand for inputs to those sectors, and so on. These effects are commonly described as direct, indirect or induced, and are generally defined as follows:

- The direct effect represents the change in output attributable to a change in demand or supply. For example, the total revenue associated with the proposed Project would represent the direct impact of the proposed Project on the City of Yonkers economy.
- The indirect effect results from industry-to-industry transactions. This effect is a measure of the change in the output of suppliers linked to the industry that is directly affected.
- The induced effect consists of impacts from employee spending in the regional economy. Employees of directly and indirectly affected businesses contribute to this effect.
- The total impact is the sum of the direct, indirect and induced effects. The total effect measures the impact of an activity as it ripples through the regional economy.

ERA then reports the regional economic effects described above in three categories:

- Output (or sales) represents the change in regional sales or revenue.
- Employment represents the change in the number of jobs in the regional economy resulting from a change in regional output. Employment impacts are reported on a full-time-equivalent (FTE) basis.
- Earnings (or employee compensation) represent the change in employee income in the regional economy resulting from a change in regional output.

(c) One-Time Construction Period Impacts of the Proposed Project

To estimate the one-time economic impact resulting from the construction phase of the proposed Project, ERA relied on a development budget of approximately \$1.6 billion provided by the Applicant. This figure excludes the costs for land acquisition and relocation costs, if any, as these

expenditures do not contribute to new economic activity and only reflect transfer payments.

Based on the development budget assumptions regarding the breakdown of development costs by economic sector, and data from the RIMS model, ERA estimated the direct, indirect/induced, and total economic impacts resulting from construction of the proposed Project.

ERA relied on development budget information including hard costs (i.e., construction costs) and soft costs (i.e., costs associated with engineering, architecture, financial services, and other support services) as provided by the Applicant.

The development expenditures were then allocated to specific economic sectors. Direct spending by sector was analyzed using data from the RIMS model. The one-time direct economic impact estimates resulting from construction of the proposed development are presented in Table III. I-21.

**Table III. I-21
One-time Construction Period Direct Economic Impacts, Proposed Project
(Including Ballpark)**

Construction Activity	Output	Earnings	FTEs	Average Wages
Construction	\$1,244,243,000	\$354,771,000	6,378	\$55,600
Engineering	\$19,534,000	\$8,652,000	115	\$75,500
Architecture	\$19,534,000	\$9,524,000	115	\$83,100
Financial Institutions	\$175,803,000	\$37,878,000	377	\$100,400
Other Support Services	\$175,803,000	\$30,570,000	716	\$42,700
Total	\$1,634,915,000	\$441,395,000	7,701	\$57,300

Source: SFC Partnership; RIMS II Calculations by Economics Research Associates

I.) Direct Impacts from Construction

The construction phase of the proposed Project is projected to support direct employment of approximately 7,701 full-time equivalent (FTE) jobs with associated wages of over \$441.4 million. This level of employment will be spread out over the development time horizon. For example, if development of the proposed Project is completed in two years, the annual employment level supported by the Project is estimated to be approximately 3,851 jobs with associated annual wages of \$220.7 million. Direct employment supported by the proposed Project is estimated to include approximately 6,378 construction jobs, 115 engineering jobs, 115 architecture jobs, 377 finance jobs (e.g., construction loan bankers, loan correspondents, mortgage bankers), and

716 support service jobs. Average annual wages are expected to be approximately \$57,300.

Table III. I-22
One-time Construction Period Economic Impacts, Proposed Project
(Including Ballpark)

Impact	Output	Earnings	FTEs	Average Wages
<u>Westchester County</u>				
Direct Impact	\$1,634,915,000	\$441,395,000	7,701	\$57,300
<u>Indirect/ Induced Impact</u>	<u>\$1,048,999,000</u>	<u>\$286,759,000</u>	<u>5,570</u>	<u>\$51,500</u>
Total Impact	\$2,683,914,000	\$728,154,000	13,271	\$54,900
<u>New York State</u>				
Direct Impact	\$1,634,915,000	\$441,395,000	7,701	\$57,300
<u>Indirect/ Induced Impact</u>	<u>\$1,546,410,000</u>	<u>\$345,337,000</u>	<u>7,275</u>	<u>\$47,500</u>
Total Impact	\$3,181,325,000	\$786,732,000	14,976	\$52,500

Source: SFC Partnership; and RMSII Calculations by Economics Research Associates

2.) Indirect/Induced Impacts from Construction

ERA estimates that the construction phase of the proposed Project will support indirect/induced employment of approximately 5,570 jobs with associated wages of roughly \$286.8 million in Westchester County. Average annual wages are expected to be approximately \$51,500. In New York State, the proposed Project will support indirect/induced employment of approximately 7,275 jobs with associated wages of roughly \$345.3 million. Average annual wages are expected to be approximately \$47,500.

3.) Total Impacts from Construction

ERA estimates that development of the proposed Project will support a total of approximately 13,271 jobs with associated earnings of \$728.2 million. The one-time total economic output supported by the proposed Project is estimated at \$2.7 billion in Westchester County. Average annual wages are expected to be approximately \$54,900. In New York State, the proposed Project will support total employment of approximately 14,976 jobs with associated wages of roughly \$786.7 million. The one-time total economic output supported by the proposed Project is estimated at \$3.2 billion. Average annual wages are expected to be approximately \$52,500.

(d) Annual Recurring Economic Impacts

ERA has conducted an annual recurring economic impacts analysis of the proposed Project. The ballpark and the other components of the proposed Project are analyzed separately, with summary results provided in Table III. I-25.

1.) Proposed Project

Based on the published industry standards from sources such as the Urban Land Institute and the International Council of Shopping Centers, and comparable, regional information from the Applicant and ERA’s professional project experience, ERA has developed a set of employment assumptions for use in this analysis. ERA has assumed that the new Fire Department Headquarters will not generate any new jobs and it is therefore not included as part of this analysis.

2.) Operations Impact

As detailed in Table III.I-23, direct jobs include approximately 55 jobs associated with services to residential units; 1,900 office jobs; 75 hotel jobs; 1,209 retail jobs; 225 restaurant jobs; and 96 jobs associated with cinema operations. Employment calculations are based on ERA’s institutional knowledge of mixed-use development projects in New York State and throughout the United States.

**Table III. I-23
Ongoing Operations Direct Jobs Summary**

Ongoing Operations	GSF ¹	Units/Keys/Seats/Spaces/ Screens	Basis for Employment Calculation	Direct Employment
Residential	1,717,724	1,386	1 per 25 units	55
Office	475,000		1 per 250 SF	1,900
Hotel	120,000	150	.50 per key ²	75
Retail	483,700		1 per 400 SF	1,209
Restaurant	90,000		1 per 400 SF	225
Cinema	80,000	16 screens	6 per screen	96
Total	3,016,424		-	3,561

Source: Cappelli Enterprises; Urban Land Institute; International Council of Shopping Centers; Economics Research Associates

¹ Gross Square Feet

² Employment calculation reflects employment at a limited-service hotel.

Using the estimates of direct employment presented in Table III. I-23 and data from the RIMS model, ERA calculated annual recurring direct economic impacts from operations, summarized in Table III. I-24.

Table III. I-24
Ongoing Operations Direct Economic Impacts Summary

Ongoing Operations	Output	Earnings	FTEs	Average Wages
Residential	\$3,945,000	\$1,063,000	55	\$19,200
Office	\$309,534,000	\$99,444,000	1,900	\$52,300
Hotel	\$10,523,000	\$2,479,000	75	\$33,100
Retail	\$112,728,000	\$26,509,000	1,209	\$21,900
Restaurant	\$14,453,000	\$3,558,000	225	\$15,800
Cinema	\$6,216,000	\$2,336,000	96	\$24,300
Total	\$457,399,000	\$135,389,000	3,561	\$38,000

Source: SFC Partnership; and RIMSII Calculations by Economics Research Associates

3.) Direct Impacts of the Proposed Project from Ongoing Operations

When fully operational, ERA estimates that the proposed Project will generate direct employment of approximately 3,561 jobs with associated annual wages of approximately \$135.4 million. Annual average wages are expected to be approximately \$38,000.

Table III. I-25
Ongoing Operations Economic Impacts Summary

Impact	Output	Earnings	FTEs	Average Wages
<u>Westchester County</u>				
Direct Impact	\$457,399,000	\$135,389,000	3,561	\$38,000
<u>Indirect/ Induced Impact</u>	<u>\$340,282,000</u>	<u>\$67,636,000</u>	<u>1,778</u>	<u>\$38,000</u>
Total Impact	\$797,681,000	\$203,026,000	5,338	\$38,000
<u>New York State</u>				
Direct Impact	\$457,399,000	\$135,389,000	3,561	\$38,000
<u>Indirect/ Induced Impact</u>	<u>\$431,428,000</u>	<u>\$91,320,000</u>	<u>2,465</u>	<u>\$37,000</u>
Total Impact	\$888,827,000	\$226,709,000	6,026	\$37,600

Source: SFC Partnership; and RIMSII Calculations by Economics Research Associates

4.) Indirect/Induced Impacts of the Proposed Project from Ongoing Operations

When fully operational, ERA estimates that the proposed Project will generate approximately 1,778 indirect/induced jobs with associated annual wages of \$67.6 million in Westchester County. Average annual wages are expected to be approximately \$38,000. In New York State, the proposed Project will generate indirect/induced employment of approximately 2,465 jobs with associated wages of roughly \$91.3

million. Average annual wages are expected to be approximately \$37,000.

5.) Total Impacts of the Proposed Project from Ongoing Operations

When fully operational, ERA estimates that the proposed Project will generate total employment of approximately 5,338 jobs in Westchester County. These jobs will provide \$203.0 million in wages annually. Total economic output generated by the proposed development is estimated at \$797.7 million annually in Westchester County. Average annual wages are expected to be approximately \$38,000. In New York State, the proposed Project will generate total employment of approximately 6,026 jobs with associated wages of roughly \$226.7 million. Total economic output generated by the proposed development is estimated at \$888.8 million annually. Average annual wages are expected to be approximately \$37,600.

6.) Proposed Ballpark

The proposed ballpark will consist of 6,500 seats, including luxury suites. In addition, the facility will offer food services and retail opportunities. ERA relied on data provided by Westchester Baseball, LLC (the anticipated operator of the ballpark) to estimate the potential economic and fiscal impact attributable to the proposed ballpark.

The team owned and operated by Westchester Baseball LLC will likely be a member of the Atlantic League of Professional Baseball Clubs, Inc. (“Atlantic League”). The league is headquartered in Camden, New Jersey and consisted of eight teams in the 2007 season:

- Bridgeport Bluefish
Stadium: Harbor Yard (capacity: 5,300)
Bridgeport, Connecticut
www.bridgeportbluefish.com
- Camden Riversharks
Stadium: Campbell’s Field (capacity: 6,425)
Camden, New Jersey
www.riversharks.com
- Lancaster Barnstormers
Stadium: Clipper Magazine Stadium (capacity: 6,200+)
Lancaster, Pennsylvania
www.lancasterbarnstormers.com
- Long Island Ducks
Stadium: Citibank Park (capacity: 6,002)
Central Islip, New York

www.liducks.com

- Newark Bears
Bears & Eagles Riverfront Stadium (capacity: 6,200)
Newark, New Jersey
www.newarkbears.com
- Somerset Patriots
Commerce Bank Ballpark (capacity: 6,100)
Bridgewater, New Jersey
www.somersetpatriots.com
- Southern Maryland Blue Crabs
Stadium: Regency Furniture Stadium (capacity: 6,000)
Waldorf, Maryland
www.somdbluecrabs.com
- York Revolution
Stadium: Sovereign Bank Stadium (capacity: 5,200)
York, Pennsylvania
www.yorkrevolution.com

Westchester Baseball LLC has an ownership interest in the Bridgeport Bluefish. The financial assumptions included below are based in part on the operating experience of the Bridgeport Bluefish as well as the unique market conditions of Yonkers.

In addition to the operating experience of Westchester Baseball LLC, the Applicant development partnership includes the owner/operator of the Newark Bears team (the Fidelco Group). The financial assumptions included below are also based in part on the operating experience of the Newark Bears.

Revenue for a typical Atlantic League minor league team comes from a variety of sources. In addition to the ticket sales from spectators, revenue is derived from food, beverage and merchandise sales to game attendees. Sponsorship serves as a key revenue source; advertising on the stadium scoreboard and billboards, promotions and print advertising all contribute to revenue. Additionally, revenue can be derived stadium naming rights and stadium rental income for other events.

Operating expenses for a minor league baseball team are similar to a traditional business. A team has administrative costs associated with operating a business (office, insurance, IT/telephony, etc.); facilities expenses tied to the operations of a stadium; baseball operations

including travel expenses, salaries, wages, and other employee-related costs; and rent payable for the use of the baseball stadium.

