

J. SOCIOECONOMIC

This chapter assesses the fiscal and socioeconomic impacts of the proposed redevelopment of the Cross County Shopping Center. A net increase of 245,375 square feet of new retail and restaurant space is planned for the Property, augmenting the number of in-line tenants and junior anchors and expanding the footprints of the current anchor stores, Macy's and Sears. Overall, the proposed modifications at Cross County will increase the current 1,313,561 square feet of retail space by approximately 19 percent, for a total of 1,558,936 square feet of gross leasable area. The following socioeconomic impact analysis considers the project's contribution to the local and regional economy and focuses on: 1) the fiscal impact on the City of Yonkers and Westchester County; 2) the direct and indirect economic impacts during both the construction and operating periods; and 3) the potential socioeconomic impacts of redevelopment, including the effects on major retail centers within the trade area.

The analysis indicates that the revamped mall would generate significant benefits for both the City of Yonkers and Westchester County. The major findings and conclusions are as follows:

- The rehabilitation and expansion of the Cross County Shopping Center will involve a total economic investment of over **\$265 million**.
- The revamped Center will produce **\$ 1.57 million in property tax revenues** for the City of Yonkers on an annual basis and another **\$ 2.7 million in tax revenue for Yonkers Public Schools**. The combined (City and School) **incremental property tax revenue** is also significant at about **\$650,000**. The County would receive an additional \$143,000 over their current property tax revenue of \$880,000.
- Cross County's expansion will generate a projected **\$33 million in annual sales tax revenue** when fully operational, of which **\$9.7 million** is allotted to the City of Yonkers, \$5.8 million to Westchester County and \$16.5 million to the State of New York. The incremental increase in sales tax revenue for the City is projected to be **\$1.65 million** over sales tax revenues from the existing mall.

- The project yields a net surplus since total tax revenue significantly outweighs estimated increases in municipal expenditures, with a **positive net fiscal benefit of nearly \$9.0 million** annually for the City of Yonkers and the School district, which equals an **incremental benefit of \$1.5 million** over the existing shopping center.
- The proposed modifications will generate **1,381 person-years of construction and construction related employment** for Westchester County. Total earnings associated with this construction employment are projected at **\$57 million**. Redevelopment will also generate an additional 68 person-years of employment in professional services, with earnings totaling \$3.7 million.
- The City of Yonkers can expect to receive building permit fees of approximately **\$800,000**.
- During the Cross County's three-year redevelopment/construction period, employee wages and payments to material suppliers and consultants will create additional spending that will support secondary employment in Westchester County. This ripple effect will produce another **909 person-years of secondary employment and \$32.7 million in wages**.
- When fully-operational, the revamped Cross County Center will employ an estimated **3,929 employees**, which represents an **additional 614 full time equivalent jobs in retailing** over the existing Cross County Shopping Center. Many of these jobs are expected to be filled by Yonkers residents. Annual earnings associated with new permanent jobs are projected at **\$11.5 million**.

1. FISCAL

This section focuses on assessing the fiscal impact of the proposed modifications to the Cross County Shopping Center. The revitalized mall is projected to generate significant net property tax benefits to the City, Yonkers Public Schools and the County. A positive net fiscal impact on Yonkers (City and Schools) of nearly \$9.0 million is projected from the redevelopment, which is an estimated \$1.9 million greater than the impact of the existing Cross County. When fully operational, the project is also expected to yield significant sales tax revenue, increasing from an estimated total of \$27.3 million to over \$33 million. Of this total, Yonkers is estimated to receive an additional \$1.65 million over the sales tax revenue it collects from the existing mall. Additionally, the Cross County's redevelopment phase and its fully operational period are anticipated to yield positive impacts on employment and earnings for the regional economy.

EXISTING CONDITIONS

a) Current Tax Structure of City and County and Present Tax Payments for the Project Site

Property Tax Structure

As shown in Table IV. J-1, the City of Yonkers has a total real property tax base of approximately \$520 million. This figure is significantly below the true aggregate market valuation of real property in Yonkers because the properties are assessed using low equalization ratios (currently 2.95% for residential; 3.89% for commercial properties) since a City-wide property assessment has not taken place since the 1950s. Commercial, industrial and residential (including apartment) portions of the City tax base total \$469 million. Approximately 17 percent of this figure is attributable to non-residential property categories, namely commercial and industrial properties. Since total parcel data by property classification is not readily available

for Yonkers¹, the share of non-residential-associated expenditures for Yonkers is estimated at approximately 17 percent.

A breakdown of the City of Yonkers' property tax rate by local and county portions is provided in Table IV. J-2. The total local tax levy on real property for City and Board of Education purposes is \$ 466.57 per \$1,000 of assessed value, with over 60% apportioned for public schools while the balance goes to City purposes. At the county level, another \$110.57 is levied per \$1,000 of assessed value. The total tax rate for County and local property taxes is \$577.14 per \$1,000 of assessed value, of which over 80 percent goes to local municipal and school budgets.

Table IV. J-1

Breakdown of the Tax Base by Property Classification
City of Yonkers, 2005

<u>Type of Property</u>	<u>Assessed Valuation</u>	<u>% of Taxable</u>
Residential	301,832,511	64.37%
Apartment	89,096,804	19.00%
Commercial	65,833,895	14.04%
Industrial	12,157,446	2.59%
Total Non-residential	468,920,656	100%
Other Properties*	50,586,177	
Total City Taxable	519,506,833	

*Vacant, Utilities, Miscellaneous and Special Franchise Properties
Sources: Yonkers Assessor's Office; Phillips Preiss Shapiro Associates, Inc.

¹ Based on research inquiries to the City of Yonkers Department of Finance & Management Services and the Tax Assessor's Office, Yonkers does not typically sort total parcel data by property classification although purchase of the full, unsorted assessment data was possible. As a rule, the percentage of total parcels that are non-residential parcels would be averaged with the percentage of assessed valuation attributable to non-residential properties to arrive at the share of non-residential –associated expenditures for the City. This parcel information would have likely represented a lower percentage. In this case, we default to the later figure given data constraints.

Table IV. J-2

Breakdown of the Tax Rate
City of Yonkers, 2005

<u>Local Tax Rate</u>	Tax Rate Per \$1000 of <u>Assessed Valuation</u>
City Purposes	\$169.78
Board of Education Purposes	\$296.79
Total City and School Tax Rate	\$466.57
 <u>County Taxes</u>	
Refuse Fee	\$10.77
Sewer Fee	\$10.36
County Tax	\$89.44
Total County Tax Rate	\$110.57
 <u>Other Fees</u>	
Frontage Fee (per foot)	\$1.40

Sources: Yonkers Tax Office; Phillips Preiss Shapiro Associates, Inc.

Property Tax Revenue

The Cross County Shopping Center currently comprises 18 tax parcels: Section 5, Block 5170, Lots 15, 40, 50, 55, 60, 65, 70, 75, 77 (Macy’s), 80, 85, 90, 95, 100, 105, 110, 150, and 200. The total assessed value of the existing Cross County property is \$7,781,280. Although this assessed value figure appears low, it is reflective of Yonkers commercial equalization ratio of 3.89%, making it roughly equivalent to an assessed value of \$200 million. Based on 2004 tax records provided by the Yonkers Assessor’s Office, the existing mall generates \$3.6 million in total tax revenue for Yonkers (see Table IV. J-3). Of this total (which includes frontage fees, which are assessments for water and sewer services), \$2.3 million accrues to public schools, while \$1.3 million is earmarked for City purposes. The County currently collects \$880,000 from the Property for disposal, refuse and County purposes.

Table IV. J-3

Annual Property Tax Revenues
Generated by the Existing Cross County Shopping Center, 2004

<u>Section/ Block/Lot</u>	<u>Property Valuation</u>	<u>City Tax Revenue</u>	<u>School Tax Revenue</u>	<u>Frontage Fee Revenue</u>	<u>Total Local Tax Revenue</u>	<u>County Tax Revenue</u>
5/5170/77	\$1,045,000	\$177,420	\$310,146	\$1,170	\$488,736	117,977
5170/15	3,190	542	947	49	1,538	359
5170/40	522,500	88,710	155,073	997	244,780	59,139
5170/50	53,500	9,083	15,878	286	25,247	6,325
5170/55	30,000	5,093	8,904	448	14,445	3,378
5170/60	355,000	60,272	105,360	8,651	174,283	40,277
5170/65	229,000	38,880	67,965	1,512	108,357	26,088
5170/70	73,900	12,547	21,933	284	34,764	8,622
5170/75	130,000	22,071	38,583	2,975	63,629	14,639
5170/80	538,300	91,393	159,762	1,597	252,752	60,918
5170/85	817,200	138,744	242,537	3,818	387,521	92,325
5170/90	1,000,300	169,831	296,879	1,946	468,656	112,944
5170/95	144,000	24,448	42,738	396	67,582	16,516
5170/100	1,757,400	298,371	521,579	9,446	829,396	198,201
5170/105	179,200	30,425	53,185	981	84,591	20,480
5170/110	208,650	35,425	61,925	916	98,266	23,796
5170/150	407,630	69,207	120,981	501	190,689	45,903
5170/200	286,510	48,644	85,033	6,493	140,170	32,264
Total	\$7,781,280	\$1,321,106	\$2,309,408	\$42,466	\$3,675,402	\$880,051

Sources: Yonkers Tax Office; John Meyer Consulting; Phillips Preiss Shapiro Associates, Inc.

Sales Tax Structure

Sales at the existing Cross County Shopping Center are subject to City, County, State, and Metropolitan Transit Authority levies, totaling 8.5 percent. The sales tax structure for purchases in the City of Yonkers is broken down in Table IV. J-4. Of the total sales tax rate, 2.5 percent goes to the City of Yonkers while 1.5 percent accrues to the County. The sales tax rate applies to all sales at the shopping center except for sales tax exemptions on unprepared foods (which only applies to the Stop & Shop supermarket at the site).

Table IV. J-4

Sales Tax Rate
City of Yonkers, 2005

<u>Yonkers Sales Tax Rate</u>	
New York State Sales Tax	4.25%
Westchester County Tax	1.50%
City Sales Tax	2.50%
MTA Sales Tax	0.25%
Total Sales Tax	8.50%

Sources: Phillips Preiss Shapiro Associates, Inc.; Yonkers Finance Office

Sales Tax Revenue

The existing Cross County Shopping Center generates significant sales tax revenue for Yonkers, Westchester County and New York State. To estimate current taxable sales at the Cross County, the property's existing gross leasable area is multiplied by the industry estimate for the average sales per square foot at similar shopping centers. It should be noted that this analysis assumes that the existing shopping center is fully-leased with zero vacancies; however, at present some retail spaces are vacant as certain leases were not renewed due to anticipated renovations and reconfiguration.

The Cross County currently has 1,313,561 square feet of gross leasable area (GLA). From this total, the 62,540 square feet of office space in the office building at the

existing shopping center is deducted from the overall GLA. Total square footage for the 75,519 square foot Stop & Shop supermarket is also subtracted from total GLA for the existing mall, as much of the merchandise in supermarkets (i.e. unprepared foods) is not subject to sales tax, and the per square foot sales volumes for supermarkets differs substantially from the typical mall tenant. This leaves a net GLA of 1,175,502 square feet. Employing the average sales estimate of \$269.16 per square foot for retailers², the existing Cross County Shopping Center is estimated to be generating over \$316 million in taxable sales annually. In addition, using an average sales estimate of \$390.50 per square foot for supermarket space³, the Stop & Shop supermarket brings in an additional \$5.89 million in taxable sales revenue.⁴ Total taxable sales for Cross County are estimated to be approximately \$322 million. As listed in Table IV. J-5, the estimated total annual sales tax revenue generated from sales at the existing Cross County is nearly \$27.4 million, of which approximately \$8.0 million accrues to the City of Yonkers while over \$4.8 million goes to County coffers. The State also makes a significant amount in sales tax revenue from the existing shopping center, estimated at nearly \$13.7 million.

Table IV. J-5

**Annual Estimated Sales Tax Revenue
Generated From Existing Cross County Shopping Center**

Total Taxable Sales	\$322,292,376
NY State Sales Tax Revenue	\$ 13,697,426
Westchester County Sales Tax Revenue	\$ 4,834,386
City of Yonkers Sales Tax	\$ 8,057,309
MTA Sales Tax Revenue	\$ 805,731
Total Sales Tax Revenue	\$ 27,394,852

Source: Phillips Preiss Shapiro Associates, Inc.

² Industry estimate for average sales per square foot for Traditional General Merchandise Malls with over 1,000,000 square feet GLA from The SCORE: Shopping Center Operations Revenues and Expenses, International Council of Shopping Centers, 2004, p.131.

³ Industry estimate for average sales per square foot for Supermarkets from Dollars and Cents of Shopping Centers, Urban Land Institute, 2004, p.138.

⁴ Overall sales were discounted 80 percent to reflect the fact that only 20 percent supermarket sales are expected to be for taxable goods, i.e., general merchandise, health/beauty and prepared foods, according to the Food Marketing Institute. *Supermarket Sales by Department – Percent of Total Supermarket Sales*, 2003.

Income Tax Revenue

As a major employer of retail jobs, the existing Cross County Shopping Center also generates local income tax revenue for the City of Yonkers. The City of Yonkers imposes an earnings tax on non-residents working in Yonkers, which allows the City to derive tax revenue from non-resident employees of the Cross County Shopping Center. The City also taxes the income of residents who work in Yonkers—however, these revenues are not included in this analysis, as it is assumed conservatively that residents who live in Yonkers and work at the Cross County Center would have found some other employment if the Cross County Center did not exist.

The number of employees in retail at the existing 1,313,561 square foot Cross County Shopping Center is estimated to be 3,315, derived from using standard multipliers of 2.5 employees per 1,000 square foot for retail space and 3.0 employees per 1,000 square feet for office space.⁵ Assuming that 50 percent of the Cross County employees are Yonkers residents and the remaining 50 percent are non-residents⁶, there are currently an estimated 1,658 non-resident employees.

The Yonkers non-resident earnings tax equals 0.25 percent of gross earned wages, after an allowable exclusion of \$3,000 (for salaries below \$30,000). According to the most recent labor statistics, the annual median retail salary for the region is \$18,780.⁷ Applying the tax rate to the annual median salary, the annual Non-resident Earnings Tax Revenue is estimated to average \$40 per non-resident employee of Cross County. As summarized in Table IV. J-6, Yonkers local income tax revenue from non-resident Cross County employees is estimated to be about \$65,400.

City and School Costs

The current level of City expenditures (excluding Board of Education appropriations) for Yonkers is \$334.5 million.⁸ Since non-residential property accounts for 17% of the total property tax base, it is estimated that about \$56.8 million in City

⁵ Development Impact Assessment Handbook, Urban Land Institute, 1997, p. 265.

⁶ Midwood Management Corporation, 2005 (based on major anchors)

⁷ New York State Department of Labor, Hudson Valley Region (includes Westchester), 4th Quarter, 2003.

⁸ City of Yonkers, Department of Finance, Adopted City Tax Budget for Fiscal Year July 1, 2004 to June 30, 2005

expenditures can be attributed to non-residential uses. With total employees for the City of Yonkers calculated at 43,248⁹, we can assume that the municipal cost per employee is about \$1,315. As previously calculated, there are an estimated 3,315 employees working at the Cross County Shopping Center. The municipal expenditures currently generated by the Cross County are estimated at \$4,359,225, as calculated in Table IV. J-7.

Table IV. J-6

**Annual Estimated Local Income Tax Revenue
Generated From Existing Cross County Non-resident Employees**

Number of Non-resident Employees	1,658
Non-resident Earnings Tax Rate	0.25%
Average Liability Per Employee	\$39.45
Total Local Income Tax Revenue	\$65,400

Sources: Phillips Preiss Shapiro Associates, Inc.; New York State Department of Labor; Midwood Management Corp; Handbook of NYS and Local Taxes

Table IV. J-7

**Annual Municipal Expenditures for
Existing Cross County Shopping Center**

	<u>Annual Municipal Non-residential Expenditure Per Capita</u>		<u>Estimated Number of Employees at Cross County</u>		<u>Annual Municipal Costs for Employees</u>
Municipal Costs for Existing Cross County	\$1,315	X	3,315	=	\$4,359,225

Sources: Phillips Preiss Shapiro Associates, Inc.; New York State Department of Labor; Yonkers City Budget

⁹ New York State Department of Labor, Hudson Valley, First Quarter 2004.

The City Tax Budget currently allocates \$346 million to the Yonkers Board of Education.¹⁰ At present, the Yonkers Public School District has approximately 26,000 students that are served by 40 schools: 29 elementary schools, five middle schools, five high schools and one alternative middle school/high school.¹¹ The Yonkers school system spends an estimated \$15,777 per pupil.¹² Although the existing Cross County Shopping Center generates over \$2.3 million in property tax revenue for the school district, the Yonkers Board of Education does not incur any costs from the property as it is limited to commercial uses.

Table IV. J-8

Total Annual Municipal Revenue from the Existing Cross County Shopping Center

<u>City of Yonkers Revenue Source</u>	<u>Annual Revenue</u>
Property Tax	\$1,321,106
Sales Tax	\$8,057,309
Frontage Fee	\$42,466
<u>Non-Resident</u> Income Tax	\$65,400
Total City of Yonkers Revenue	\$9,486,281

Source: Phillips Preiss Shapiro Associates, Inc.

Cost-Revenue Analysis

The total annual revenue generated for the City of Yonkers' purposes from taxes and fees on the existing Cross County Shopping Center and its employees is estimated to be nearly \$9.5 million, as broken down in Table IV. J-8. Comparing the revenue to costs generated by the existing operation, we find that the Cross County currently yields greater revenues than costs, providing significant benefits to the City and Yonkers Public Schools that are summarized in Table IV. J-9. On a City level, the total tax revenue exceeds the municipal expenditure generated, resulting in a net surplus of about \$5.1 million. Yonkers school district also realizes a benefit of \$2.3 million from the current Cross County operation. In total, Yonkers City and Schools

¹⁰ City of Yonkers, Department of Finance, Adopted City Tax Budget for Fiscal Year July 1, 2004 to June 30, 2005

¹¹ Yonkers Chamber of Commerce, 2005.

¹² New York – The State of Learning (Chapter 655 Report), New York State Education Department, July 2004.

are estimated to be receiving a positive net fiscal impact of over \$7.4 million from the existing shopping center.

Table IV. J-9

**Summary of Cost-Revenue Analysis
for the Existing Cross County Shopping Center**

	<u>Annual Revenue</u>	<u>Annual Costs</u>	<u>Net Fiscal Impact</u>
City of Yonkers	\$9,486,281	\$4,359,225	\$5,127,056
Yonkers Board of Education	\$2,309,408	0	\$2,309,408
Total City/Schools	\$11,795,689	\$4,359,225	\$7,436,464

Source: Phillips Preiss Shapiro Associates, Inc

b) Description of Existing Tax Abatements

At present, the Cross County Shopping Center is subject to all applicable local, county and state taxes and fees, which it pays in full. To the best of Management's knowledge, there are no existing tax abatements for the current shopping center.¹³

¹³ Midwood Management Corporation, 2005.

ANTICIPATED IMPACTS

a) Property and Other Tax Projections for the Revamped Shopping Center

Projecting Property Tax Revenue

The redeveloped Cross County Shopping Center will introduce an additional 19 percent of retail and restaurant space, augmenting the total gross leasable area to 1,558,936 square feet. In order to remain conservative in our analysis, the total assessed property value of the revamped center is projected by increasing the total assessed property value of the existing mall- \$7,781,280 - by 19 percent.

Determining assessed valuation with this approach is a conservative measure in that it only accounts for the increase in actual quantity of retail space, and not the significant improvements in design, quality and amenities that are part of the redevelopment. This calculation brings the projected assessed property value of the redeveloped Cross County to \$9,259,723. Although this assessed value figure appears low, it is reflective of Yonkers current commercial equalization ratio of 3.89%. Accordingly, this assessed value would be roughly equivalent to a market value of \$240 million.

Table IV. J-10

**Annual Projected Property Tax Revenues
Generated by the Redeveloped Cross County Shopping Center, 2004**

All Tax Lots	Property Valuation	City Tax	School Tax	Frontage Tax	Total City & School Taxes	County Taxes
2004	\$7,781,280	\$1,321,106	\$2,309,408	\$42,466	\$3,675,402	\$880,051
Redeveloped Center	\$9,259,723	\$1,572,116	\$2,748,193	\$42,466	\$4,320,309	\$1,023,848
Total Incremental Revenue	-	\$251,010	\$438,785	\$0	\$644,907	\$143,797

Sources: Phillips Preiss Shapiro Associates, Inc.; Midwood Management Corp; Handbook of NYS and Local Taxes; Yonkers Assessor's Office; Yonkers Tax Office

The projected annual property tax revenue for the redeveloped shopping center is determined by applying the 2005 property tax rates discussed in the previous section to the projected assessed property value of \$9,259,723 as broken down in Table IV. J-10. When fully operational, the redeveloped Cross County is expected to generate

\$4,320,309 in total annual property tax revenue for Yonkers, of which \$2,748,408 would be earmarked for Yonkers Public Schools while \$1,572,116 would accrue to Yonkers' municipal coffers. Compared to the existing Cross County Shopping Center, these projections represent positive incremental property tax revenue of approximately \$645,000 annually for Yonkers (City and Schools). The project also increases County coffers by an additional \$143,797, bringing annual County property tax revenues from the redeveloped mall to over \$1.0 million.