As shown in Table III. I-26, the ballpark will host 68 minor league home games each season. The 2008 Atlantic League schedule calls for each team to play 140 games (70 home dates and 70 road dates). In addition, it will support other events such as college and high school-level games, youth clinics, fantasy camps, and concerts. There will be approximately 50 of these other events each year. Westchester Baseball LLC estimates that an average of nearly 4,900 home game tickets will be sold to each game. This average game attendance assumption is supported by 2007 figures from the Atlantic League teams results. Other events will average roughly 500 ticket sales each (e.g., concerts, college/high school events, etc.). In sum, Westchester Baseball, LLC anticipates that over 354,000 tickets will be sold for baseball games and other events at the proposed ballpark. These projections are consistent with the general operating results of other Atlantic League teams.

As shown in Table III. I-26, Westchester Baseball, LLC estimates that stadium-related revenues will total nearly \$7.4 million, annually. These revenues include approximately \$3.1 million in revenue from home game ticket sales, \$2.1 million in revenue from food concessions, \$1.0 million in revenue from advertising, \$500,000 in revenue from merchandise sales, \$300,000 in revenue from parking, \$300,000 in revenue from the sale of tickets to other events, and \$40,000 in revenue from television and radio contracts.

Westchester Baseball, LLC estimates that operating expenses (excluding yet-to-be-determined lease payments) will be about \$6.0 million, annually. These costs include salaries paid to players, managers, and trainers; full-time administrative staff members, maintenance staff, and grounds keepers; and part-time security personnel, food service workers, and ticket agents. Operating costs also include materials and supplies as well as the cost of goods sold. Any operating losses associated with the stadium and baseball operations will be assumed by Westchester Baseball, LLC or any lessee of the ballpark and not by the City of Yonkers.

In addition to on-site revenue, the ballpark will support additional revenue generation in Westchester County. In particular, visiting umpires and teams will spend money at local hotels and restaurants. In total, Westchester Baseball, LLC projects that umpires will add \$24,000 in spending and visiting teams will add \$93,000 in spending within Westchester County each season.

**Table III. I-26
Yonkers Ballpark Data and Assumptions**

Operational Information	Assumption	Notes
Attendance Information		
Number of Home Games	68	
Other Events	50	Includes 25 highschool and college games, 3 concerts, 12 clinics, and 10 fantasy camps
Average Ticket Sales - Baseball	4,875	
Average Ticket Sales - Other Events	458	Ranging from 15 to 6,500 (15 kids x 12 clinics; 75 adults x 10 fantasy camps; 100 people x 25 h.s. & college games; 6,500 x 3 concerts)
Total Ticket Sales	354,400	Includes home games and other events
Total Stadium-Related Revenues		
Ticket Revenue from Home Games	\$3,066,375	Assumes average baseball ticket price is \$9.25 (including suites)
Ticket Revenue from Other Events	\$297,700	Assumes average ticket price is \$13 (including suites)
Cable TV Contracts	\$25,000	
Radio Contracts	\$15,000	
Advertising	\$1,000,000	
Concessions (Food Services)	\$2,146,148	Assumes \$9.25 spending per attendee (including suites) x 3,412 attendees per game (70 percent of the average 4,875 ticket sales)
Merchandise	\$500,000	
Parking	\$309,355	Assumes one auto per three attendees @ \$4/car
Total Stadium-Related Revenues	\$7,359,578	
Operating Expenses		
		Expenses do not reflect lease payments
Baseball Operations	\$1,117,718	
<i>Players Salaries</i>	\$275,000	
<i>Managers, Trainers Salaries</i>	\$95,000	
Ballpark Operations	\$1,750,000	
General and Administrative	\$1,345,000	
Advertising	\$400,000	
Cost of Merchandise Sold	\$225,000	
Other (Cost of Concessions)	\$1,180,382	
Total Operating Expenses	\$6,018,100	
Visitor Spending in Westchester County		
<u>Spending by Umpires</u>		
Hotel	\$17,355	Assumes 3 rooms, 89 overnights @ \$65/room (League Rates)
Restaurant	\$6,675	Assumes 3 umpires, 89 overnights @ \$25/day (Per Diem)
Total Spending by Umpires	\$24,030	
<u>Spending by Visiting Teams</u>		
Hotel	\$42,120	Assumes 18 rooms, 36 hotel overnights @ \$65/room (League Rates)
Restaurant	\$51,000	Assumes 68 per diems for 30 players, coaches, trainers @ \$25 (Per Diem)
Total Spending by Visiting Teams	\$93,120	

Source: Westchester Baseball LLC

The Atlantic League's stated mission (from their website – www.atlanticleague.com) is to “bring a high level of professional baseball and affordable family entertainment to selected communities not presently being served by Major League or Minor League teams.” While several of the league's teams are in close proximity to Major League Baseball clubs (e.g., Camden Riversharks and Philadelphia Phillies, Long Island Ducks and New York Mets), they offer different entertainment than the Major Leagues at significantly less expensive ticket prices. Generally, minor league and Major League teams are viewed by fans as distinct experiences and do not compete for the same patron dollars.

ERA relied on the data provided in Table III.I-26 to estimate economic impacts attributable to the operation of the proposed ballpark.

Specifically, ERA estimated direct employee earnings and full-time-equivalent jobs (FTEs) from the ballpark revenue projection provided by Westchester Baseball LLC.

Direct impacts associated with the proposed ballpark are presented in Table III.I-27. As shown, the proposed ballpark is anticipated to generate a direct impact of nearly \$7.5 million in revenue within Westchester County. Of this revenue, ERA estimates that over \$1.7 million will be paid out as employee earnings. Overall, the operation of the proposed ballpark will directly support approximately 77 FTE jobs. Due to the nature of the ballpark operations, many jobs may be seasonal. However, employment is reported here as annual full-time-equivalent positions (i.e., adjusted for seasonality).

The ballpark will generate about \$4.4 million in revenue from ticket sales, media contracts, and advertising. ERA estimates that these revenues will support nearly \$1.0 million in employee earnings and 34 FTE jobs. Food service offerings at the ballpark will generate about \$2.1 million in revenue, \$528,000 in earnings, and 33 FTE jobs. Retail sales at the ballpark will total approximately \$500,000, enough to support \$118,000 in earnings and five FTE jobs. Parking for the ballpark will generate approximately \$309,000 in revenue, \$68,000 in earnings, and over three FTE jobs. In addition, local spending on hotels and restaurants by visiting umpires and teams will have a direct impact of \$117,000 in revenue, \$28,000 in earnings, and more than one FTE job.

Table III. I-27
Ongoing Operations Direct Economic Impacts Summary, Proposed Ballpark

Ongoing Operations	Output	Earnings	FTEs	Average Wages
On-Site Activities				
Ballpark and Franchise	\$4,404,000	\$984,000	34	\$28,900
Food Service	\$2,146,000	\$528,000	33	\$15,800
Retail	\$500,000	\$118,000	5	\$21,900
Parking	\$309,000	\$68,000	3	\$20,300
<i>On-Site Activity Subtotal</i>	<i>\$7,360,000</i>	<i>\$1,698,000</i>	<i>76</i>	<i>\$22,300</i>
Off-Site Activities				
Hotel	\$59,000	\$14,000	0	\$33,100
Restaurant	\$58,000	\$14,000	1	\$15,800
<i>Off-Site Activity Subtotal</i>	<i>\$117,000</i>	<i>\$28,000</i>	<i>1</i>	<i>\$21,300</i>
Total	\$7,477,000	\$1,727,000	77	\$22,300

Source: Westchester Baseball LLC; RIMS II; Economics Research Associates

Considering indirect and induced economic effects attributable to operation of the proposed ballpark, ERA estimated a total economic

impact on Westchester County revenue of approximately \$12 million, annually. These revenues will support over \$2.5 million in employee earnings and approximately 94 FTE jobs. In New York State, the ballpark will generate nearly \$15 million in economic output. These revenues will support over \$2.9 million in employee earnings and approximately 104 FTE jobs.

**Table III. I-28
Ongoing Operations Economic Impacts Summary, Proposed Ballpark**

Impact	Output	Earnings	FTEs	Average Wages
<u>Westchester County</u>				
Direct Impact	\$7,477,000	\$1,727,000	77	\$22,000
<u>Indirect/ Induced Impact</u>	<u>\$4,705,000</u>	<u>\$816,000</u>	<u>16</u>	<u>\$5,000</u>
Total Impact	\$12,182,000	\$2,543,000	94	\$27,000
<u>New York State</u>				
Direct Impact	\$7,477,000	\$1,727,000	77	\$22,000
<u>Indirect/ Induced Impact</u>	<u>\$7,395,000</u>	<u>\$1,172,000</u>	<u>26</u>	<u>\$6,000</u>
Total Impact	\$14,871,000	\$2,898,000	104	\$28,000

Source: Westchester Baseball LLC; RIMS II ; Economics Research Associates

7.) Proposed Project, including Ballpark

Table III. I-29 provides a summary of the annual recurring economic impacts from the proposed Project including the ballpark.

**Table III. I-29
Summary of Annual Recurring Economic Impacts, Proposed Project Including the Ballpark**

Impact	Output	Earnings	FTEs	Average Wages
<u>Westchester County</u>				
Direct Impact	\$464,876,000	\$137,116,000	3,638	\$37,700
<u>Indirect/ Induced Impact</u>	<u>\$344,987,000</u>	<u>\$68,453,000</u>	<u>1,794</u>	<u>\$38,200</u>
Total Impact	\$809,863,000	\$205,569,000	5,432	\$37,800
<u>New York State</u>				
Direct Impact	\$464,876,000	\$137,116,000	3,638	\$37,700
<u>Indirect/ Induced Impact</u>	<u>\$438,822,000</u>	<u>\$92,492,000</u>	<u>2,491</u>	<u>\$37,100</u>
Total Impact	\$903,698,000	\$229,608,000	6,129	\$37,500

Source: SFC Partnership; and RIMS II Calculations by Economics Research Associates

8.) Direct Impacts of the Proposed Project (Including Ballpark) from Ongoing Operations

When fully operational, ERA estimates that the proposed Project, including the ballpark, will generate direct employment of

approximately 3,638 jobs with associated annual wages of approximately \$137.1 million. Annual average wages are expected to be approximately \$37,700.

9.) Indirect/Induced Impacts of the Proposed Project (Including Ballpark) from Ongoing Operations

When fully operational, ERA estimates that the proposed Project, including the ballpark, will generate approximately 1,794 indirect/induced jobs with associated annual wages of \$68.5 million in Westchester County. Average annual wages are expected to be approximately \$38,200. In New York State, the proposed Project, including the ballpark, will generate approximately 2,491 indirect/induced jobs with associated annual wages of \$92.5 million. Average annual wages are expected to be approximately \$37,100.

10.) Total Impacts of the Proposed Project (Including Ballpark) from Ongoing Operations

When fully operational, ERA estimates that the proposed Project, including the ballpark, will generate total employment of approximately 5,432 jobs in Westchester County. These jobs will provide nearly \$205.6 million in wages annually. Total economic output generated by the project is estimated at \$809.9 million annually in Westchester County. Average annual wages are expected to be approximately \$37,800. In New York State, ERA estimates that the proposed Project, including the ballpark, will generate total employment of approximately 6,129. These jobs will provide nearly \$229.6 million in wages annually. Total economic output generated by the project is estimated at \$903.7 million annually. Average annual wages are expected to be approximately \$37,500.

c. Fiscal Impacts

(1) The Proposed Project excluding the Ballpark

Based on the development and operating program provided to ERA by the Applicant, ERA has prepared a comprehensive analysis of the income, sales and use, hotel, mortgage recording, and real estate transfer taxes that the proposed Project excluding the ballpark can be expected to generate in a stabilized year for the City of Yonkers, Westchester County, and the State of New York. Corporate business taxes are also generally discussed, in subsection c. (1) (e), below. Analysis of the fiscal impacts of the proposed minor league ballpark is presented in Section c. (2), below.

(a) Personal Income Tax

Personal income tax for the State of New York is calculated based on adjusted gross income (AGI), which accounts for standard deductions and exemptions. For this analysis, ERA calculated personal income tax

impacts generated by the proposed Project's direct and indirect employees for the ongoing operations and construction period. In addition, ERA estimated personal income tax revenues associated with residents because the City of Yonkers imposes a personal income tax resident surcharge on residents and non-residents.

The City of Yonkers imposes a personal income tax surcharge on resident and nonresident incomes. The City of Yonkers personal income tax resident surcharge is equal to 10 percent of New York State tax liability; the nonresident surcharge is equal to 0.5 percent of wages and self-employment, after an allowable exclusion of up to \$3,000, which phases out when earning exceed \$30,000. Accordingly, ERA has calculated resident and nonresident personal income tax surcharge impacts generated by the proposed Project's employees as well as those impacts generated by the residents of the proposed development who are new to the City of Yonkers.