Projecting Sales Tax Revenue

The increased retail and restaurant square footage at the redeveloped Cross County Shopping Center is expected to significantly increase the mall's overall sales. To project total taxable sales at the redeveloped shopping center, the property's planned total gross leasable area is multiplied by the industry average for sales per square foot at similar shopping centers. Again, we reduce total gross leasable area of the redeveloped mall by an aggregate 138,059 square feet to account for both total office space (62,540 sq. ft.) and supermarket space (75,519 sq. ft.), bringing the adjusted retail GLA to 1,420,877 square feet. Using the average sales estimate of \$269.16 per square foot,¹⁴ the redeveloped Cross County Shopping Center is projected to generate \$382.4 million in annual taxable sales when it is fully operational. Adding in the existing supermarket taxable sales of \$5.89 million¹⁵, total annual taxable sales for the redeveloped mall is projected to be about \$388.3 million.

As listed in Table IV. J-11, the total annual sales tax revenue to be generated from sales at the redeveloped Cross County is projected at \$33 million, of which about \$9.7 million accrues to the City of Yonkers and \$5.8 million goes to County coffers. The State is also expected to realize \$16.5 million in sales tax revenue from the expanded shopping center. Comparing the sales tax revenue estimates for both the existing and redeveloped Cross County, the total incremental sales tax revenue is approximately \$5.6 million. For the City of Yonkers, sales tax revenue increases by an estimated

¹⁴ Industry estimate for average sales per square foot for Traditional General Merchandise Malls with over 1,000,000 square feet GLA from The SCORE: Shopping Center Operations Revenues and Expenses, International Council of Shopping Centers, 2004, p.131.

¹⁵ See earlier calculation. Food Marketing Institute and Dollars and Cents of Shopping Centers, Urban Land Institute, 2004.

\$1.65 million. The County can also expect positive incremental revenue of nearly \$1.0 million.

Table IV. J-11

Projected Annual Sales Tax Revenue to be Generated From the Redeveloped Cross County Shopping Center

	<u>Total</u> <u>Sales Tax Revenue</u>	<u>Incremental</u> <u>Sales Tax Revenue</u>
NY State Sales Tax Revenue	\$ 16,504,344	\$ 2,806,918
Westchester County Sales Tax Revenue	\$ 5,825,063	\$ 990,677
City of Yonkers Sales Tax	\$ 9,708,438	\$ 1,651,128
MTA Sales Tax Revenue	\$ 970,844	\$ 165,113
Total Sales Tax Revenue	\$ 33,008,688	\$ 5,613,836

Source: Phillips Preiss Shapiro Associates, Inc.

To remain conservative in analyzing sales tax revenue, it is necessary to account for the fact that the redeveloped Cross County Shopping Center may potentially cause increased competition for other shopping areas within the County and State.

Although there are significant projected increases in absolute sales tax revenue to be generated from the redeveloped Cross County, this increase may in fact be offset to an extent due to reduced sales at competing shopping centers within these areas. For simplicity, we assume that new shoppers at the redeveloped Cross County will continue to be drawn from the same localities at the proportion at which they are presently, as illustrated in Table IV. J-12. Since nearly all of the Cross County's current shoppers are drawn from within New York State, we conservatively assume that the State will not receive any net new sales tax revenue, as the total retail spending of New York State residents *within* New York State will not change with the expansion of the Cross County Mall. For the county, 53.3 percent of shoppers at the Cross County Center currently come from outside the County (see Table IV. J-12). Assuming that this proportion remains the same after the Center's expansion, then 53.3 percent of the additional sales represent new sales that would not have occurred (and therefore would not be taxable) in the County but for the expansion of the Cross County Center. This approach adjusts the County's overall net increase in

sales tax revenue to \$528,030. This approach is a very conservative one since it is also probable that the redeveloped mall will draw new customers from throughout Westchester who are currently doing their shopping outside the county. If this were the case, actual net sales tax revenue would increase by a greater amount than estimated herein.

Table IV. J-12

Summary of Customer Origin Data for the Existing Cross County Shopping Center, 2005

Shopper Origin	% of Survey Participants*
Westchester County	46.7%
<i>Yonkers</i>	31.3%
<i>Other Westchester</i>	15.4%
Outside County	53.3%
Within New York State	99.3%

*Survey participants with unidentified/undisclosed zip codes are not included

Source: Cross County Shopper Intercept Survey, conducted March 2005; Phillips Preiss Shapiro Associates, Inc.; John Meyer Consulting

Projecting Income Tax Revenue

The redeveloped Cross County Shopping Center will also increase employment in Yonkers, generating additional local income tax revenue for the City of Yonkers. With the addition of 245,375 square feet of new retail and restaurant space, about 614 new jobs¹⁶ are projected to be generated when fully operational, bringing the total number of projected jobs (existing and new) to 3,929 employees.¹⁷ Assuming that 50 percent of the Cross County's estimated employees are Yonkers residents and the remainder are non-residents¹⁸, there are 1,965 non-resident employees projected for the revamped shopping center, of which just over 300 are estimated to be new non-resident employees. An average of \$40 per non-resident employee for non-resident earnings tax liability¹⁹ is then multiplied by the number of non-resident employees. As summarized in Table IV. J-13, Yonkers local income tax revenue from non-

¹⁶ Using a standard multiplier of 2.5 employees per square foot of retail space and 3.0 employees per square foot of office space from Development Impact Assessment Handbook, Urban Land Institute, 1997, p. 265.

¹⁷ Midwood Management Corporation, 2005.

¹⁸ Midwood Management Corporation, 2005 (based on data from major anchors)

¹⁹ Based on the Yonkers Non-resident Earnings tax rate of 0.25 percent of gross earned wages and the annual median retail salary for the region of \$18,780 (Yonkers Department of Finance and New York State Department of Labor).

resident Cross County employees is estimated to be \$77,500, yielding incremental revenue of about \$12,100.

Table IV. J-13

Annual Estimated Local Income Tax Revenue to be Generated from Non-resident Employees of the Redeveloped Cross County

Number of Non-resident Employees	1,965
Non-resident Earnings Tax Rate	0.25%
Average Liability Per Employee	\$39.45
Total Local Income Tax Revenue	\$77,500
Incremental Revenue	\$12,100

Sources: Phillips Preiss Shapiro Associates, Inc.; New York State Department of Labor; Midwood Management Corp; Handbook of NYS and Local Taxes

City and School Costs

As previously calculated, the average municipal cost per employee in Yonkers is about \$1,315. With 3,929 employees projected to be employed at the redeveloped Cross County Shopping Center, total municipal expenditures of \$5.16 million are anticipated to be generated by the project when it is fully operational (see Table IV. J-14).

Table IV. J-14

Annual Municipal Expenditures to be Generated from Redeveloped Cross County Shopping Center

	Annual Municipal Non-residential Expenditure Per Capita	X	Estimated Number of Employees at Cross County	=	Annual Municipal Costs for Employees
Municipal Costs for Redeveloped Cross County	\$1,315		3,929		\$5,166,635

Source: Phillips Preiss Shapiro Associates, Inc.; Yonkers Finance Office

The Cross County Shopping Center is expected to generate about \$2.75 million in property tax revenue for the Yonkers school district, which will not incur any costs associated with the mall’s redevelopment and operation.

Cost-Revenue Analysis

The total annual revenue generated for the City of Yonkers’ purposes from taxes and fees on the redeveloped Cross County Shopping Center and its employees is estimated to be \$11.4 million, as broken down in Table IV. J-15. The Cross County is projected to yield greater revenues than costs, providing significant benefits to the City and Yonkers Public Schools that are summarized in Table IV. J-16. On a City level, the total tax revenue far exceeds the municipal expenditure generated, resulting in a net surplus of \$6.2 million. The Yonkers school district is projected to receive a positive benefit of \$2.75 million from the revamped Cross County Center. In total, the redeveloped Cross County Shopping Center is projected to have a positive net fiscal impact of nearly \$9.0 million on both the City and Yonkers schools. The incremental net benefit is also significant since the proposed shopping center offers an additional \$1.54 million of net revenue to City and School District coffers over the existing shopping center.

Table IV. J-15

Total Annual Municipal Revenue to be Generated from the Redeveloped Cross County Shopping Center

<u>City of Yonkers Revenue Source</u>	<u>Annual Revenue</u>
Property Tax	\$1,572,116
Sales Tax	\$9,708,438
Frontage Fee	\$42,466
Income Tax	\$77,500
Total City of Yonkers Revenue	\$11,400,520

Source: Phillips Preiss Shapiro Associates, Inc.

Table IV. J-16

**Summary of Cost-Revenue Analysis
for the Redeveloped Cross County Shopping Center**

	<u>Annual Revenue</u>	<u>Annual Costs</u>	<u>Net Fiscal Impact</u>
City of Yonkers	\$11,400,520	\$5,166,635	\$6,233,885
Yonkers Board of Education	\$2,748,193	0	\$2,748,193
Total City/Schools Surplus	\$14,148,713	\$5,166,635	\$8,982,078
Incremental	\$2,353,023	\$807,410	\$1,545,613

Source: Phillips Preiss Shapiro Associates, Inc.

b) Description of PILOTs or Other Tax Abatements to be utilized during the Construction and Operation Period

Regarding tax abatements, the redeveloper is applying to the Yonkers Industrial Development Agency (YIDA) to receive an exemption from sales tax during the three-year construction phase. It is expected that sales tax will resume in full during the operational period.

The developer is seeking financial assistance from the Yonkers Industrial Development Agency, in the form of sales and tax exemption during the construction period. The sales and use tax exemption would apply to materials purchased to be used in the construction of the project. Currently, project costs are estimated to be approximately \$242 Million, of which approximately \$63 Million is attributable to cost of construction materials. Based on the current tax rate of 8.25%, the sales and use tax exemption for the construction materials is estimated to be \$5.2 Million.

Although an application has been made to the YIDA seeking its assistance, no formal actions have been taken by the YIDA to date.

At this point, there are no PILOTs or additional tax abatements anticipated during either construction or operation periods. It is assumed that the Cross County

Shopping Center will pay the full amount of real property taxes during both construction and operational periods.

c) **Employment and Earnings Projections**

Both the Cross County's redevelopment/construction phase and its fully operational period are anticipated to yield positive impacts on employment and earnings for the regional economy. The investment of funds during the Cross County's three year redevelopment period will spawn direct construction and professional services employment while causing a ripple effect of secondary impacts on the greater economy. Additionally, in the long term, the increase in retail square footage at the shopping center will result in hundreds of new retail jobs, a significant portion of which can expected to be filled by Yonkers residents.

Construction Impacts: Short-term Employment and Earnings

The redevelopment of the Cross County Shopping Center will entail a total projected investment of over \$265 million. As shown in Table IV. J-17, the bulk of the project budget is attributable to actual construction costs totaling \$242.4 million between site work, off-site intersections, landscape/hardscape, parking, renovations, new buildings and tenant fitout. Redevelopment-related professional services—architectural and engineering; legal; and waste management and remediation—make up the remainder of the project costs. Additionally, the City of Yonkers will receive Using the Regional Input-Output Modeling System developed by the U.S. Department of Commerce, it is possible to project the short-term earnings and employment impacts associated with the mall's redevelopment. This modeling system, known as RIMS II, uses a series of economic multipliers to project the direct and indirect economic activity related to the Cross County Shopping Center redevelopment. The model measures the direct and indirect impacts (or ripple effects) associated with changes in final demand in industries located within a defined area (in this case, the two-county region of Bronx and Westchester Counties and New York State as a whole).

Table IV. J-17

Overall Summary
Expanded Conceptual Project Budget

Areas of Work	Cost	% Spent in Westchester/ Bronx Counties	% Spent in New York State
CONSTRUCTION	\$242,400,000	100%	100%
<i>Sitework/Utilities</i>	\$30,500,000	-	-
<i>Off-Site Intersections</i>	\$6,500,000	-	-
<i>Hardscape/ Landscape</i>	\$10,200,000	-	-
<i>Parking Structures</i>	\$56,000,000	-	-
<i>Existing Building Renovations</i>	\$24,900,000	-	-
<i>New Buildings</i>	\$64,900,000	-	-
<i>Tenant Construction/Fitout</i>	\$49,400,000	-	-
ARCHITECTS/ENGINEERS	\$19,400,000	62%	95%
LEGAL	\$1,000,000	100%	100%
HAZARDOUS MATERIALS/ REMEDIATION	\$5,500,000	50%	50%
GRAND TOTAL			
	\$268,300,000		
Total Spent in Westchester County	\$258,178,000		
Total Spent in New York State	\$264,580,000		

Sources: Midwood Management Corp; The Whiting Turner Contracting Company

Direct impacts include construction employment at the project site and other hiring by contractors (including professional consultants, architects, and engineers). Indirect construction and professional services impacts include earnings and jobs generated by the secondary expenditures made by materials suppliers, consultants and construction workers with earnings received from project participation. Thus, the money initially spent on construction and professional services ripples through the local economy as money is spent and respent by companies and households. These ripple effects impact a wide variety of industries—the figures presented here represent aggregate totals for all industries in the local and state economies.

For Westchester and Bronx Counties, the RIMS II final demand multipliers for earnings and employment for the industries which will receive direct investments related to the mall’s redevelopment are estimated as follows:

Construction

Earnings Multiplier	Employment Multiplier
.3631	8.9817

Architectural and Engineering Services

Earnings Multiplier	Employment Multiplier
.3839	8.0994

Legal Services

Earnings Multiplier	Employment Multiplier
.5461	8.973

Waste Management and Remediation

Earnings Multiplier	Employment Multiplier
.3498	8.162

The final demand multipliers presented above provide a means of estimating total direct and indirect employment and earnings impacts. They do not separate out direct from indirect impacts. The RIMS II model also provides “direct effect” multipliers for earnings and employment that allow the estimation of total earnings and employment impacts when initial changes in employment and earnings associated with the project are known. It is possible to arrive at a rough estimate of direct employment impacts by dividing these multipliers into the total impact numbers to estimate these initial employment and earnings changes. This methodology has been employed here to estimate direct impacts—however, these results should be recognized as being less precise than the estimates for total employment and earnings, as a double-estimation procedure has been employed.

Applying the construction-related earnings multiplier to the total investment in construction yields a total impact on earnings of \$88 million, of which \$56 million will consist of primary income and \$32 million will be secondary income. In terms of employment, application of the RIMS multiplier generates a total employment impact

of 2,177 person-years of construction and construction-related employment, of which 1,313 are direct employment impacts. Applying the same approach, the RIMS multipliers indicate that an initial investment in architectural/engineering services yields total earnings of \$3.9 million and 82 person-years of direct and indirect employment. As for legal services, the \$1 million investment yields direct and indirect earnings totaling \$1.68 million as well as 5 primary person-years of legal-related employment and 4 secondary person-years of employment. Waste management/remediation costs translate to total direct and indirect earnings of \$961,950 and 22 remediation-related person-years of employment. In sum, total earnings and employment for the County associated with the mall redevelopment are projected respectively at \$93.4 million and 2,290 person-years employment. With an average salary of \$43,924 across industries, total direct employment is estimated at 1,381 person-years with primary income amounting to \$60,658,622. Table IV. J-18 summarizes the projected short-term employment and earnings estimates for Westchester and Bronx Counties.

It is also possible to project earnings and employment impacts at the state level using the RIMS II model. We can assume that a greater percentage of primary and secondary expenditures would be made in New York State than Westchester County as a whole, thus increasing overall earnings and employment estimates. For New York, the Cross County redevelopment is projected to yield a total of 3,841 person-years of employment in construction-related and professional services-related employment with total earnings of \$157 million. The breakdown of earnings and employment for New York State is provided in Table IV. J-19.

Table IV. J-18

**Projected Construction Period Employment and Earnings Impacts
for Westchester and Bronx Counties**

Industry code	230000	541300	541100	562000	
Industry name	Construction	Architectural and engineering services	Legal services	Waste management and remediation services	Total
Change in Final Demand	\$242,400,000	\$16,400,000	\$1,000,000	\$5,500,000	\$265,300,000
Percent spent locally	100%	62%	100%	50%	
Local change in final demand	\$242,400,000	\$10,168,000	\$1,000,000	\$2,750,000	\$256,318,000
Final-demand multipliers					
Final-demand Output	1.6516	1.5462	1.6851	1.6721	
Final-demand Earnings	0.3631	0.3839	0.5461	0.3498	
Final-demand Employment	8.9817	8.0994	8.973	8.162	
Impacts					
Output	\$400,347,840	\$15,721,762	\$1,685,100	\$4,598,275	\$422,352,977
Earnings	\$88,015,440	\$3,903,495	\$546,100	\$961,950	\$93,426,985
Employment	2,177	82	9	22	2,290
Direct + indirect earnings per worker	\$40,427	\$47,399	\$60,860	\$42,857	\$40,781
Direct-effect multipliers					
Direct-effect Earnings	1.5461	1.4267	1.3413	1.6357	
Direct-effect Employment	1.6577	1.6498	1.7622	1.788	
Direct earnings	\$56,927,392	\$2,736,031	\$407,142	\$588,097	\$60,658,662
Direct employment	1,313	50	5	13	1,381
Direct earnings per worker	\$43,357	\$54,721	\$81,428	\$45,238	\$43,924

Source: Phillips Preiss Shapiro Associates, Inc.; RIMS II

Table IV. J-19**Projected Construction Period Employment and Earnings Impacts
for New York State**

Industry code	230000	541300	541100	562000	
Industry name	Construction	Architectural and engineering services	Legal services	Waste management and remediation services	Total
Change in Final Demand	\$242,400,000	\$16,400,000	\$1,000,000	\$5,500,000	\$265,300,000
Percent spent locally	100%	95%	100%	50%	
Local change in final demand	\$242,400,000	\$15,580,000	\$1,000,000	\$2,750,000	\$261,730,000
Final-demand multipliers					
Final-demand Output	1.9598	1.8615	1.9973	1.9589	
Final-demand Earnings	0.6002	0.6319	0.7428	0.5247	
Final-demand Employment	14.7754	13.6251	13.0329	12.2879	
Impacts					
Output	\$475,055,520	\$29,002,170	\$1,997,300	\$5,386,975	\$511,441,965
Earnings	\$145,488,480	\$9,845,002	\$742,800	\$1,442,925	\$157,519,207
Employment	3,582	212	13	34	3,841
Direct + indirect earnings per worker	\$40,622	\$46,378	\$56,994	\$42,701	\$41,014
Direct-effect multipliers					
Direct-effect Earnings	1.7237	1.5938	1.5543	1.9397	
Direct-effect Employment	1.8395	1.8834	2.1808	2.1279	
Direct earnings	\$84,404,757	\$6,177,062	\$477,900	\$743,891	\$91,803,610
Direct employment	1,947	113	6	16	2,082
Direct earnings per worker	\$43,351	\$54,664	\$79,650	\$46,493	\$44,094

Source: Phillips Preiss Shapiro Associates, Inc.; RIMS II

Permanent Impacts: Long-term Employment and Earnings in Retail

Once the redevelopment period is complete and the revamped mall is fully operational, the Cross County will employ additional full-time and part-time employees on a permanent basis, a number of which will be drawn from the City of Yonkers. As previously calculated, the existing 1,313,561 square foot mall is estimated to be employing 3,315 full-time equivalent employees based on standard multipliers of 2.5 employees per 1,000 square foot of retail space and 3.0 employees per square feet of office space.²⁰ Applying the same method to the redeveloped shopping center's estimated 1,558,936 square feet of GLA, 3,929 jobs are projected to be generated by the mall when fully operational, of which approximately 614 are new permanent full-time equivalent jobs in retail. The annual median income for retail employees in the Westchester/Hudson Valley region is estimated at \$18,780.²¹ Thus, total earnings for permanent employees of the redeveloped mall are projected to be \$73,786,620, with incremental earnings of \$11,530,920.²²

MITIGATION MEASURES

a) Mitigation Measures for Affected Taxing Jurisdictions

The fiscal impact analysis indicates that the affected taxing jurisdictions will experience significant positive benefits. In fact, the revamped shopping center is a major win for the school district which can anticipate \$3.1 in annual revenues without incurring any costs or increases in school-age population. Additionally, the ripple effect of redevelopment on earnings and employment will provide an economic boost to the affected area. Thus, no mitigation measures are proposed for affected taxing jurisdictions.

²⁰ Development Assessment Handbook, Urban Land Institute, 1997, p. 265.

²¹ New York State Department of Labor, Hudson Valley Region (includes Westchester), 4th Quarter, 2003.

²² Only 62,540 square feet of the Mall is allotted to office space, all of which is located in the 8-story office building in the center of the site. Office space accounts for just 4.7% of GLA for the existing mall and only 4.0% of the redeveloped shopping center. Given the minimal percentage of office space overall and the unknown nature of the businesses that will occupy this space, we apply retail wages to office workers as well, yielding a more conservative estimate of earnings (since professional wages for most office workers would presumably be higher than retail).

SOCIOECONOMIC

EXISTING CONDITIONS

a. Demographic and Commercial Character Assessment of the Site and Surrounding Area

The Cross County Shopping Center is bounded on three sides by major roadways: Interstate 87, the Cross County Parkway and Kimball Avenue. The immediate surrounding area is a well-kept middle-class residential neighborhood largely consisting of detached single-family dwelling units, multifamily housing and co-operative apartment buildings. Looking more broadly at the demographic profile for the southeastern portion of Yonkers,²³ average household income is approximately \$66,236. Although not as racially diverse as other parts of Yonkers – 84 percent of the population identified themselves as White, followed by Hispanic (11 percent) and Black (15 percent) – the foreign born population in the area is significant at 25 percent.²⁴ Just over half of the housing in this section of Yonkers is owner-occupied. Given the improvement in quality of design and amenities as well as the off-site intersection enhancements proposed for the Cross County, redevelopment is expected to positively impact the character of the surrounding community.