Based on journey-to-work information from the U.S. Census (specific for the City of Yonkers), ERA assumed that 46.0 percent of the proposed Project's employees will be Yonkers residents and 54.0 percent will be nonresidents. Also, based on information provided by the Applicant related to their recent professional project experience in White Plains, NY, ERA assumed 80.0 percent of the proposed Project's residents would be considered new residents to the City of Yonkers. It is the opinion of ERA that the Project will attract a higher percentage of new residents to Yonkers than historical data for the City indicate due to the anticipated market positioning of the residences.

1.) Personal Income Tax Impacts, Ongoing Operations Employees

ERA assumed a single or married filing separately filing status to calculate personal income tax impacts generated by the proposed Project's employees. ERA estimated direct and indirect personal income tax revenues by applying New York marginal personal income tax rates to projected average wages that were adjusted to reflect the \$7,500 standard deduction¹⁰ for a single filer. Table III. I-30 shows the marginal tax rates used to estimate personal income taxes for the proposed Project's employees.

¹⁰ Standard deduction based on information from the New York State Department of Taxation and Finance

Table III. I-30
New York State Personal Income Tax Rates - Single and Married Filing Separately

Income	NY Income Tax
less than or equal to \$8,000	4%
> \$8,000 or ≤ \$11,000	\$320 plus 4.5% of the excess over \$8,000
> \$11,000 or ≤ \$13,000	\$455 plus 5.25% of the excess over \$11,000
> \$13,000 or ≤ \$20,000	\$560 plus 5.9% of the excess over \$13,000
> \$20,000 or ≤ \$100,000	\$973 plus 6.85% of the excess over \$20,000

Source: New York State Department of Taxation and Finance, 2006

ERA projects the employees of the proposed Project excluding the ballpark will generate a total of nearly \$6.1 million in direct personal income tax revenues and approximately \$3.0 million in indirect personal income tax revenues to the State of New York. See Table III.I-31 and Table III.I-32.

Table III. I-31
NYS Personal Income Revenue Projections, Proposed Project Employees (Excluding Ballpark) – Direct Impacts Only

Program	Direct Jobs	Avg. Salary	Standard Deduction¹	Adjusted Taxable Income	PIT/ Employee	NY PIT Collections
Residential	55	\$19,169	\$7,500	\$11,669	\$490	\$27,173
Office	1,900	\$52,339	\$7,500	\$44,839	\$2,674	\$5,081,514
Hotel	75	\$33,054	\$7,500	\$25,554	\$1,353	\$101,508
Retail	1,209	\$21,922	\$7,500	\$14,422	\$644	\$778,638
Restaurant	225	\$15,813	\$7,500	\$8,313	\$334	\$75,165
Cinema	96	\$24,336	\$7,500	\$16,836	\$786	\$75,484
Total	3,561					\$ 6,139,000

Source: New York Department of Taxation and Finance, 2006; SFC Partnership; Economics Research Associates

¹ Analysis assumes single and married filing separately filers

Table III. I –32
NYS Personal Income Revenue Projections, Proposed Project Employees (Excluding Ballpark)– Westchester County Indirect Impacts Only

Program	Indirect Jobs	Avg. Salary	Standard Deduction¹	Adjusted Taxable Income	PIT/ Employee	NY PIT Collections
Residential	11	\$35,123	\$7,500	\$27,623	\$1,495	\$16,802
Office	1,288	\$38,464	\$7,500	\$30,964	\$1,724	\$2,220,934
Hotel	41	\$35,664	\$7,500	\$28,164	\$1,532	\$62,434
Retail	369	\$36,249	\$7,500	\$28,749	\$1,572	\$580,099
Restaurant	50	\$35,232	\$7,500	\$27,732	\$1,503	\$74,551
Cinema	19	\$58,809	\$7,500	\$51,309	\$3,118	\$59,200
Total	1,778					\$ 3,014,000

Source: New York Department of Taxation and Finance, 2006; SFC Partnership; Economics Research Associates

¹ Analysis assumes single and married filing separately filers

As summarized in Table III. I-33 and Table III. I-34, ERA projects the employees of the proposed Project excluding the ballpark will generate a total of nearly \$641,000 in direct personal income tax surcharge revenues and approximately \$320,000 in indirect personal income tax surcharge revenues to the City of Yonkers.

Table III.I –33
Yonkers Personal Income Tax Surcharge, Proposed Project Employees (Excluding Ballpark) – Residents and Nonresidents, Direct Impacts Only

Program	Direct Jobs	Avg. Salary	Yonkers Resident Surcharge¹	Yonkers Nonresident Surcharge²	Total
Residential	55	\$19,169	\$1,238	\$2,592	\$3,829
Office	1,900	\$52,339	\$231,430	\$270,769	\$502,200
Hotel	75	\$33,054	\$4,623	\$6,750	\$11,373
Retail	1,209	\$21,922	\$35,462	\$68,887	\$104,349
Restaurant	225	\$15,813	\$3,423	\$9,075	\$12,498
Cinema	96	\$24,336	\$3,438	\$6,100	\$9,538
Total	3,561		\$280,000	\$364,000	\$644,000

Source: New York Department of Taxation and Finance, 2006; SFC Partnership; Economics Research Associates

¹ Yonkers personal income tax resident surcharge equals 10% of State tax liability after nonrefundable credits

² Yonkers personal income tax nonresident surcharge equals .5% of wages and self-employment, after an allowable exclusion of up to \$3,000, which phases out when earnings exceed \$30,000

**Table III.I –34
Yonkers Personal Income Tax Surcharge, Proposed Project Employees (Excluding Ballpark) – Residents and Nonresidents, Westchester County Indirect Impacts Only**

Program	Indirect Jobs	Avg. Salary	Yonkers Resident Surcharge¹	Yonkers Nonresident Surcharge²	Total
Residential	11	\$35,123	\$765	\$1,075	\$1,840
Office	1,288	\$38,464	\$101,149	\$134,915	\$236,065
Hotel	41	\$35,664	\$2,843	\$3,957	\$6,800
Retail	369	\$36,249	\$26,420	\$36,415	\$62,835
Restaurant	50	\$35,232	\$3,395	\$4,759	\$8,155
Cinema	19	\$58,809	\$2,696	\$3,041	\$5,737
Total	1,778		\$137,000	\$184,000	\$321,000

Source: New York Department of Taxation and Finance, 2006; SFC Partnership; Economics Research Associates

¹ Yonkers personal income tax resident surcharge equals 10% of State tax liability after nonrefundable credits

² Yonkers personal income tax nonresident surcharge equals .5% of wages and self-employment, after an allowable exclusion of up to \$3,000, which phases out when earnings exceed \$30,000

2.) Personal Income Tax Surcharge Impacts, Residents

ERA assumed married filing jointly filing status to calculate personal income tax surcharge impacts generated by residents of the proposed Project who are new to the City of Yonkers. ERA first estimated direct personal income tax revenues by applying New York marginal personal income tax rates to projected average adjusted gross incomes¹¹.

Based on information provided by the Applicant related to their professional project experience in White Plains, NY, ERA assumed 80.0 percent of the proposed Project's residents would be considered new residents to the City of Yonkers. Based on residential pricing information provided by the Applicant, ERA assumed an average salary for the proposed Project's new residents of approximately \$160,000, which accounts for standard mortgage and housing costs. The number of new households reflects a five percent vacancy factor.

Table III. I-35 shows the marginal tax rates used to estimate personal income taxes for the proposed Project's new residents.

¹¹ Adjusted gross incomes account for \$7,500 per resident standard deduction as well as a \$2,000 dependent exemption based on information from the New York State Department of Taxation and Finance. According to information from the New York State Department of Taxation and Finance, the value of each dependent exemption is \$1,000. For the purposes of this analysis, ERA assumed two dependent exemptions, or the equivalent of \$2,000, per new resident filer.

Table III. I-35
New York State Personal Income Tax Rates - Married Filing Jointly

Income	NY Income Tax
less than or equal to \$16,000	4%
> \$16,000 or ≤ \$22,000	\$640 plus 4.5% of the excess over \$16,000
> \$22,000 or ≤ \$26,000	\$910 plus 5.25% of the excess over \$22,000
> \$26,000 or ≤ \$40,000	\$1,120 plus 5.9% of the excess over \$26,000
> \$40,000 or ≤ \$150,000	\$1,946 plus 6.85% of the excess over \$40,000
> \$150,000 or ≤ \$500,000	\$9,481 plus 7.25% of the excess over \$150,000
> \$500,000	\$34,856 plus 7.7% of the excess over \$500,000

Source: New York State Department of Finance and Taxation, 2006

As summarized in Table III. I-36, ERA anticipates that residents of the proposed Project new to the City of Yonkers will generate a total of approximately \$1.0 million in direct personal income tax resident surcharge revenues to the City of Yonkers.

Table III. I-36
Personal Income Tax Projections, New Residents

Program	Number of Units	Number of Households¹	Number of New Households	Adjusted Taxable Income	PIT/ Household	NY PIT Collections	Yonkers Resident Surcharge²
Residential	1,386	1,317	1,053	\$150,500	\$9,517	\$10,025,000	\$1,002,500

Source: New York Department of Taxation and Finance, 2006; U.S. Census Bureau; SFC Partnership; Economics Research Associates

¹ The Number of Households reflects a five percent vacancy factor

² Yonkers personal income tax resident surcharge equals 10% of State tax liability after nonrefundable credits

A summary of the total direct personal income tax impacts attributed to the Project's ongoing operations is present below in Table III. I-37. The proposed Project is estimated to generate close to \$6.1 million in personal income tax impacts for NY State and approximately \$1.6 million in personal income tax surcharge collections for the City of Yonkers.

Table III. I-37
Summary of Personal Income Tax Impacts, Ongoing Operations – Direct Impacts Only

	NY State	City of Yonkers
PIT Collections (including surcharges)		
Project Employees	\$6,139,000	\$644,000
Project Residents	-	\$1,002,500
Total	\$6,139,000	\$1,647,000

Source: New York State Department of Taxation and Finance, 2006; Economics Research Associates

A summary of the total indirect personal income tax impacts attributed to the Project’s ongoing operations is present below in Table III. I-38. The proposed Project is estimated to generate close to \$3.0 million in indirect personal income tax impacts for NY State and approximately \$321,000 in indirect personal income tax surcharge collections for the City of Yonkers.

Table III. I-38
Summary of Indirect Personal Income Tax Impacts, Ongoing Operations – Westchester County Indirect Impacts Only

	NY State	City of Yonkers
PIT Collections (including surcharges)		
Indirect Employees	\$3,014,000	\$321,000
Total	\$3,014,000	\$321,000

Source: New York State Department of Taxation and Finance, 2006; Economics Research Associates

3.) Personal Income Tax Impacts, Construction Period Employees

ERA assumed a single or married filing separately filing status to calculate personal income tax impacts generated by the proposed Project’s construction period employees. ERA estimated direct and indirect personal income tax revenues by applying New York marginal personal income tax rates to projected average wages that were adjusted to reflect the \$7,500 standard deduction¹² for a single filer.

ERA projects the construction period employees of the proposed Project will generate on a one-time basis a total of nearly \$23.2 million in direct personal income tax revenues and \$14.6 million in indirect personal income tax revenues to the State of New York. See Table III. I-39 and Table III. I-40.

It is very likely given the size of the proposed Project that not all of the construction period impacts will be net new to the State and to the City of Yonkers.

¹² Standard deduction based on information from the New York State Department of Taxation and Finance

Table III. I-39
NYS Personal Income Revenue Projections, Proposed Project Construction Period Employees – Direct Impacts Only

Program	Direct Jobs	Avg. Salary	Standard Deduction¹	Adjusted Taxable Income	PIT/ Employee	NY PIT Collections
Construction	6,378	\$55,620	\$7,500	\$48,120	\$2,899	\$18,492,602
Engineering	115	\$75,532	\$7,500	\$68,032	\$4,263	\$488,365
Architecture	115	\$83,136	\$7,500	\$75,636	\$4,784	\$548,033
Financial Institutions	377	\$100,416	\$7,500	\$92,916	\$5,968	\$2,251,097
Other Support Services	716	\$42,703	\$7,500	\$35,203	\$2,014	\$1,442,072
Total	7,701					\$ 23,222,000

Source: New York Department of Taxation and Finance, 2006; SFC Partnership; Economics Research Associates

¹ Analysis assumes single and married filing separately filers

Table III. I-40
NYS Personal Income Revenue Projections, Proposed Project Construction Period Employees – Westchester County Indirect Impacts Only

Program	Indirect Jobs	Avg. Salary	Standard Deduction¹	Adjusted Taxable Income	PIT/ Employee	NY PIT Collections
Construction	4,446	\$47,976	\$7,500	\$40,476	\$2,376	\$10,563,081
Engineering	89	\$63,920	\$7,500	\$56,420	\$3,468	\$307,230
Architecture	89	\$70,355	\$7,500	\$62,855	\$3,909	\$346,283
Financial Institutions	502	\$87,448	\$7,500	\$79,948	\$5,079	\$2,548,874
Other Support Services	444	\$39,731	\$7,500	\$32,231	\$1,811	\$804,775
Total	5,570					\$ 14,570,000

Source: New York Department of Taxation and Finance, 2006; SFC Partnership; Economics Research Associates

¹ Analysis assumes single and married filing separately filers

As summarized in Table III. I-41 and Table III. I-42, ERA projects the construction period employees of the proposed Project will generate a total of nearly \$2.3 million in direct personal income tax surcharge revenues and approximately \$1.4 million in indirect personal income tax surcharge revenues to the City of Yonkers.