The commercial character of the surrounding area is varied and can be categorized as follows:

- Immediately Adjacent Parcels:

Since the “Mall at Cross County Square” abuts the southern border of the Cross County, the commercial character of the immediate area is that of an auto-oriented, enclosed shopping mall and is generally congruent with the retail character of the existing Cross County Center.

- Kimball and Mile Square Road:

This intersection has a small neighborhood-oriented retail cluster, which is “downtown” or pedestrian-oriented in character. Dominated by service and convenience retail, there are three small grocery stores, a pub, a sports store, a pizza shop, a dry cleaners, a medical office, a realty office and a gas station.

²³ Census 2000 Profile for Zip Code 10704 Yonkers – East; published by Westchester County Government

²⁴ Ibid.

- Yonkers Avenue:

This commercial area is just south of the Cross County Shopping Center.

Yonkers Avenue can be described as a neighborhood-oriented, pedestrian retail strip west of the Thruway and more of an auto-oriented retail corridor to the east of the Thruway.

- Central Park Avenue along the Thruway

There is also some scattered strip-style, auto-oriented commercial development on that portion of Central Park Avenue that runs along the Interstate 87 approach to the Shopping Center on both the northbound and southbound sides. This retail includes gas stations, car dealers and auto repair.

b. Commercial Character and Retail Classification

Built more than 50 years ago, the Cross County Shopping Center is one of the oldest malls in the country and is designed as an open-air shopping center organized along two main pedestrian corridors of in-line tenants that form an L-shape. Although the shopping center currently enjoys a diversity of retailers and a vibrant customer base, the age and physical conditions of center make redevelopment imperative for its long-term viability. In general, many of the existing facades, signage, pedestrian corridors and paving are aging and display exterior wear and tear and, in a few instances, deteriorating conditions. In contrast, the interiors of stores are typically in quality condition and well-laid-out, with updated displays. The general appearance/condition of the mall may be deterring potential customers from within the shopping center's trade area.

As a traditional general merchandise mall, the Cross County Shopping Center is a *comparison* retail destination with over 100 retail tenants. The major anchor tenants of the mall are Macy's and Sears. A shopper intercept survey²⁵ confirmed that the two department stores are the predominant attractions at the Cross County, with over one-third of shoppers identifying Macy's and 20 percent naming Sears as among the stores they patronize most often. Junior anchor tenants at the Cross County include national clothing chains such as Gap, Old Navy and Victoria's Secret. Other major

²⁵ Shopper Intercept Survey conducted by John Meyer Consulting, March 2005.

in-line tenants include Aeropostale, New York & Company, Express and CVS. There are also two stand-alone destinations off the main strip: a multiplex movie theatre and a Stop and Stop supermarket. For descriptive purposes, Table IV. J-15 provides a breakdown all the stores at the existing mall classified by store type, ownership and gross leasable area.

The detailed retail classification reveals that a major portion of the Cross County Shopping Center's current in-line tenants are clothing/accessory and shoe stores. The existing Cross County also has a number of tenants that are outside the scope of traditional retail, such as businesses providing entertainment, personal services and financial services. The existing mall not only contains major national retailers but also a significant number of local chains and independent stores. Overall, the mall's stores are predominately moderately priced retailers within their product categories, with high-end retailers essentially absent. Some retail store types not present at the mall include furniture, home furnishings, home improvement, and bath and kitchen stores.

Table IV. J-20

Detailed Retail Inventory of the Existing Cross County Shopping Center

	TENANT CLASSIFICATION	TENANT NAME	OWNERSHIP TYPE	GLA IN SQ. FT.
General Merchandise	Full-Line Department Store			
		Macy's	National Chain	249000
		Sears	National Chain	222368
			Total	471368
Food	Bakery			
		Zaro's (2)	Local Chain	1169
	Supermarket			
		Super Stop & Shop	National Chain	75519
		Total	76688	
Food Service	Restaurant (with alcohol)			
		Applebee's	National Chain	4800
	Ice Cream Parlor			
		Haagan Daaz Ice Cream	National Chain	432
	Cookie Shop			
		Mrs. Fields	Local Chain	450
	Sandwich Shop			
		Blimpie's	National Chain	600
	Hamburgers			
		Burger King	National Chain	5714
	Pizza			
		Pizza Mania	Independent	374
	Chicken/Turkey			
	Boston Market	National Chain	2296	
Chinese Fast Food				
	China City Express	Independent	1500	
		Total	16166	
Clothing and Accessories	Women's Ready-to -Wear			
		Lane Bryant	National Chain	5961
		Wet Seal	National Chain	3800
		New York + Co.	National Chain	11418
		Pay/half Stores	Local Chain	4340
		Charade Clothes	Local Chain	5300
		Express	National Chain	8330
	Hosiery			
		Suzette Hosiery and Loungerie	Independent	500
		Victoria's Secret	National Chain	8804
	Children's Wear			
		Children's Store	Independent	4405
		The Children's Place	National Chain	4405
	Limited Too	National Chain	4404	

Table IV. J-20 (continued)

	TENANT CLASSIFICATION	TENANT NAME	OWNERSHIP TYPE	GLA IN SQ. FT.
Clothing and Accessories (continued)	Men's Wear			
		Epic Designs	Independent	2959
		Express Men	National Chain	5229
		Gatsby's Men's Cploting	Independent	3966
		MVP Fashions	Independent	1900
		Modern Edge	Independent	617
		Sports Stop	Independent	1600
	Family Wear			
		Gap	National Chain	11552
		Old Navy	National Chain	16000
		Aeropostale	National Chain	3254
	Special Apparel - Unisex			
		Life Uniform Shop	Independent	750
	Leather Shop			
		Wilson's Suede and Leather	National Chain	1823
	Costume Jewelry			
	Final Touch Jewelry	Independent	250	
	Claire's	National Chain	1100	
		Total	112667	
Shoes	Family Shoes			
		Confit Shoes (Wide Width Shoes)	Independent	1080
	Women's Shoes			
		Nine West	National Chain	785
		Shoe Palace	Independent	1590
		Baker's Shoes	National Chain or local	2540
		Wild Pair	National Chain or local	2540
		Aldo	National Chain	8869
		Easy Spirit	National Chain	1420
	Men's and Boy's Shoes			
		Florsheim Stratford Shoes	National Chain	1420
	Athletic Footwear			
	Foot Action	Local Chain	2057	
	Sneaker Mania (2)	Independent	5240	
	Foot Locker	National Chain	2500	
		Total	30041	
Home Appliances/ Music	Records and Tapes			
		Sam Goody	National Chain	4000
		Suncoast Motion Picture	National Chain	2000
	Computer/Software			
		Software Etc.	Local Chain	1900
Electronics - General				
	Radio Shack (2)	National Chain	2538	
		Total	10438	

Table IV. J-20 (continued)

	TENANT CLASSIFICATION	TENANT NAME	OWNERSHIP TYPE	GLA IN SQ. FT.
Hobby	Toys			
		Kay Bee Toys	National Chain	3692
		Disney Store	National Chain	4157
			Total	7849
Gifts/Specialty	Cards and Gifts			
		Party Bazaar	Independent	5600
	Books			
		Waldenbooks	Local Chain	2790
		Total	8390	
Jewelry	Jewelry			
		Corbo Jewelers	Independent	1003
		Infiniti Jewelers (2)	Independent	1607
			Total	2610
Drugs	Drugstore/Pharmacy			
		CVS	National Chain	10011
			Total	10011
Other Retail	Telephone Store/Telecom Store			
		The Phone Store	Independent	840
		Phones R Us	Independent	642
		Verizon Wireless	National Chain	3088
	Eyeglasses - Optician			
		Shapiro Optical	Independent	783
		Sterling Optical	Local Chain	1000
	Cosmetics/Beauty Supplies			
		Cebon Cosmetics	Independent	1000
		Bath & Body Works	National Chain	3692
		Total	11045	
Personal Services	Photographer			
		Tano, Photo Studios	Independent	1500
		Photo Express	Independent	600
	Formal Wear/ Rental			
		Cross County Tuxedos	Independent	990
	Travel Agent			
		Liberty Travel	Local Chain	1250
	Video Tape Rentals			
		Blockbuster Video	National Chain	3750
	Weight Loss Center			
	Weight Watchers	National Chain	3369	
Nail Salon				
	Nails + More	Independent	1100	
	Nails City Plus	Independent	620	

Table IV. J-20 (continued)

	TENANT CLASSIFICATION	TENANT NAME	OWNERSHIP TYPE	GLA IN SQ. FT.
Personal Services (continued)	Picture Framing			
		Steven's Art	Independent	1760
	Other Services			
		Classic Ride Taxi Service	Independent	300
			Total	15239
Entertainment/ community	Learning Center/ College			
		WCC Suny Westchester	n/a	10000
	Cinema - General			
		Multiplex Cinemas (Showcase Cinemas)	National Chain	45000
	Children's Play Gym			
		Kid -O-Robics	Independent	11000
		Total	66000	
Financial	Banks			
		Wachovia	National Chain	4870
		Bank of America	National Chain	6000
	Finance Company			
		H&R Block (Tax)	National Chain	1660
	Insurance			
		DCAP Auto Insurance	Local Chain	200
Real Estate				
	Cross County Realty	Independent	220	
		Total	12950	

Sources: Phillips Preiss Shapiro Associates, Inc.; Midwood Management Corp.

c. Trade Area and Spending Power

Defining Trade Area

Understanding the current trade area for the Cross County is essential for estimating the existing conditions and the potential impacts of redevelopment. To define the existing trade area for the Cross County, a shopper intercept survey was carried out to gather origin data from Cross County customers.²⁶ Over 300 intercept surveys were completed on mid-week and weekend days spanning daytime and evening hours in order to yield a representative sample. Residential and work zip codes were

²⁶ Shopper Intercept Surveys were conducted at the Cross County Shopping Center by John Meyer Consulting in March 2005.

used to collect origin data, depending on whether the customer arrived at the mall from home or work. Table IV. J-21 summarizes customer residential origin data while Figure IV. J-1 illustrates the geographic dispersion of customers and frequency of visits, according to their residential zip codes.

Table IV. J-21

**Summary of Residential Origin Data for Customers
of the Existing Cross County Shopping Center**

<u>Summary of Home Origin</u>	<u>% of Survey Participants</u>
Yonkers	31.3%
Bronx	28.0%
Manhattan	10.3%
Queens	5.7%
Mount Vernon	4.7%
Bronxville	3.7%
Tuckahoe	3.3%

*Sources: Phillips Preiss Shapiro Associates, Inc.; John Meyer Consulting Corp;
Shopper Intercept Survey- March 2005*

The data indicates that the largest portion of customers and the most frequent visitors to the Cross County Shopping Center are Yonkers residents. In fact, over 35 percent of customers are estimated to be from the City of Yonkers. Additionally, those customers visiting the Cross County directly from work are nearly all employed within the City of Yonkers and the immediately surrounding towns. The spatial analysis of customer residence data further demonstrates that the Cross County gets a significant amount of customers from throughout the Bronx (28 percent) and Upper Manhattan (10 percent). Additionally, the mall attracts customers from nearby towns in Southern Westchester, namely, Mount Vernon, Tuckahoe, and Bronxville.