Table III.I –41
Yonkers Personal Income Tax Surcharge, Proposed Project Construction Period Employees – Residents and Nonresidents, Direct Impacts Only

Program	Direct Jobs	Avg. Salary	Yonkers Resident Surcharge¹	Yonkers Nonresident Surcharge²	Total
Construction	6,378	\$55,620	\$842,219	\$965,977	\$1,808,197
Engineering	115	\$75,532	\$22,242	\$23,559	\$45,801
Architecture	115	\$83,136	\$24,959	\$25,931	\$50,890
Financial Institutions	377	\$100,416	\$102,523	\$103,135	\$205,658
Other Support Services	716	\$42,703	\$65,677	\$83,237	\$148,914
Total	7,701		\$1,058,000	\$1,202,000	\$2,259,000

Source: New York Department of Taxation and Finance, 2006; SFC Partnership; Economics Research Associates

¹ Yonkers personal income tax resident surcharge equals 10% of State tax liability after nonrefundable credits

² Yonkers personal income tax nonresident surcharge equals .5% of wages and self-employment, after an allowable exclusion of up to \$3,000, which phases out when earnings exceed \$30,000

Table III.I –42
Yonkers Personal Income Tax Surcharge, Proposed Project Construction Period Employees – Residents and Nonresidents, Westchester County Indirect Impacts Only

Program	Indirect Jobs	Avg. Salary	Yonkers Resident Surcharge¹	Yonkers Nonresident Surcharge²	Total
Construction	4,446	\$47,976	\$481,081	\$580,842	\$1,061,923
Engineering	89	\$63,920	\$13,992	\$15,419	\$29,412
Architecture	89	\$70,355	\$15,771	\$16,972	\$32,743
Financial Institutions	502	\$87,448	\$116,085	\$119,482	\$235,567
Other Support Services	444	\$39,731	\$36,652	\$48,078	\$84,730
Total	5,570		\$664,000	\$781,000	\$1,444,000

Source: New York Department of Taxation and Finance, 2006; SFC Partnership; Economics Research Associates

¹ Yonkers personal income tax resident surcharge equals 10% of State tax liability after nonrefundable credits

² Yonkers personal income tax nonresident surcharge equals .5% of wages and self-employment, after an allowable exclusion of up to \$3,000, which phases out when earnings exceed \$30,000

A summary of the total, direct and indirect, personal income tax impacts attributed to the Project's construction period is present below in Table III.I-43. The proposed Project is estimated to generate close to \$23.2 million in direct personal income tax impacts for NY State and approximately \$2.3 million in direct personal income tax surcharge collections for the City of Yonkers. The proposed Project is estimated to generate close to \$14.6 million in indirect personal income tax impacts for NY State and approximately \$1.4 million in indirect personal income tax surcharge collections for the City of Yonkers.

Table III. I-43
Summary of Direct and Indirect Personal Income Tax Impacts, Construction Period

	NY State	City of Yonkers
PIT Collections (including surcharges)		
Direct Impacts	\$23,222,000	\$2,259,000
Indirect Impacts	\$14,570,000	\$1,444,000
Total	\$37,792,000	\$3,703,000

Source: New York State Department of Taxation and Finance, 2006; Economics Research Associates

(b) Sales, Use and Hotel Taxes from the Proposed Project Excluding the Ballpark

ERA projected sales and use, and hotel tax revenues from the proposed Project (excluding the ballpark) by estimating the taxable sales generated by the retail and hotel components. Retail and hotel sales per square foot/room assumptions are based on pro-forma operating data for the proposed retail components provided by the Applicant. A summary of sales and use, and hotel tax rates by jurisdiction is presented in Table III. I-44.

Table III. I-44
Sales & Use and Hotel Tax Rate Summary (Excluding Ballpark)

Jurisdiction	Sales and Use Tax¹	Hotel Tax²
NY State	4.0%	-
Westchester County	1.5%	3.0%
City of Yonkers	2.5%	-
Metropolitan Commuter Transportation District (MCTD)	0.375%	-
Total	8.375%	3.0%

Source: New York State Department of Taxation and Finance; Economics Research Associates

¹ Rate in this jurisdiction includes .375% imposed for the benefit of the Metropolitan Commuter Transportation District

² Westchester County imposes a tax on the daily rental charge called from persons occupying rooms in hotels or motels

According to the New York State Department of Taxation and Finance, sales and use tax rates for the State of New York, Westchester County, and the City of Yonkers are 4.0 percent, 1.5 percent, and 2.5 percent, respectively. Additionally, there is a 0.375 percent sales and use tax imposed for the benefit of the Metropolitan Commuter Transportation District (“MCTD”). According to the Westchester County Department of Finance, a 3.0 percent hotel tax is imposed on the daily rental charge from persons occupying rooms in hotels or motels. There are no hotel taxes for New York State or the City of Yonkers.

For the purposes of this analysis, ERA assumed a 95.0 percent occupancy rate and sales per square foot of \$500 for the retail and restaurant components, which is consistent with sales at other Westchester County shopping destinations such as the Cross County Shopping Center. The new retail and restaurant offerings, in combination with other new uses, will create a destination in downtown Yonkers that is expected to increase rents to levels significantly above existing conditions.

ERA also assumed a 75.0 percent occupancy rate and sales per key of \$179 for the hotel component of the proposed Project. For additional, non-room hotel revenue sales such as food and business services, ERA assumed \$26 per room, which is consistent with a typical limited-service hotel.

**Table III. I-45
Sales and Use, Hotel Tax Assumptions (Excluding Ballpark)**

Program Element	Keys	GSF	GLA¹	Sales/SF, ADR/Key	Additional Non Room Hotel Revenue	Occupancy	Annual Revenue²	Hotel Room Revenues
Retail		483,700	411,145	\$500	-	95%	\$195,293,875	-
Restaurant		90,000	76,500	\$500	-	95%	\$36,337,500	-
Hotel	150	120,000	102,000	\$179	\$26	75%	\$8,417,813	\$7,350,188

Source: Cappelli Enterprises; New York Department of Taxation and Finance, 2006; Westchester County Department of Finance, 2006; Economics Research Associates

¹ Gross Leaseable Area (GLA) assumes a 15% loss factor on gross square feet (gsf)

² Annual revenues for hotel portion includes room revenues and other hotel revenues

According to the New York State Department of Taxation and Finance, there is a year-round exemption from New York State sales and use tax for clothing, footwear and items used to make or repair exempt clothing, costing \$110 or less per item or pair. Exemptions from sales and use tax also apply to the sale of unprepared food items and drugs and medicines in Westchester County and the City of Yonkers.

For the purposes of this analysis, ERA has made the following assumptions based on information related to retail sales specific to the City of Yonkers from the 2002 Economic Census:

- NY State - approximately 46.0 percent of retail sales revenues qualify for exemptions from sales and use taxes in NY State. These exemptions include sales of clothing, footwear and items used to make or repair exempt clothing, costing less than \$110 per item or pair; unprepared food items; and drugs and medicines.
- Westchester County- approximately 36.0 percent of retail sales revenues qualify for exemptions from sales and use taxes in Westchester County. These exemptions include sales of unprepared food items, and drugs and medicines.

- City of Yonkers - approximately 36.0 percent of retail sales revenues qualify for exemptions from sales and use taxes in Westchester County. These exemptions include sales of unprepared food items, and drugs and medicines.
- Metropolitan Commuter Transportation District- approximately 36.0 percent of retail sales revenues qualifies for exemptions from sales and use taxes in the MCTD. These exemptions include sales of unprepared food items, and drugs and medicines.

As Table III. I-46 shows, ERA projects that the proposed Project excluding the ballpark will generate a total of approximately \$13.4 million in annual sales and use tax revenues. Specifically, \$6.0 million to NY State, \$2.6 million to Westchester County, \$4.3 million to the City of Yonkers, and \$638,000 to Metropolitan Commuter Transportation District.

Table III. I-46
Sales and Use Tax Analysis – Project Excluding Ballpark

Sales and Use Tax	NY State (4%)	Westchester County (1.5%)	City of Yonkers (2.5%)	Metropolitan Commuter Transportation District (MCTD) (.375%)	Total
Retail	\$4,197,000	\$1,882,000	\$3,136,000	\$470,000	\$9,685,000
Restaurant	\$1,454,000	\$545,000	\$908,000	\$136,000	\$3,043,000
Hotel	\$337,000	\$126,000	\$210,000	\$32,000	\$705,000
Total	\$5,987,000	\$2,553,000	\$4,255,000	\$638,000	\$13,434,000

Economics Research Associates

As Table III. I-47 shows, ERA projects that the proposed Project will generate an estimated \$220,500 in annual hotel tax revenues to Westchester County.

Table III. I-47
Hotel Tax Analysis

Hotel Tax	NY State	Westchester County (3%)¹	City of Yonkers	Metropolitan Commuter Transportation District (MCTD)	Total
Hotel	-	\$221,000	-	-	\$221,000

Source: New York Department of Taxation and Finance, 2006; Westchester County Department of Finance, 2006; Economics Research Associates

¹ Westchester County imposes a tax on the daily rental charge called from persons occupying rooms in hotels or motels

A summary of annual sales and use, and hotel tax impacts by jurisdiction is provided in Table III. I-48. New York State is expected to receive an estimated \$6.0 million in sales and use taxes; Westchester County is expected to receive approximately \$2.7 million in sales and use, and hotel taxes; the City of Yonkers is expected to receive an estimated \$4.2 million in sales and use taxes; and the MCTD is expected to receive approximately \$628,000 from sales and use taxes.

Table III. I-48
Summary of Annual Sales and Use Tax and Hotel Tax Impacts – Project Excluding Ballpark

Tax	NY State (4%)	Westchester County (1.5%)	City of Yonkers (2.5%)	Metropolitan Commuter Transportation District (MCTD) (.375%)	Total
Sales and Use Tax	\$5,987,000	\$2,553,000	\$4,255,000	\$638,000	\$13,434,000
Hotel Tax ¹	-	\$221,000	-	-	\$221,000
Total	\$5,987,000	\$2,774,000	\$4,255,000	\$638,000	\$13,655,000

Economics Research Associates

¹ Westchester County imposes a tax on the daily rental charge called from persons occupying rooms in hotels or motels

² Totals may not sum due to rounding

(c) Mortgage Recording Taxes

ERA has estimated the mortgage recording tax imposed on the recording of real estate mortgages that is expected to be generated by the for-sale residential units of the proposed Project. The mortgage recording tax rate imposed on real property in the City of Yonkers is \$1.80 for each \$100 of principal debt secured by a mortgage. According to the NY State Department of Taxation and Finance, the mortgage recording tax rate is comprised of:

- State tax, \$.75 for each \$100 of principal debt secured by a mortgage
- MCTD tax, \$.30 for each \$100 of principal debt secured by a mortgage
- County tax, \$.25 for each \$100 of principal debt secured by a mortgage
- Local Yonkers tax, \$.50 for each \$100 of principal debt secured by a mortgage

For the purposes of this analysis ERA relied on the following assumptions:

- 1/6, or 152 of the proposed Project’s 911 for-sale residential units will be sold each year, and therefore qualify for the mortgage recording tax¹³.
- Mortgage amounts are assumed to equal 85.0 percent of sale values (i.e., down payments are assumed to be 15.0 percent)

The number of residential units and approximate sale values for the proposed Project are based on information as provided by the Applicant. Mortgage recording tax per unit is presented in Table III. I-49 and assumes all residential units are for sale.

Table III. I-49
Mortgage Recording Tax per Residential Unit

Program	Number of Units	Effective Tax base (Number of Units) ¹			Westchester County	Local Tax (Yonkers)	Total Tax/Unit
		State Tax	MCTD				
River Park Center							
1 Bedroom	119	20	\$2,869	\$1,148	\$956	\$1,913	\$6,885
2 Bedroom	238	40	\$4,144	\$1,658	\$1,381	\$2,763	\$9,945
3 Bedroom	119	20	\$5,738	\$2,295	\$1,913	\$3,825	\$13,770
<i>Subtotal</i>	<i>475</i>	<i>79</i>					
Palisades Pointe							
1 Bedroom	109	18	\$2,869	\$1,148	\$956	\$1,913	\$6,885
2 Bedroom	218	36	\$4,144	\$1,658	\$1,381	\$2,763	\$9,945
3 Bedroom	109	18	\$5,738	\$2,295	\$1,913	\$3,825	\$13,770
<i>Subtotal</i>	<i>436</i>	<i>73</i>					
Total	911	152					

Source: NY State Department of Taxation and Finance; Economics Research Associates

¹ Analysis assumes 1/6 of apartments turn over every year

² Sale values based on information provided by SFC Partnership

³ Analysis assumes mortgage amount equal to 85.0 % of sale value

As summarized in Table III. I-50, the proposed Project is expected to generate approximately \$1.5 million in mortgage recording taxes annually. Specifically, NY State is expected to receive an estimated \$641,000; the MCTD is expected to receive approximately \$257,000; Westchester County is expected to receive \$214,000; and the City of Yonkers is expected to receive approximately \$428,000.

¹³ Median household ownership is six years based on information from the National Association of Realtor’s “Profile of Homebuyers and Sellers, 2005”

**Table III.I-50
Annual Mortgage Recording Tax Impacts**

Program	Number of Units	Effective Tax base (Number of Units)¹	Total State Tax	Total MCTD Tax	Total County Tax	Total Local Tax	Total Tax
River Park Center							
1 Bedroom	119	20	\$56,777	\$22,711	\$18,926	\$37,852	\$136,266
2 Bedroom	238	40	\$164,023	\$65,609	\$54,674	\$109,349	\$393,656
3 Bedroom	119	20	\$113,555	\$45,422	\$37,852	\$75,703	\$272,531
<i>Subtotal</i>	<i>475</i>	<i>79</i>	<i>\$334,355</i>	<i>\$133,742</i>	<i>\$111,452</i>	<i>\$222,904</i>	<i>\$802,453</i>
Palisades Pointe							
1 Bedroom	109	18	\$52,116	\$20,846	\$17,372	\$34,744	\$125,078
2 Bedroom	218	36	\$150,556	\$60,223	\$50,185	\$100,371	\$361,335
3 Bedroom	109	18	\$104,231	\$41,693	\$34,744	\$69,488	\$250,155
<i>Subtotal</i>	<i>436</i>	<i>73</i>	<i>\$306,903</i>	<i>\$122,761</i>	<i>\$102,301</i>	<i>\$204,602</i>	<i>\$736,568</i>
Total	911	152	\$641,000	\$257,000	\$214,000	\$428,000	\$1,539,000

Source: NY State Department of Taxation and Finance; Economics Research Associates

¹ Analysis assumes 1/6 of apartments turn over every year

(d) Real Estate Transfer Taxes

ERA has estimated real estate transfer tax impacts attributable to sale of the residential units of the proposed Project on an annual basis. According to the NY State Department of Taxation and Finance, the real estate transfer tax is imposed on each deed at the time of transfer from the seller to the buyer. The tax is payable by the grantor, normally the seller. The real estate transfer tax rate is equal to \$2 for every \$500 of the sales price for residential properties below \$1 million. For the purposes of this analysis ERA assumed that 1/6, or 152 of the proposed Project's residential units will be sold each year, and therefore qualify for the real estate transfer tax¹⁴. The number of units and approximate sale values for the proposed Project's residential units is based on information as provided by the Applicant.

Table III. I-51 provides a summary of annual real estate transfer tax impacts. ERA estimates that the sale of the residential units of the proposed Project will create an estimated \$402,000 in annual real estate transfer taxes to NY State.

¹⁴ Median household ownership is six years based on information from the National Association of Realtor's "Profile of Homebuyers and Sellers, 2005"

**Table III. I-51
Annual Real Estate Transfer Tax Impacts**

Program	Number of Units	Effective Tax base (Number of Units)¹	Sale Value²	NYS Tax/Unit³	NYS Total Tax Due
River Park Center					
1 Bedroom	119	20	\$450,000	\$1,800	\$35,625
2 Bedroom	238	40	\$650,000	\$2,600	\$102,917
3 Bedroom	119	20	\$900,000	\$3,600	\$71,250
<i>Subtotal</i>	<i>475</i>	<i>79</i>			<i>\$209,792</i>
Palisades Pointe					
1 Bedroom	109	18	\$450,000	\$1,800	\$32,700
2 Bedroom	218	36	\$650,000	\$2,600	\$94,467
3 Bedroom	109	18	\$900,000	\$3,600	\$65,400
<i>Subtotal</i>	<i>436</i>	<i>73</i>			<i>\$192,567</i>
Total	911	152			\$402,000

Source: NY State Department of Taxation and Finance; Economics Research Associates

¹ Analysis assumes 1/6 of apartments turn over every year

² Sale values based on information provided by SFC Partnership

³ Real Estate Transfer Tax equals \$2 for every \$500

(e) Corporate Business Taxes

There are a number of business structures that are allowable under New York State law. This section provides an overview of the potential corporate structures that may be used by businesses locating at the proposed Project. As discussed below, some corporate structures allow for earnings to be taxed as personal income. There is also potential for accounting practices to allocate earnings to areas outside of New York State. Due to the possibility that earnings will be reported as personal income, which has already been accounted for by this analysis as Personal Income Tax, and uncertainty regarding corporate accounting, ERA provides a qualitative discussion of corporate business taxes generated by the proposed Project.

The following are corporate structures allowable under New York State Law, according to the New York State Department Taxation of Finance:

- A sole proprietorship is a business owned and operated by one person (a sole proprietor). This is the simplest and most common form of small business organization. Sole proprietors must report their business income and expenses on their federal and New York State personal income tax returns.
- A partnership exists when two or more persons join together to carry on a trade or business. For federal and New York State income tax purposes, the term partnership includes a syndicate, group, pool, joint

venture, or other unincorporated organization that is carrying on a trade or business. The term partnership also includes a limited liability partnership (LLP) or a limited liability company (LLC) that is treated as a partnership for federal income tax purposes. A corporation, trust, or estate is not a partnership (although it may be a partner in a partnership). For New York State tax purposes, partnerships report their income on a Partnership Return, but do not pay any state income tax. A partner that is an individual, estate, or trust will include his, her, or its share of income from a partnership on his, her, or its personal income tax return or fiduciary income tax return and pay tax thereon. A partner that is a corporation will include its share of income from a partnership on its corporation franchise tax return.

- A corporation is a legal entity created by filing a Certificate or Articles of Incorporation with a state, and has a legal existence separate and distinct from its owners (shareholders). Under the Internal Revenue Code (IRC), certain corporations may elect, for federal income tax purposes, to be S corporations. The federal election is made by filing a federal form (Election by a Small Business Corporation) with the IRS.
- The shareholders of corporations may make a similar election for New York State tax purposes by filing a New York State form (Election by a Federal S Corporation to be Treated as a New York S Corporation). If the state election is also made, shareholders of the corporation pay New York State personal income tax on their pro rata share of income earned by the corporation.
- In general, corporations file franchise tax returns on an annual basis. The type of return filed depends on the type(s) of business conducted by the corporation. Most corporations are subject to the tax on general business corporations imposed by Article 9-A of the New York Tax Law. Each corporation computes a tax on four different measures. The corporation pays the highest computed tax, plus a tax on the subsidiary capital base, if applicable. The tax on the capital base may not apply to certain small business corporations for their first two tax years.
- If a corporation does business in the Metropolitan Commuter Transportation District (MCTD), it must also file and pay a metropolitan transportation business tax surcharge (MTA surcharge) on business done in the MCTD. The MCTD includes Westchester County. However, New York S corporations are not liable for the MTA surcharge.

There may be additional New York State requirements, including licenses and registrations, depending on the nature of the business. Businesses with additional requirements include those dealing in tobacco, alcoholic

beverages, petroleum products, utilities and telecommunication services. Businesses may also be subject to local permits and licenses.

(2) Fiscal Impacts of the Proposed Ballpark

ERA estimated personal income tax and sales tax revenues accruing to the City of Yonkers, Westchester County, and New York State as a result of the proposed ballpark. Except for personal income tax impacts, ERA only considered those fiscal impacts that will be generated by the direct economic impacts attributable to the ballpark.

(a) Income Tax Revenues

ERA estimated that the direct impact of the proposed ballpark on employee earnings will generate nearly \$54,000 annually in direct personal income tax revenue for New York State. Table III. I-52 presents employment, compensation, adjusted taxable income, and personal income tax revenue attributable to jobs directly supported by the proposed ballpark. ERA estimated that the indirect impact of the proposed ballpark on employee earnings will generate about \$41,000 annually in indirect personal income tax revenue for New York State. Table III. I-53 presents employment, compensation, adjusted taxable income, and personal income tax revenue attributable to jobs indirectly supported by the proposed ballpark.

Table III. I-52
New York State Personal Income Tax, Direct Ballpark Impacts Only

Program Element	Direct Jobs	Avg. Salary	Adjusted Taxable Income	PIT/ Employee	NY PIT Collections
<i>On-Site Activities</i>					
Ballpark and Franchise	34	\$28,939	\$21,439	\$1,072	\$36,444
Food Service	33	\$15,814	\$8,314	\$334	\$11,164
Retail	5	\$21,922	\$14,422	\$644	\$3,454
Parking	3	\$20,264	\$12,764	\$548	\$1,846
<i>Off-Site Activities</i>					
Hotel	0	\$33,054	\$25,554	\$1,353	\$574
Restaurant	1	\$15,814	\$8,314	\$334	\$300
Total	77				\$53,781

Source: New York Department of Taxation and Finance, 2006; Economics Research Associates

Table III. I-53
New York State Personal Income Tax, Westchester County Indirect Ballpark Impacts Only

Program Element	Indirect Jobs	Avg. Salary	Adjusted Taxable Income	PIT/ Employee	NY PIT Collections
On-Site Activities					
Ballpark and Franchise	7	\$69,932	\$62,432	\$3,880	\$26,099
Food Service	6	\$37,102	\$29,602	\$1,631	\$10,264
Retail	2	\$36,249	\$28,749	\$1,572	\$2,573
Parking	1	\$35,636	\$28,136	\$1,530	\$1,657
Off-Site Activities					
Hotel	0	\$35,664	\$28,164	\$1,532	\$353
Restaurant	0	\$37,102	\$29,602	\$1,631	\$276
Total	16				\$41,222

Source: New York Department of Taxation and Finance, 2006; Economics Research Associates

¹ Standard deduction for single filers that cannot be claimed as a dependent on another taxpayer's federal return.

² Personal exemptions cannot be taken for individuals or their spouses on New York State return

³ Analysis assumes single and married filing separately filers

ERA estimates that the direct impact of the proposed ballpark on employee earnings will generate roughly \$6,800 annually in direct income tax surcharge revenue and \$4,100 annually in indirect income tax surcharge revenues for the City of Yonkers. Table III. I-54 presents employment, compensation, and the personal income tax surcharge revenue attributable to jobs directly supported by the proposed ballpark. Table III. I-55 presents employment, compensation, and the personal income tax surcharge revenue attributable to jobs indirectly supported by the proposed ballpark. The analysis assumed that approximately half of the employees live in the City of Yonkers.

**Table III. I-54
Yonkers Personal Income Tax Surcharge, Direct Ballpark Impacts Only**

Program Element	Direct Jobs	Avg. Salary	Yonkers Resident Surcharge¹	Yonkers Non-Resident Surcharge²	Total
On-Site Activities					
Ballpark and Franchise	34.0	\$28,939	\$1,676	\$2,566	\$4,242
Food Service	33.4	\$15,814	\$514	\$1,246	\$1,760
Retail	5.4	\$21,922	\$159	\$303	\$462
Parking	3.4	\$20,264	\$85	\$175	\$260
Off-Site Activities					
Hotel	0.4	\$33,054	\$26	\$38	\$64
Restaurant	0.9	\$15,814	\$14	\$33	\$47
Total	77.5		\$2,474	\$4,361	\$6,835

Source: New York Department of Taxation and Finance, 2006; Cappelli Enterprises; Economics Research Associates

¹ Yonkers personal income tax resident surcharge equals 10 percent of State tax liability, after nonrefundable credits.

² Yonkers personal income tax nonresident surcharge equals 0.5 percent of wages and self-employment, after an allowable exclusion of up to \$3,000.