At present, the Cross County is not drawing a significant number of customers from other parts of Southern Westchester - e.g., the towns along the Interstate 95 corridor such as New Rochelle and Larchmont or other major business districts such as White Plains. The failure to capture customers from these nearby areas may be due in part to roadway configurations, existing retail competition and/or the current image of the Cross County.

Based on our analysis of customer data, it is thus possible to distinguish the following trade areas for the existing Cross County Shopping Center:

- 1) **Existing Primary Trade Area** (Primary Trade Area)– consisting of the City of Yonkers, and the neighboring towns of Mount Vernon, Tuckahoe and Bronxville. This corresponds to where most of the frequent visitors live.
- 2) **Existing Secondary Trade Area** (Secondary Trade Area)– consisting of those geographies within the Primary Trade Area, plus the Bronx (except for the Southernmost portion), a segment of Northern Manhattan, and some additional towns near Yonkers: Eastchester, Pelham, and Hastings on Hudson. This trade area includes people who travel longer distances but patronize the center less often than primary trade area residents, on average.

The trade areas were formulated by aggregating customer zip codes from these areas. The boundaries of the Existing Primary and Secondary Trade Areas are highlighted respectively in the following two maps, Figures IV. J-2 and J-3.

Demographics and Spending Power

Within the Existing Primary Trade Area, the total population is estimated to be approximately 700,000 people according to 2000 Census data.²⁷ There are approximately 259,000 households, with household size averaging 2.65 individuals. The 2000 Median Household Income for the area was \$36,728 (the average being \$51,804). There is large renter population since only 30% of housing units owner-occupied.²⁸ Total spending power within this trade area is estimated at \$6,172,848,000 for 2004.²⁹ This figure can be broken down to an average spending power per household of \$23,623.³⁰ To calculate the amount of retail space that can be supported by this trade area, total spending power is divided by an average

²⁷ Claritas is the primary data source for the ensuing analysis in this section. Claritas is a private demographic reporting firm which prepares a current year and small area estimates for a variety of demographic and economic reporting data. Their methodology typically combines a stable baseline data source (such as the decennial Census) with various periodic data sources (such as residential utility accounts or Dun & Bradstreet business registrations) and proprietary projection methodologies. Claritas data is widely used for market and site location studies. All Claritas demographic and retail reports were ordered for the exact trade area geographies.

²⁸ Claritas.

²⁹ Ibid.

³⁰ The average household spending figure is nearly half of the average household income. It is important to note that this figure includes transportation related expenses such as autos, auto servicing, gas, etc., which are not part of normal “retail” expenditures. Transportation expenses are now the second largest household expense behind housing, having overtaken food in recent decades.

estimate of \$250 per square foot for retail sales overall. It is estimated that the Primary Trade Area can support an about 24,691,392 square feet of retail space. The current Cross County Shopping Center accounts for about 5 percent of supportable retail space in the existing Primary Trade Area. Total Retail Sales within the Primary Trade Area for 2004 are estimated at \$4,018,300,000.³¹

In the Existing Secondary Trade Area (which encompasses the Primary Trade Area), there is an estimated total population of 1,734,000, according to the 2000 Census.³² It is a racially and ethnically diverse area with a minority majority population (only 35% identified themselves as white in the 2000 Census). There are an estimated 614,000 households, for which household size averages 2.74 people. The 2000 Median Household Income for this area is \$31,864, which is about \$5,000 below the median income in the Primary Trade Area. In general, both trade areas have large populations with low to moderate income levels. The owner occupancy rate is only 23.7% in the Secondary Trade Area, likely due to the largely urban character of this area.

Within the Secondary Trade Area, total spending power for 2004 has been estimated as \$13,712,794,000 more than double the total spending power of the Primary Trade Area alone. Correspondingly, the amount of potential retail space supported by the Secondary Trade Area is also more than double, at an estimated 54,851,176 square feet. However, the estimated average spending power per household of \$21,969 in the Secondary Trade Area is 7 percent less than the average estimated for the Primary Trade Area. This difference is attributable to the lower average household income level (\$45,733) in the expanded trade area. Total 2004 retail sales are estimated to be \$8,847,300,000 within the Secondary Trade Area. Overall, total spending power in both Primary and Secondary Trade Areas exceeds the actual estimated retail sales within these areas, suggesting that there is significant unmet demand within the trade areas which results in retail leakage to other markets for certain retail store categories.

³¹ Claritas.

³² Ibid.

To better understand how spending power applies to the retail potential of the Cross County, Table IV. J-22 compares spending power for the Existing Primary and Secondary Trade Areas by store-type categories that are relevant to the Cross County's existing retail mix. It illustrates that spending power for the Secondary Trade Area is about double the spending power of the Primary Trade Area for most store categories. To further analyze retail potential in the trade areas, Tables IV. J-23 and J-24 compare spending power to sales for each store type to determine an estimate of the leakage or importation of retail spending for a given store category. If the result is positive when subtracting sales from spending power for a store category, retail dollars for that store type are being lost to other markets outside of the trade area, i.e., leakage is occurring. Conversely, if sales in the trade area exceed spending power for a specific store type, then importation of retail dollars from other trade areas is occurring.

For the Primary Trade Area, overall spending power exceeds sales, with total leakage estimated at \$1.8 billion. In fact, a degree of retail leakage is occurring for all store types except shoe and software stores. There is particularly significant leakage in the following store categories: grocery stores, department stores, apparel/accessories, and eating places – all of which important components of the retail mix at the existing Cross County Shopping Center. As for the Secondary Trade Area, overall spending power exceeds total sales in the area considerably, yielding total estimated retail leakage of \$4.8 billion. This figure likely reflects the fact that many Bronx residents do a considerable amount of their shopping in Manhattan. Looking further at the breakdown, some leakage is occurring for all store categories except for Software and Radio/TV/Electronics. Again, grocery stores, eating places, department stores and apparel/accessories have significant unmet demand within the expanded trade area.

Table IV. J-22

Comparison of Spending Power by Retail Store Type
Primary and Secondary Trade Areas

Store Type	Spending Power in Primary Trade Area 2004 (in 000's)	Spending Power in Secondary Trade Area 2004 (in 000's)
Total	6,172,848	13,712,794
Book Stores	60,669	122,971
Camera/Photo Supply Apparel and Accessory Stores	6,750	14,135
Computer and Software Department Stores	488,959	1,088,459
Eating Places	41,943	87,302
Gift, Novelty, and Souvenir Stores	653,206	1,459,723
Grocery Stores	850,769	1,918,414
Health and Personal Care Hobby, Toy and Game Shops	36,099	75,139
Jewelry Stores	1,535,180	3,631,793
Luggage and Leather Goods	376,798	855,243
Radio/TV/Other Electronics	43,131	92,175
Shoe Stores	70,493	141,341
	5,061	9,984
	76,592	165,754
	59,921	138,813

Sources: Phillips Preiss Shapiro Associates, Inc.; Claritas

Table IV. J-23

Spending Power, Retail Sales and Leakage by Retail Store Type
Primary Trade Area

Store Type	Spending Power Primary Trade Area 2004 (in 000's)	Retail Sales Primary Trade Area 2004 (in 000's)	Estimated Leakage (in 000's)
TOTAL	6,172,848	4,301,000	1,871,848
Book Stores	60,669	7,600	53,069
Camera/Photo Supply	6,750	5,000	1,750
Apparel and Accessory Stores	488,959	200,600	288,359
Computer and Software	41,943	77,000	-35,057
Department Stores	653,206	267,800	385,406
Eating Places	850,769	558,100	292,669
Gift, Novelty, and Souvenir Stores	36,099	28,000	8,099
Grocery Stores	1,535,180	822,200	712,980
Health and Personal Care	376,798	186,300	190,498
Hobby, Toy and Game Shops	43,131	14,700	28,431
Jewelry Stores	70,493	26,900	43,593
Luggage and Leather Goods	5,061	500	4,561
Radio/TV/Other Electronics	76,592	49,600	26,992
Shoe Stores	59,921	80,700	-20,779

Sources: Phillips Preiss Shapiro Associates, Inc.; Claritas

Table IV. J-24

Spending Power, Retail Sales and Leakage by Product Category
Secondary Trade Area

Store Type	Spending Power Secondary Trade Area 2004 (in 000's)	Retail Sales Secondary Trade Area 2004 (in 000's)	Estimated Leakage (in 000's)
Total	13,712,794	8,847,300	4,865,494
Book Stores	122,971	13,300	109,671
Camera/Photo Supply	14,135	6,000	8,135
Apparel and Accessory Stores	1,088,459	373,300	715,159
Computer and Software	87,302	150,000	-62,698
Department Stores	1,459,723	718,800	740,923
Eating Places	1,918,414	32,100	1,886,314
Gift, Novelty, and Souvenir Stores	75,139	59,100	16,039
Grocery Stores	3,631,793	1,909,400	1,722,393
Health and Personal Care	855,243	404,900	450,343
Hobby, Toy and Game Shops	92,175	30,400	61,775
Jewelry Stores	141,341	46,900	94,441
Luggage and Leather Goods	9,984	900	9,084
Radio/TV/Other Electronics	165,754	236,800	-71,046
Shoe Stores	138,813	136,800	2,013

Sources: Phillips Preiss Shapiro Associates, Inc.; Claritas

d. Existing Spending Capture Rates

Given estimates of spending power by store type within the trade area and the current breakdown of retail space at the Cross County, it is possible to further estimate the mall's existing capture rate overall, and for various store categories. First, the existing GLA at the Cross County according to store type is multiplied by the industry estimate for sales per square foot for that store-type³³ to arrive at estimated Cross County Sales for each category (see Table IV. J-25). Using this detailed calculation method, total sales for the existing shopping center are estimated at \$336.8 million.³⁴

Spending power capture rates for the existing mall can be approximated by dividing Cross County sales estimates by spending power estimates for the trade area. On an aggregate level, it appears that total sales at the Cross County (for all store types) accounts for 5.5% of total retail spending power in the Primary Trade Area and about 2.5% of total retail spending power in the Secondary Trade Area.

Table IV. J-26 summarizes current Cross County capture rates in both the Primary and Secondary Trade Areas for each store category. Looking at capture rates for the Secondary Trade Area, it appears that the Cross County is capturing the most business – viewed as a percentage of retail potential - at shoe stores, department stores, apparel shops and leather goods stores.

³³ Assumes that sales estimates are for retailers within malls similar to the Cross County in terms of size and merchandise. Data was derived from The SCORE: Shopping Center Operations Revenues and Expenses, International Council of Shopping Centers, 2004 and Dollars and Cents of Shopping Centers, Urban Land Institute, 2004.

³⁴ This total sales estimate varies slightly from the one reached in the fiscal impact portion of the analysis due to the more detailed sales per square foot estimates used within this section.