Table III. I-55
Yonkers Personal Income Tax Surcharge, Westchester County Indirect Ballpark Impacts

Program Element	Indirect Jobs	Avg. Salary	Yonkers Resident Surcharge¹	Yonkers Non-Resident Surcharge²	Total
<i>On-Site Activities</i>					
Ballpark and Franchise	6.7	\$69,932	\$1,201	\$1,270	\$2,471
Food Service	6.3	\$37,102	\$472	\$631	\$1,103
Retail	1.6	\$36,249	\$118	\$160	\$279
Parking	1.1	\$35,636	\$76	\$104	\$180
<i>Off-Site Activities</i>					
Hotel	0.2	\$35,664	\$16	\$22	\$38
Restaurant	0.2	\$37,102	\$13	\$17	\$30
Total	16.1		\$1,896	\$2,204	\$4,100

Source: New York Department of Taxation and Finance, 2006; Cappelli Enterprises; Economics Research Associates

¹ Yonkers personal income tax resident surcharge equals 10 percent of State tax liability, after nonrefundable credits.

² Yonkers personal income tax nonresident surcharge equals 0.5 percent of wages and self-employment, after an allowable exclusion of up to \$3,000.

² The resident income tax equals 10 percent of State tax liability after nonrefundable credits.

³ The nonresident earnings tax equals 0.50 percent of wages and self-employment earnings, after an allowable exclusion of \$3,000 which phases out when earnings exceed \$30,000

In sum, ERA estimated that the proposed ballpark will generate nearly \$61,000 in direct personal income tax revenue, annually. (See Table III.I-56.) Approximately \$54,000 in income tax revenue will accrue to New York State and \$6,800 will accrue to the City of Yonkers. ERA estimated that the proposed ballpark will generate nearly \$45,000 in indirect personal income tax revenue, annually. (See Table III.I-57.) Approximately \$41,000 in income tax revenue will accrue to New York State and \$4,100 will accrue to the City of Yonkers due to indirect/induced employment.

**Table III. I-56
Personal Income Tax Summary, Direct Ballpark Impacts**

	NY State	City of Yonkers
PIT Collections (including surcharges)		
Residents	\$53,781	\$2,474
Nonresidents	-	\$4,361
Total	\$53,781	\$6,835

Source: New York State Department of Finance and Taxation, 2006; Economics Research Associates

**Table III. I-57
Personal Income Tax Summary, Indirect Ballpark Impacts**

	NY State	City of Yonkers
PIT Collections (including surcharges)		
Residents	\$41,222	\$1,896
Nonresidents	-	\$2,204
Total	\$41,222	\$4,100

Source: New York State Department of Finance and Taxation, 2006; Economics Research Associates

(b) Sales, Use and Hotel Tax from the Ballpark

ERA projected sales and use tax revenues from the proposed ballpark by estimating the taxable sales generated by the ballpark’s retail components. In addition, ERA considered sales tax and hotel tax revenue generated by umpire and visiting team spending within Westchester County. Tax impacts were based on the direct impacts of the proposed ballpark on retail, food service/restaurants, and hotels in Westchester County. The estimates relied on the sales and use tax rates and hotel tax rates described in Table III. I-44. Sales and use tax revenues are calculated using the same assumptions regarding tax exemptions utilized for the analysis of the proposed Project without the ballpark.

ERA estimates that the proposed ballpark will generate approximately \$216,000 in sales tax and hotel tax, annually. Approximately \$101,000 of the tax revenues will go to New York State, \$41,000 will go to Westchester County, \$65,000 will go to the City of Yonkers and \$10,000 will go to the Metropolitan Commuter Transportation District. Table III. I-58 presents a summary of sales tax and hotel tax rates by jurisdiction.

**Table III. I-58
Sales and Use Tax - Ballpark**

Tax	NY State (4%)	Westchester County (1.5%)	City of Yonkers (2.5%)	Metropolitan Commuter Transportation District (.375%)	Total
Sales and Use Tax ¹	\$101,276	\$38,767	\$64,612	\$9,692	\$214,348
Hotel Tax ²	-	\$1,784	-	-	\$1,784
Total	\$101,276	\$40,552	\$64,612	\$9,692	\$216,132

Source: New York Department of Taxation and Finance, 2006; Westchester County Department of Finance, 2006; Economics Research Associates

¹ Includes 0.375 percent for the benefit of the Metropolitan Commuter Transportation District.

² Westchester County imposes a tax on the daily rental charge called from persons occupying rooms in hotels or motels.

(3) Property Taxes Generated by the Proposed Project

The estimated property taxes generated by the proposed Project (including the ballpark) were developed by MuniCap, Inc. in consultation with the Yonkers City Tax Assessor.

The Assessor utilizes the income capitalization approach to establish the market value of properties that produce a rental income from single or multiple tenants. The capitalized value of the income stream provides an estimate of the market value of the property (land and improvements). Under applicable State law, condominium residences must be assessed as income producing rental units, and are therefore also valued using the income capitalization approach.

Below is a description of the how income capitalization works.

(a) Income Capitalization Approach

The income capitalization approach to value is based on the premise that the value of a property is directly related to the income it will generate. The Assessor analyzes both the property's ability to produce future income and its expenses, and then estimates the property's value. The Assessor develops a capitalization rate by analyzing the sales of similar income generating properties and determining the relationship between the sale price and net income.

The steps in applying the income capitalization approach are to determine the stabilized, net-operating income by:

- Estimating potential gross income from all sources;
- Deducting an allowance for vacancy and bad debts; and
- Deducting all direct and indirect operating expenses.

- The resulting net-operating income is capitalized by a market rate, which reflects the property type and effective date of valuation to produce an estimate of overall property value.

To determine the potential gross income, the Assessor determines market rents by analyzing rents, both at the property being assessed and at comparable properties in the area and making an allowance for vacancy and collection loss.

To determine the effective gross income, the Assessor deducts operating expenses.

The Assessor determines the capitalization rate by analyzing sales (comparing net operating income to sale price) in the same market to determine rates of return. The capitalization rate will vary depending on the attractiveness of a property as an investment, income risks and physical factors.

The general formula for the income capitalization approach is therefore as follows:

Income Capitalization Approach:

- Total area x (1- vacancy rate) = Effective leasable area
- Effective leasable area x Rent = Effective rent
- Effective rent – Expenses (based on expense ratio) = Net operating income (NOI)
- Net operating income (NOI) / Capitalization rate = Market Value

The City of Yonkers Assessor provided rents, vacancy rates, expense ratios, and capitalization rates to be utilized by the applicant for the income capitalization valuation of the Project. In addition to the information provided by the City of Yonkers Assessor, MuniCap, Inc. researched comparable properties to determine the rents for office, theater, restaurant, and retail uses. A summary of the assumptions is listed below in Table III. I-59.

**Table III. I-59
Property Tax Assumptions**

Property Type	Vacancy Rate	Expenses*	Capitalization Rate
Residential	5%	35%	10%
Office	5%	20%	10%
Theater	0%	15%	10%
Restaurant	5%	15%	10%
Retail	5%	15%	10%
Hotel	25%	70%	10%

Source: City of Yonkers Assessor
*As a percentage of revenues

Once the market values for the different use categories in the proposed Project were determined, these values were applied to the components of the proposed Project to calculate total market value. As estimated, the projected total market value for the proposed Project is \$500,267,303.¹⁵

The TIF Feasibility Study (Appendix 1.F) provides additional information regarding the market value of the Project including rent assumptions utilized in calculating residential income.

(b) Property Tax Revenues

In order to estimate the tax revenues that will be generated by the proposed Project, it is necessary to estimate the incremental market value resulting from construction. The incremental market value is the total market value of the completed Project less the base value of the property that is being developed. The base value is the market value of the property before any of the proposed development occurs, as estimated by the applicant in conjunction with the City of Yonkers Assessor.

$$\text{market value of construction } (\$500,267,303) - \text{base value } (\$3,600,240) = \\ \text{incremental market value } (\$496,667,063)$$

Once the incremental market value is determined, the City of Yonkers equalization rate is applied to get the assessed value (the current equalization rate is 3.28%).

$$\text{incremental market value } (\$496,667,063) \times \text{equalization rate } (3.28\%^{16}) = \\ \text{assessed value } (\$16,290,680)$$

Property taxes are levied upon this resulting assessed value. It is assumed that once constructed, the assessed value for the Project will not change. The property tax for the City of Yonkers is made up of three separate components:

- City of Yonkers (currently \$101.98 per \$1,000 of AV)
- Yonkers School District (currently \$401.40 per \$1,000 of AV)
- Westchester County (currently \$122.87 per \$1,000 of AV)

Given the above, the tax generation for each taxing jurisdiction is indicated below.

¹⁵ Source: Cappelli Enterprises based on experience in local Westchester market. Note, this total market value is slightly lower (approximately 3%) than estimates presented in the Tax Increment Financing Feasibility Study and Preliminary Redevelopment Plan (Appendix 1.F). This difference results in a more conservative estimate of property tax revenue generation in calculations presented herein.

¹⁶ The equalization rate utilized in the TIF bond projections presented in Appendix D of the Tax Increment Financing Feasibility Study and Preliminary Redevelopment Plan (Appendix 1.F of this DEIS) is 2.94, which results in a more conservative estimate of expected property tax revenues for bond repayment.

City of Yonkers	\$ 2,012,000
Yonkers School District	\$ 7,920,000
County of Westchester	\$ 2,424,000

(c) Business Improvement District (BID)

The Downtown/Waterfront Business Improvement District, Inc. of Yonkers, NY (“Downtown BID”) is a 501(c)(3) non-profit corporation created in 2002. The Downtown BID was formed to build working partnerships, encourage investment, and support initiatives for a healthier commercial district in the downtown of Yonkers.

The Downtown BID’s mission is to support activities in the special improvement district; work with the Yonkers business community and the City of Yonkers to formulate, promote and implement the economic revitalization and general welfare of the District and the City; promote and preserve the cultural, historic, tourist and civic interests of the District and the City; mobilize available public and private resources for these purposes; provide a mechanism by which service firms, retail establishments, property owners, employers, citizens, and others can cooperate to promote business opportunities, employment, consumer choices, shoppers’ facilities, and the general civic interests; and aid, work with, and participate in the activities of other organizations, individuals and public and private entities within and outside the City engaged in similar activities.

The public/private partnership between the Downtown BID and the City of Yonkers delivers supplemental services such as sanitation and maintenance, public safety and visitor services, marketing and promotional programs, capital improvements and beautification in downtown waterfront Yonkers.

Additionally, the Downtown BID operates www.YonkersDowntown.com, which includes more information about the services and operations of the Downtown BID. The services provided by the Downtown BID are supplemental to the services provided to the district by the City of Yonkers and its agencies.

Much of the Project falls within the Downtown BID district and therefore the applicant will be obligated to pay the City-established special Downtown BID tax assessment. Based on the estimated assessed value of the completed Project, in the first year of full operation of the Project, it is estimated that the Downtown BID would receive approximately \$200,000 from the proposed Project. Downtown BID assessments are not included in the tax generation calculations presented above.

7. Mitigation Measures

(1) Total Revenues and Expenditures

Table III-I-60 provides a summary of the annual fiscal impact of the entire proposed Project. Approximately \$13.1 million in tax revenues is expected for the State of New York. Westchester County is expected to receive approximately \$5.4 million, while the City of Yonkers is expected to receive \$16.2 million, and the Metropolitan Commuter Transportation District is expected to receive an estimate \$876,000 in annual tax revenues. This table also shows the net tax revenues that Yonkers and Westchester County would receive after the proposed allocation of revenues to debt service on the tax increment bonds discussed in subsection (b), below.

Table III. I-60
Summary of Annual Fiscal Impacts, Proposed Development

Type of Tax	New York State	Westchester County	City of Yonkers	MCTD*
Sales & Use Tax	\$ 5,995,276	\$ 2,550,767	\$ 4,250,612	\$ 637,692
Hotel Tax	-	\$ 222,290	-	-
Personal Income Tax (PIT)	\$ 6,175,781	-	\$ 1,650,000	-
Mortgage Recording Tax	\$ 595,000	\$ 198,000	\$ 397,000	\$ 238,000
Real Property Transfer Tax	\$ 374,000	-	-	-
Property Tax	-	\$ 2,424,510	\$ 9,932,853	-
Total	\$ 13,140,000	\$ 5,395,567	\$ 16,230,465	\$ 875,692
Amount Allocated for TIF	-	\$ 1,333,556	\$ 3,742,880	-
Balance Available	\$ 13,140,000	\$ 3,577,242	\$ 8,780,825	\$ 875,692

* Metropolitan Commuter Transportation District (MCTD)

Source: NY State Department of Taxation and Finance; Westchester County Department of Finance, 2006; Economic Research Associates MuniCap,

The above tax estimates are in 2006 dollars. Annual increases of approximately 4% per year can be anticipated. This amount provides a significant surplus of revenue over expenditures including costs associated with police and fire protection, education, public works and debt service on the proposed tax increment bonds for public infrastructure improvements and public parking. The surplus is estimated to be nearly \$6 million. See Section III. J. for further discussion of municipal service costs of the Project.

(2) Tax Increment Financing

The development of the proposed Project is a public-private partnership. An essential component of the City's participation is City funding for the construction of the approximately 5,000 public parking spaces and the public sewer, water and road and other infrastructure improvements integral the development of the proposed Project and also necessary to support other future redevelopment in downtown Yonkers. These public improvements are currently estimated to cost approximately \$160,000,000. In addition to the costs of construction of the public improvements, if tax increment bonds are issued by the City to fund the construction, additional soft costs

associated with bond financing would bring the program total to approximately \$187 million. The Applicant has also identified \$30 million in potential additional infrastructure improvements in consultation Bluestone Engineering, the City's engineering consultant, although these improvements are not currently proposed to be funded by tax increment financing.

The City has made it clear that City funding for the necessary public improvements must be supported by the proposed Project itself, and not by the general revenues of the City. The vehicle through which the objective of both the City and the Applicant can be met is "tax increment financing," which is authorized to be used in "redevelopment projects" established under the New York Municipal Redevelopment Law (New York General Municipal Law Article 18-C). Although infrequently utilized in New York¹⁷, tax increment financing is an indispensable self-financing tool used throughout the United States to help local governments successfully redevelop urban renewal areas and encourage economic development¹⁸.

In a tax increment financing, the current real property tax assessed value of all properties in a designated "project area"¹⁹ would be established as the "base value." As redevelopment in the project area increases the assessed values of the redeveloped properties, a portion of the additional tax revenue generated by the increase in assessed value over the base value would be set aside and committed by the City for debt service on tax increment bonds and/or tax increment bond anticipation notes, the proceeds of which would be used for the construction of public improvements and infrastructure to support the development of the proposed Project. However, the tax revenue generated by the base value in the project area would continue to be general revenues of the City useable for any City purpose. It is important to note that the property taxes of the owners of other properties in the designated tax increment financing project area will not increase as a result of tax increment financing unless, of course, those owners improve their own properties, thereby increasing the assessed value of the properties. Issues regarding reassessment, basis for proposed tax increment financing project area boundary, and effects on other properties are discussed in the Tax Increment Financing Feasibility Study and Preliminary Redevelopment Plan presented in Appendix 1.F of this DEIS.

The Applicant has requested that the City issue tax increment bonds in the amount necessary to cover the costs of construction of the public improvements, infrastructure and parking and bond issuance and related

¹⁷ The most significant reason is that the statute does not permit school taxes to be allocated to the tax increment. Therefore, except in the "big five" cities of the State in which school taxes are part of the general real property tax levied and collected by the municipal government, the available increment is not large enough to support debt service on the tax increment bonds issued by the municipality.

¹⁸ Tax increment financing has been successfully utilized in Baltimore, Pittsburgh, Providence, Atlanta, St. Louis, Memphis, St. Paul, Kansas City, Dallas, Indianapolis, Louisville and Bridgeport, among other cities.

¹⁹ The term "project area" is used in the Municipal Redevelopment Law. The more commonly used term to describe the area in which tax increment financing is utilized is "tax increment financing district."

financing costs (including capitalized interest and a reserve fund), currently estimated to total approximately \$187,000,000. As discussed in Section IV.E of the Tax Increment Financing Feasibility Study and Preliminary Redevelopment Plan provided in Appendix 1.F of this DEIS, the amount of initial annual debt service on this amount of bonds is estimated to be \$11,786,438,²⁰ and would increase to approximately \$19,593,563 in the 30th and final year. The bond projections presented in Appendix D of the Tax Increment Financing Feasibility Study and the Preliminary Redevelopment Plan (Appendix 1.F of this DEIS) assume the bonds are issued in October, 2008. The fund to pay the debt service on the bonds is proposed to be comprised of approximately 75% of the incremental additional real property tax revenue to the City and County²¹ generated by the Project (i.e., the amount of additional tax generated by the increased assessed value of the Project above the current “base assessed value” of all of the Project sites except Larkin Plaza) and the revenues from the new public parking facilities, which are estimated to be approximately \$2,957,765 in the first year, rising to approximately \$5,048,368 in the final year. The real property tax attributable to the base assessed value and the approximately 25% of the City tax increment that will not be devoted to tax increment bond debt service will be more than sufficient to cover the costs of the SFC Project for school, police, fire and other City services.²² See Table III.I-60 and Chapter III.J for further discussion of municipal service costs of the Project.

A more definitive tax increment financing plan will be developed with the participation of the City and its counsel and consultants as the Municipal Redevelopment Law process advances.

(3) The Municipal Redevelopment Law Approval Process

Tax increment financing would be permitted only in connection with a “redevelopment project” duly established by the City in accordance with the process set forth in the Municipal Redevelopment Law. The process is generally as follows:

- The City Council must first find that it is feasible to prepare a study to determine if a redevelopment project within the proposed “project area” is feasible, and then must authorize the preparation of the study. The proposed project area is shown on Exhibit III. I-1. The City Council has already authorized this study, and the TIF Feasibility Study prepared

²⁰ This is the “gross” annual debt service payment (i.e., before applying debt service reserve fund income and income from operations. Although debt service schedules are uncertain at this point, it is expected that the first payment of debt service from City revenues and not from capitalized interest would be 3 and ½ years after issuance, i.e., after the Project is constructed and has begun operating. This allows for a one-year “lag time” after construction for Project stabilization. Interest expense during the construction period would be capitalized. The issuance of TIF bonds is contingent upon approval and commencement of the proposed Project.

²¹ As previously indicated, Westchester County participation in “joint undertaking” will be requested, and the County will be asked to pledge 75% of its tax increment to the repayment of the City bonds. In the event that the County does contribute a share of the property tax increment, the improvement will be value engineered and the project sponsor will cover the difference in the debt costs for bond repayment.

²² Sales and income tax revenues generated by the Project are additional sources for payment of City services.

pursuant to the City Council's authorization is provided in Appendix 1.F of this DEIS.

- Based on the results of the study of the proposed project area, the City Council must authorize the preparation of a "preliminary plan" for the redevelopment of the project area. The preliminary plan must include, among other things: (a) a description of the boundaries of the project area; (b) a general statement of the land uses and the standards proposed as the basis for the redevelopment of the project area; (c) a statement of how the purposes of the Municipal Redevelopment Law would be achieved by the redevelopment; (d) a description of how the preliminary plan conforms to the comprehensive plan of the City; (e) a general statement of the impact of the project on residents of the project area and the surrounding area; and (f) a statement of why redevelopment of the project area would not be undertaken were it not for the provisions of the Municipal Redevelopment Law (i.e., the need for the tax increment bond financing). The Municipal Redevelopment Law requires the potential impacts of the preliminary plan to be addressed in an environmental impact statement, and the environmental impact statement review process for the plan must be completed before the preliminary plan is adopted.

- Upon the approval by the City Council of the preliminary plan, the City Council must authorize the preparation of a final "redevelopment plan" for the project area. Among other things, the redevelopment plan must contain: (a) a legal description of the boundaries of the project area; (b) by "diagram and in general terms": (1) the approximate amount of open space to be provided and the street layout; (2) limitations on the type, size, height, number and proposed use of buildings; (3) the approximate number of dwelling units; and (4) the property to be devoted to public purposes and the nature of such purposes; (c) a "neighborhood impact statement" describing the physical, social and economic conditions existing in the project area and describing the impact of the redevelopment project on residents of the project area and surrounding areas in terms of relocation, traffic circulation, environmental quality, availability of community facilities and services, impact on school population and quality of education, property assessments and taxes, and other matters affecting the physical and social quality of the neighborhood; (d) a description of the proposed method of financing the redevelopment project in detail sufficient to determine the economic feasibility of the plan; and (e) adequate safeguards that the work of redevelopment will be carried out pursuant to the plan and provide for the retention of controls and the establishment of any restrictions or covenants running with the land sold or leased by the City for private use for such periods of time and under such conditions as the City Council deems necessary. The redevelopment plan may, among other things, also provide for: (i) the issuance of tax increment bonds and the use of the proceeds of such bonds to carry out the plan (and if it does, then the plan must also contain adequate provision for

the payment of debt service on the bonds); (ii) the City to acquire by gift, purchase, lease or condemnation all or part of the land in the project area; and (iii) the expenditure of money by the City and for the City to undertake and complete any proceedings necessary to carry out the redevelopment project. The redevelopment plan must provide a plan for relocation of families and persons to be temporarily or permanently displaced from housing in the project area.

- Before the redevelopment plan is approved by the City Council, it must be referred to the City Planning Board for review and recommendations with respect to the conformity of the plan with the adopted comprehensive plan of the City. The Planning Board has thirty (30) days in which to file its report with the City Council.
- Before the redevelopment plan is approved, the City Council must hold a public hearing on the plan in accordance with the requirements of Section 970-h of the Municipal Redevelopment Law.
- The redevelopment plan may be approved after the close of the public hearing and after the report of the Planning Board has been filed, provided, however, that if the Planning board fails to file its report within the thirty (30) day period, then the City Council may approve the plan in the absence of the report.

After the redevelopment plan is approved, the City Council is authorized to issue by resolution tax increment bonds “for the purpose of carrying out or administering a redevelopment plan” but only for: (a) acquisition of land; (b) demolition and removal of buildings, structures and improvements and site preparation; (c) installation, construction or reconstruction of streets, walkways, docks, drainage, parking facilities, flood control facilities, water and sewer systems and other public utilities, parks and playgrounds; and (d) other public improvements or services integral to the redevelopment plan authorized by or for which a period of probable usefulness has been established by Section 11.00 of the New York Local Finance Law.

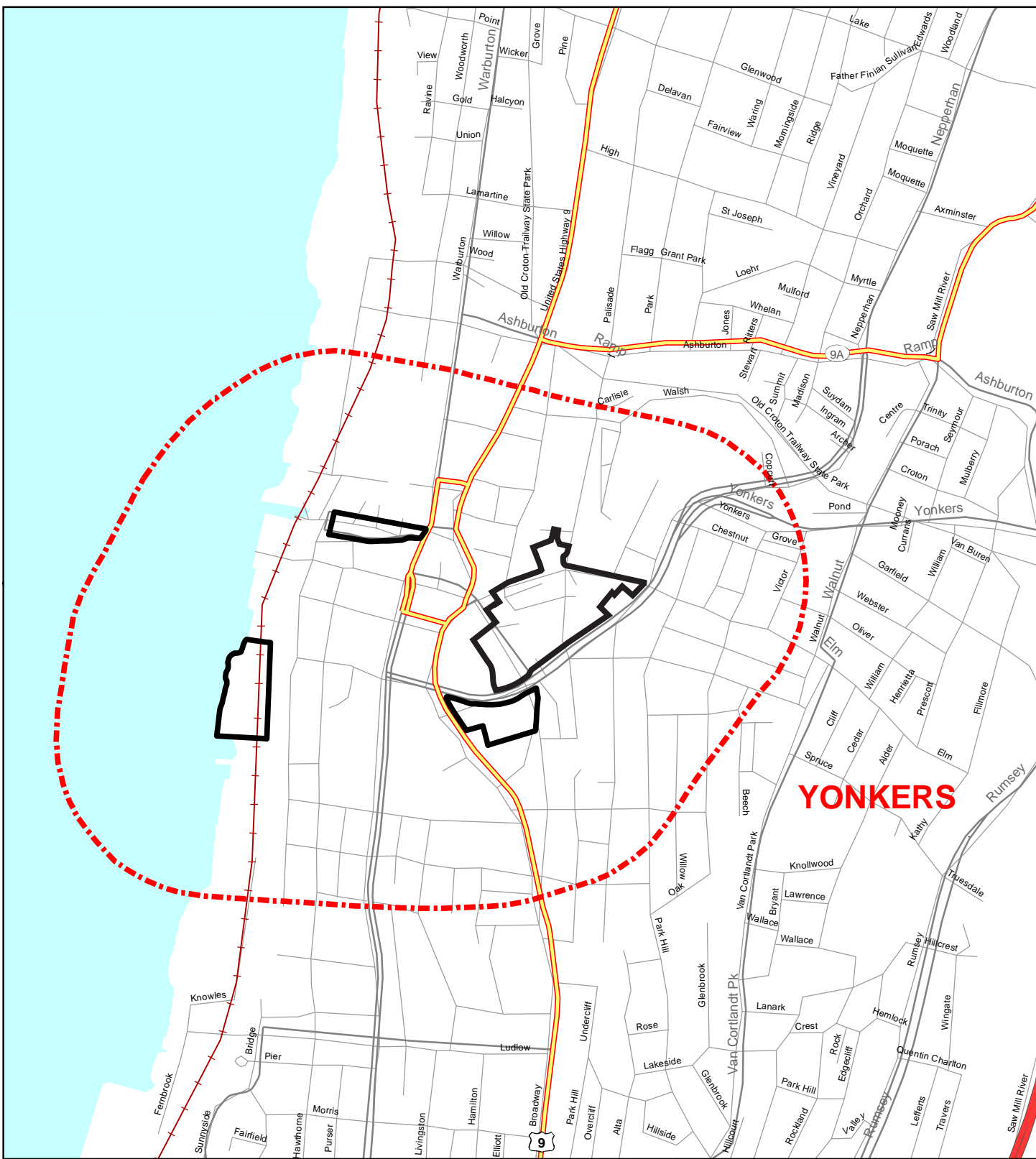
It should be noted that the preliminary tax increment-financing plan would also require Westchester County participation with respect to County taxes. The Municipal Redevelopment Law expressly permits a “joint undertaking” by the City and the County, in which the County would appoint the City as its agent for the purposes of preparing the preliminary plan and final redevelopment plan for the project area, each of which would be separately approved by the City Council and the Westchester County Board of Legislators. After the County Board approved the final redevelopment plan, it would by resolution irrevocably pledge its tax increment revenues to the debt service on the City’s tax increment bonds.