Table IV. J-25

Estimated Sales by Store Type for the Existing Cross County

Store Type	Cross County Square footage	Estimated Sales Per Square Foot	Cross County Sales
Book Stores	2,790	\$221.73	\$618,627
Camera/Photo Supply	600	\$184.20	\$110,520
Apparel and Accessory Stores	110,844	\$261.58	\$28,994,574
Computer and Software	1,900	\$724.89	\$1,377,291
Department Stores	471,368	\$205.41	\$96,823,701
Eating Places	16,166	\$385.05	\$6,224,791
Gift, Novelty, and Souvenir Stores	8,390	\$194.04	\$1,627,996
Grocery Stores	76,688	\$390.25	\$29,927,492
Health and Personal Care	14,703	\$379.59	\$5,581,112
Hobby, Toy and Game Shops	7,849	\$240.88	\$1,890,667
Jewelry Stores	2,610	\$720.24	\$1,879,826
Luggage and Leather Goods	1,823	\$196.23	\$357,727
Radio/TV/Other Electronics	7,108	\$338.77	\$2,407,977
Shoe Stores	30,041	\$270.24	\$8,118,280
Other Retail Tenants	560,681	\$269.16	\$150,912,898
Total	1,313,561		\$336,853,478

Sources: Phillips Preiss Shapiro Associates, Inc; Midwood Management Corp.; *The SCORE*, International Council of Shopping Centers, 2004; *Dollars and Cents of Shopping Centers*, Urban Land Institute, 2004

Table IV. J-26

Spending Capture Rates
Existing Cross County Shopping Center

Store Type	Spending Power in Primary Trade Area 2004 (in 000's)	Capture Rate	Spending Power in Secondary Trade Area 2004 (in 000's)	Capture Rate
Total	6,072,848	5.55%	13,712,794	2.46%
Book Stores	60,669	1.02%	122,971	0.50%
Camera/Photo Supply	6,750	1.64%	14,135	0.78%
Apparel and Accessory Stores	488,959	5.93%	1,088,459	2.66%
Computer and Software	41,943	3.28%	87,302	1.58%
Department Stores	653,206	14.82%	1,459,723	6.63%
Eating Places	850,769	0.73%	1,918,414	0.32%
Gift, Novelty, and Souvenir Stores	36,099	4.51%	75,139	2.17%
Grocery Stores	1,535,180	1.95%	3,631,793	0.82%
Health and Personal Care	376,798	1.48%	855,243	0.65%
Hobby, Toy and Game Shops	43,131	4.38%	92,175	2.05%
Jewelry Stores	70,493	2.67%	141,341	1.33%
Luggage and Leather Goods	5,061	7.07%	9,984	3.58%
Radio/TV/Other Electronics	76,592	3.14%	165,754	1.45%
Shoe Stores	59,921	13.55%	138,813	5.85%

Sources: Phillips Preiss Shapiro Associates, Inc; Claritas

e. **Major Competing Retail Centers and Community Retail Nodes within Trade Area**

The following section evaluates various competing retail centers and community retail nodes within the Cross County's identified trade area. The information supporting this analysis was obtained through field visits and first-hand assessments of the sites during which general retail inventories were completed. In addition to the major retail centers required, the section also identifies several other potential competing retail nodes within the trade area, based on either proximity to the Cross County or retail mix. The locations of these areas are illustrated on Figure IV.J-4.

Central Park Avenue, Yonkers

Central Park Avenue is a major roadway with a auto-oriented commercial strip comprised of a variety of *convenience* and *comparision* shopping plazas and stand alone destinations. (Convenience retailers, such as drug stores and supermarkets, are visited frequently by patrons who live or work nearby. Comparison retailers, such as apparel or furniture stores, sell goods for which consumers are willing to travel longer distances for selection and price, and for which they may visit multiple stores before making a purchase.) There are a number of stripmall centers along both sides of the avenue oriented towards convenience shopping with a retail mix generally consisting of the following business types: laundromats, coffee shops, salons, gyms, banks and dry cleaners, with a drug store or similar retailer typically functioning as the anchor in these developments. There are some larger stand alone businesses along the strip, mostly restaurants and larger retailers. Additionally, some offices which provide financial services such as insurance and accounting are interspersed along the corridor in converted residences.

Other strip malls along Central Park Avenue provide comparison shopping destinations. Among the major anchors within these developments are PC Richards, Seamans, and Kohls. Yonkers Gateway Center is one of the major shopping centers along the strip. It is basically comprised of three separately defined strip mall corridors. The major anchors (i.e. large stores that draw customers who then do additional shopping and the smaller, in-line tenants) are Best Buy and Pathmark.

Junior anchors (i.e. mid-size stores in between major anchors and in-line tenants) include Levitz Furniture, DSW, the Gap, Burlington Coat Factory, Barnes and Nobles, and David's Bridal. Children's Place and Party-City are among the other in-tenants.

Looking at retail on the strip as a whole (both shopping plazas and stand alone destinations), it appears that Central Park Avenue has two comparison shopping niches : 1) auto sales, auto parts and repair; and 2) furniture, home furnishings, bath/kitchen, and home appliances. Both of these major retail categories not currently being provided by the existing Cross County.

Getty Square/South Broadway/waterfront area

Getty Square and South Broadway comprise a downtown, pedestrian-oriented central business district encompassing a few city blocks. The area is dominated by *convenience* retail businesses which include grocery stores, drugstores, discount variety stores, hair/nail salons, and banks. There is some comparison retail in terms of clothing and shoe stores but the not enough to constitute a destination for such items. Many of the stores are independently-owned or local chains. There are also a handful of specialty shops and sit-down restaurants, particularly on Main Street towards the waterfront. There are some storefront vacancies as you head off the main square, however, a strong main street management-style effort appears to be in place judging from recent storefront and streetscape improvements. Overall, the area caters to convenience shopping for a walk-in crowd of local residents, government workers and Metro North transit riders. As such, there is little if any competitive overlap with the Cross County.

Fordham Road, Bronx

Fordham Road is a bustling urban thoroughfare with a double-loaded commercial corridor that spans several city blocks (nearly one-mile), known as Fordham Center. Accessible by subway or bus, Fordham Road is less accomodating of driving customers given the limited on-street parking. It is a major *comparison* retail destination drawing customers throughout the Bronx. The corridor is anchored on the west end by the department store, Sears. Other major retailers on this stretch of

Fordham Road include the Gap, Lane Bryant, PC Richards, Payless Shoes and Children's Place, as well as local chains such as VIM, Dr. Jay's, Modell's and Conway. The vast majority of businesses appear to be relatively small, independent stores with a value orientation. In terms of comparison retail, the corridor is mostly comprised of apparel, shoe, furniture, and cell-phone stores. In general, the apparel merchandise appears to be moderately-priced streetwear. The strip also offers a mix of convenience retail and services, as well as fast food options.

Bay Plaza, Bronx

Situated next to Co-op City in the Bronx, Bay Plaza is an auto-oriented general merchandise shopping center comprised of a loose conglomerate of stand alone stores and big-box retailers as well as one strip-mall-style corridor with smaller, in-line tenants. Although the shopping center is transit accessible, the layout of the center appears to be more auto-oriented since it lacks pedestrian amenities and retailers are dispersed throughout the plaza and cut off from in each other by large swaths of parking.

Overall, Bay Plaza is a *comparison* retail shopping destination, anchored by a JCPenny's, Big Kmart, and Pathmark supermarket. Junior Anchors include Marshall's, PC Richards, Toys R Us, Linens n Things, Modells, Staples, and Old Navy. The shopping center also has a multiplex theatre. Many of the shopping center's in-line tenants are similar to those in the current Cross County such as: Radioshack, Pay-half, Charade's Clothing, Liberty Travel, and Applebee's. Bay Plaza is likely able to draw its customer base due to two circumstances—its proximity to the enormous Co-op City housing development, and its location along I-95 and the Hutchinson River Parkway, which provides convenient access for auto-using patrons from the eastern Bronx and southern Westchester.

Other Identified Commercial Nodes

THE MALL AT CROSS COUNTY SQUARE

Immediately adjacent to the Cross County Shopping Center is the "Mall at Cross County Square." The Mall at Cross County Square is a traditional enclosed general

merchandise shopping mall with a number of comparison retailers. The Mall building is flanked by a multi-story parking structure, and is relatively small in size for an indoor shopping center, totaling an estimated 257,000 square feet. TJ Maxx and Circuit City are the major anchors. Junior anchors include Sports Authority, Kids R Us, and Lenscrafters. The mall has a modest cluster of home furnishing stores, with four of the 23 stores (approximately 17 percent) selling home furnishing goods. This retail segment is not currently represented at the Cross County Shopping Center. There are also several service-oriented establishments (approximately 8), ranging from fast food places to hair/nail salons. There are a few vacancies and one of the larger in-line tenants on the ground floor is a fitness gym. In general, there does not appear to be significant competition between retail tenants at the Mall and the Cross County Shopping Center; however, there is some retail overlap.

The Mall's accessibility via car or public transit is similar to that of the Cross County Shopping Center, given their proximity to each other. It is likely that the two retail complexes mutually benefit from their propinquity in terms of attracting shoppers, although the Cross County is clearly the larger draw.

YONKERS AVENUE CORRIDOR, YONKERS

- Yonkers Avenue EAST of Central Park Avenue

This corridor consists of mostly auto-oriented retail strips and stand alone retail pads with some interspersed community-oriented, pedestrian-scaled nodes. The major anchor along this strip is an A& P supermarket.

The auto-oriented retail consists mostly of fast food, auto repair shops, and diners; while the community retail nodes are geared at convenience shopping.

- Yonkers Avenue WEST of Central Park Avenue

This section of Yonkers Avenue contains a double-loaded, neighborhood shopping district that is pedestrian in scale and orientation, with on-street parking on both sides of the street. Retail here is focused on convenience shopping (salon, cleaners, groceries, florists, bakeries, banks) and dining options (pubs, pizzerias, sandwich shops).

Therefore, neither of these Yonkers Avenue retail strips have any significant overlap with the Cross County Shopping Center.

TUCKAHOE ROAD CORRIDOR

- Intersection of Tuckahoe Road and Central Park Avenue
On the east side of the intersection along Central Park Avenue, there is a pedestrian-oriented retail strip that is dominated by ethnic food markets and eateries. On the west side of the Central Park Avenue along Tuckahoe Road, there is a small community-oriented convenience strip which also contains insurance and realty offices.
- Tuckahoe Road WEST of Central Park Avenue
Along this corridor, there are a number of strip mall centers (e.g., Mile Square Road Plaza) focused on convenience shopping (pharmacies, salons, coffee shops, cleaners, etc.) and eateries, with some limited comparison shopping (e.g., auto parts), services (e.g. car rental) and entertainment (e.g., billiards). One of the largest shopping strips is located at the junction the Sprain Brook Parkway and is anchored by a Staples. There are some stand-alone retail pads, which are occupied by large pharmacies, gas stations/garages and restaurants.
- Tuckahoe Road EAST of Central Park Avenue
This corridor has a few clusters of specialty shops and convenience retail. Eventually, Tuckahoe Road leads to Downtown Tuckahoe, as described below.
- Downtown Tuckahoe
This pedestrian-oriented downtown is centered around the Metro North train station. Most of the establishments are restaurants/ dining options, along with a significant amount of specialty retail.