To assure that the amount of the tax increment bonds is sufficient but not more than necessary to fund the costs of the public improvements and infrastructure, the City will require an independent estimate of costs. Bonds are not typically issued until improvements to be funded are substantially designed, which helps develop better cost estimates. Often, the improvements have already been bid by the time the bonds are issued. The bond financing typically allows for additional bonds to be issued if cost overruns are experienced, provided that certain financial feasibility tests (such as debt service coverage ratios) continue to be satisfied. Additional bonds could not be issued without City approval. Notwithstanding this, once the City issues the original bonds, the applicant would assume the risk that bond proceeds are insufficient to pay all costs of the public improvements and infrastructure, and the City would not be obligated to issue additional bonds.



With the tax increment financing, long-overdue improvements to the deteriorated infrastructure systems in downtown Yonkers would be realized – improvements that are required not only for the proposed Project, but for the revitalization of downtown Yonkers as a whole. Roads and utilities would be upgraded. Together these improvements would make the downtown more attractive for additional redevelopment. 5,000 new public parking spaces would be constructed and would become City facilities. The City would have the benefits of the Project, including job creation, new useable public open spaces and amenities and the daylighted Saw Mill River, with a significant surplus in revenues over expenditures.

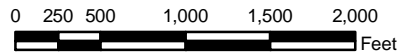
(4) Other Funding Sources

The Applicant is seeking outside grants and tax credits from a number of potential federal, State and County sources to help offset some of the Project costs including, but not limited to, costs of site environmental remediation, public improvement and infrastructure costs and costs of Project amenities including the ballpark, daylighting of the Saw Mill River and the construction of the River Park Center “Riverwalk” and Hudson River promenade at Palisades Point.



YONKERS

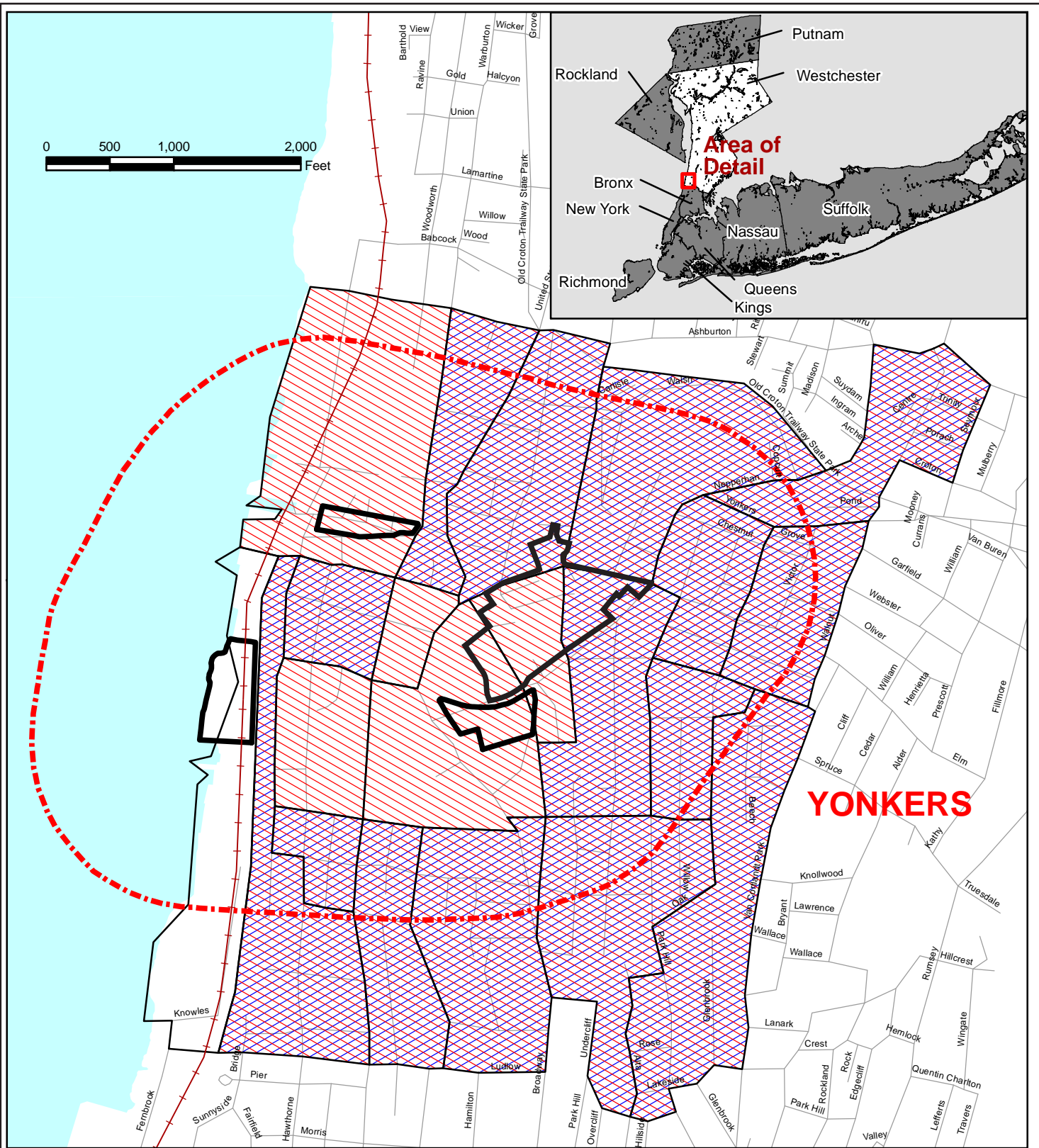
-  Project Sites
-  1/4-mile Radius from the Outer Edge of Each Project








Source: US Census Bureau 2000

Exhibit III.I-1
**SOCIO-ECONOMIC
 STUDY AREA**

SFC PHASE I PROJECTS
STRUEVER FIDELCO CAPPELLI LLC



-  Project Sites
-  1/4-mile Radius from the Outer Edge of Each Project
-  BG with 23.9% or More of Population below the Poverty Level
-  BG with 51.1% or More of Minority Population
-  BG Not Considered EJ Population

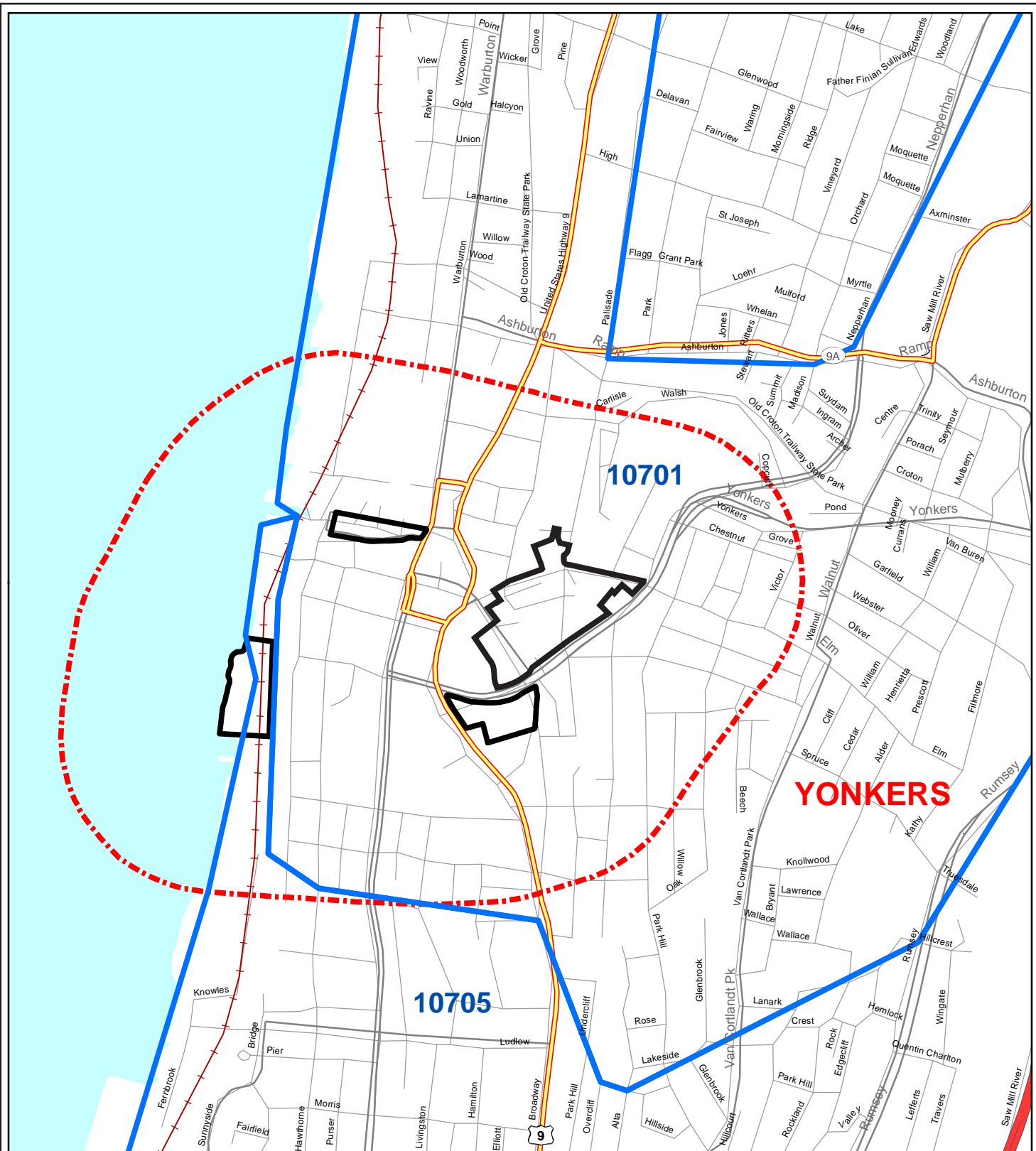
The U.S. Census Bureau defines a Block Group (BG) as a subdivision of a Census Tract, and the smallest geographic area for which the Census Bureau tabulates EJ population data. BG can consist of one or more census blocks within a census tract that have the same initial number.
 Minority Population includes persons who identified themselves in one or more of the following categories: American Indian, Alaska Native, Asian, African American, Native Hawaiian, Pacific Islander, or Hispanic/Latino. Hispanic or Latino persons may be of any race.
 Low-income population is a population having an annual income that is less than the poverty threshold, as defined by the Census.




Source: 1999 Census of Population and Housing, US Census Bureau 2000

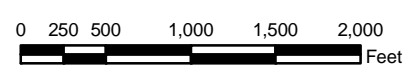
Exhibit III.I-3
**ENVIRONMENTAL JUSTICE
 POPULATION IN YONKERS**

SFC PHASE I PROJECTS

STRUEVER FIDELCO CAPPELLI LLC



-  Project Sites
-  1/4-mile Radius from the Outer Edge of Each Project
-  Zipcode Boundary



Source: US Census Bureau 2000

Exhibit III.I-2
**SOCIO-ECONOMIC STUDY AREA
 SHOWING ZIP CODE 10701**

SFC PHASE I PROJECTS

STRUEVER FIDELCO CAPPELLI LLC