In summary, all of the retail areas along Tuckahoe Road are predominately focused on specialty retail or convenience shopping. Therefore, there is little if any overlap

with the Cross County Shopping Center.

MCLEAN AVENUE, YONKERS

McLean Avenue is another major commercial stretch running through the southern portion of Yonkers. It can be characterized as a double-loaded, pedestrian oriented retail corridor with a strong nightlife focus as it is primarily dominated by bars, restaurants and clubs. The remainder of the retail tends to be oriented around local, neighborhood shopping. There is a notable concentration of Irish specialty shops - gift shops, clothing stores, and coffee shops. The only major comparison retail tenants are Mande's (women's clothing chain) and Danny's Cycles (bicycle shop). Overall, McLean Avenue is a local shopping street, with the exception of the Irish specialty cluster, and does not appear to overlap with the Cross County Center.

AUSTIN AVENUE RETAIL COMPLEX, YONKERS

Developed in 1999, this retail complex ("Westchester Retail Center") is a cluster of big box retailers. It is estimated to total 343,000 square feet of retail space. There are three stand-alone structures occupied by major destination retailers: Costco, Stew Leonards, and Home Depot. Given the demographic profiles of these retailers, it is assumed that this complex draws shoppers from a wide trade area. It is located north of the Cross County Center, right off the Thruway. As a big box development with a food and hardware/home improvement focus, it does not directly compete with the Cross County Shopping Center.

RIVER PLAZA, BRONX

River Plaza is a new retail center located in the heart of an urban neighborhood, at 225th Street in the Bronx. Situated between the Broadway Bridge to Manhattan and the Major Deegan Expressway, it is easily accessible via car or a number of subway lines. It is essentially a compact, comparison shopping complex, which is anchored by a Target (120,000 square feet). Other merchants include Marshall's, Basics Footwear, Payless Shoes, Lane Bryant, Washington Mutual, and Kids World (clothes). There is also a Starbucks and an Applebee's restaurant. The complex has a rooftop parking deck behind it and is part of a larger mixed-use development that

includes office space.

SANFORD BOULEVARD, MOUNT VERNON

This retail complex is a conglomerate of big box retailers buttressed by a multi-story parking structure. The major anchor tenants are Target and Best Buy, with the junior anchors consisting of Bed, Bath & Beyond, TJ Maxx, Petco, and Famous Footwear. It is located right off the Hutchison River Parkway in Mount Vernon.

VERNON HILLS, EASTCHESTER

Vernon Hills is an upscale strip mall located on White Plains Road in Eastchester. It can be best categorized as a comparison shopping destination. This open-air mall is anchored by a Lord and Taylor department store. Junior anchors include a high-end home store, Banana Republic, Gap, Border Books, Talbots and Ann Taylor. Other in-line tenants are also considered more upscale retailers.

Across the road from this mall is a stand-alone Trader Joes supermarket as well as another strip mall with comparison shopping options, anchored by Old Navy. Given the proximity, this mall essentially functions as an extension of the Vernon Hills shopping experience.

EASTCHESTER SHOPPING CENTER

Also located on White Plains Road, the Eastchester Shopping Center is anchored by a Stop & Shop supermarket. Other tenants are convenience and service retail businesses: a CVS, a dance center, a bank and Blockbuster. Essentially, this is a local retail center.

OTHER - BRONX

Fordham Road Center, Bay Plaza Mall, and River Plaza are among the most substantial comparison shopping destinations in the Bronx. Most of the other retail corridors or centers in the Bronx tend to be urban in character and smaller, more scattered retail nodes. Although there are many community-level retail nodes throughout the Bronx, they are not covered herein since they do not compete directly

with the Cross County Center. The impacts of redevelopment would likely be diffused over all of these comparison destinations and therefore be de minimus.

DOWNTOWN WHITE PLAINS

White Plains is not included in either the Primary or Secondary Trade Areas for the Cross County Shopping Center since customers are not currently being drawn from that area. As such, the characterization of existing retail and the potential impacts to downtown White Plains are considered beyond the scope of this analysis.

ANTICIPATED IMPACTS OF REDEVELOPMENT

a. Anticipated Retail at Redeveloped Shopping Center

The Cross County redevelopment will introduce a net increase of 245,375 square feet of new retail and restaurant space. Most of the existing in-line tenants are anticipated to remain while the size of the department stores and the number of in-line tenants and restaurant options will expand. In particular, the redevelopment will increase the size and capacity of the major anchors – Sears by additional 11,400 square feet and Macy’s by 50,000 square feet. Given that the redevelopment configuration will include one new 20,000 square foot stand alone building, we can assume the introduction of a new junior anchor tenant of unknown store-type. The remaining new space will increase gross leasable area for in-line tenants. At present, the actual mix of new retail tenants that will occupy the additional leasable area remains unknown. For the purposes of this socioeconomic impact analysis, we assume that new retail space resulting from the mall’s redevelopment (except for known department store expansions) will be filled by a mix of retailers that is representative of the current classification; however, this may or may not prove to be the case.

b. Trade Area and Spending Power for Redeveloped Shopping Center

Reexamining the Trade Area

Given that the redevelopment of the Cross County Shopping Center will result in an improved physical image, increased amenities, and a greater retail selection, it is

reasonable to assume the revamped mall will expand its trade area by attracting customers from new areas of Southern Westchester. For customers living in these areas, the Center is conveniently located, but heretofore has lacked the retail mix and amenities sufficient to divert them from traveling the extra distance to White Plains. Based on current origin data and logical assumptions about proximity and access, a Anticipated Future Trade Area for the redeveloped Cross County has been drawn. This future trade area would encompass all of the previously defined Secondary Trade Area but expand the boundaries to also include all or portions of Hartsdale, Scarsdale, Ardsley, Dobbs Ferry, Larchmont and New Rochelle. The following map, Figure IV. J-5, highlights the boundaries of the redeveloped Cross County's Hypothetical Future Trade Area. Thus, the analysis of spending power, capture rate and competition impacts of the improved mall must be evaluated on the basis on this projected trade area.

Demographics and Spending Power of Future Trade Area

The anticipated expansion of the trade area increases the overall population by an additional 100,000 people and changes the demographic outlook. There are approximately 1.84 million residents in this geographic area, comprising an estimated 657,000 households with an average household size of 2.73.³⁵ The housing tenure rate is similar to that of that Primary and Secondary Trade Areas, with an estimated 27 percent owner-occupancy. The 2000 Median Household Income is estimated to be \$33,680 which is below that of the Primary Trade Area, although average household income is actually higher at \$52,322. The racial and ethnic composition of the population appears akin to the previously defined areas.³⁶

The total spending power of the Anticipated Future Trade Area is estimated at \$15,593,375,000 for 2004, representing a \$1.8 billion increase in aggregate spending power over the Existing Secondary Trade Area.³⁷ This figure breaks down to an average household spending power \$23,340, which is about \$2,000 higher per household than in the existing trade area. By dividing total spending power by a

³⁵ Claritas.

³⁶ Ibid.

³⁷ Ibid.

\$250 per square foot average for retail sales, it is estimated that the Anticipated Future Trade Area has the ability to support nearly 62.4 million square feet of retail space. The net expansion of retail space resulting from the Cross County Center's redevelopment represents only a fraction of the total supportable retail space within the Anticipated Future Trade Area, at 0.4 percent.

Total retail sales within the trade area are estimated to be \$10,062,400,000.³⁸ Overall, total spending power in the Anticipated Future Trade Area exceeds the actual estimated retail sales within this area, which results in retail leakage to other markets for certain retail store categories and may be captured in some part by the redeveloped Cross County, consistent with the hypothesis that residents of this expanded area shop in White Plains. To understand retail potential and the leakage that is occurring in the trade area, Table IV. J-29 compares spending power to actual sales by retail store type. Similar to the Secondary Trade Area, only Electronics and Software stores in the Future Trade Area are experiencing an importation retail spending from other trade areas. There is significant spending power for grocery stores, department stores, apparel/accessory stores and health/personal (drug) stores that is escaping to other trade areas, suggesting the potential for the Anticipated Future Trade Area to absorb more new retail businesses in these store categories without cannibalizing existing stores.

³⁸ Ibid.

Table IV. J-29

Spending Power, Retail Sales and Leakage by Retail Store Type
Future Trade Area

Product Category	Spending Power in Trade Area 2004 (in 000's)	Total Sales in Trade Area 2004 (in 000's)	Estimated Leakage (in 000's)
Total	15,593,375	10,062,400	5,530,975
Book Stores	146,116	18,200	127,916
Camera/Photo Supply	16,625	9,000	7,625
Apparel and Accessory Stores	1,253,784	412,300	841,484
Computer and Software	104,517	189,700	-85,183
Department Stores	1,667,902	755,300	912,602
Eating Places	2,142,039	1,435,300	706,739
Grocery Stores	3,951,948	2,121,300	1,830,648
Health and Personal Care	950,407	453,700	496,707
Hobby, Toy and Game Shops	109,459	33,000	76,459
Jewelry Stores	176,169	51,600	124,569
Luggage and Leather Goods	12,588	1,300	11,288
Radio/TV/Other Electronics	194,223	249,600	-55,377
Shoe Stores	156,000	142,300	13,700
Sporting Goods Stores	145,997	36,900	109,097

Sources: Phillips Preiss Shapiro Associates, Inc; Claritas

c. Potential Future Capture Rates

The anticipated redevelopment and expansion of the Cross County Shopping Center will also affect the trade area capture rates. To calculate the anticipated impacts on capture rates, it is first necessary to estimate future sales at the Cross County. Since the tenants for the new retail space remain unknown except for the 62,400 square feet in department store expansions, it has been assumed that the additional gross leasable area will be filled by a tenant retail mix proportional to the current distribution of store types. Table IV. J-30 illustrates the steps used to arrive at estimated future sales by store type for the redeveloped Cross County.

Table IV. J-30

**Estimated Sales at Redeveloped Cross County
by Retail Store Category**

Store Type	Existing Retail Mix*	Additional Retail Store Square Footage	Estimated Change in Store Square Footage	Estimated Sales Per Square Foot	Estimated Change in Sales	Future Estimated Sales
Book Stores	0.33%	183,975	609	\$221.73	\$135,137	\$753,764
Camera/Photo Supply	0.07%	183,975	131	\$184.20	\$24,143	\$134,663
Apparel and Accessory Stores	13.16%	183,975	24,214	\$261.58	\$6,333,794	\$35,328,367
Computer and Software	0.23%	183,975	415	\$724.89	\$300,866	\$1,678,157
Department Stores	-	-	62,400	\$205.41	\$12,817,584	\$109,641,285
Eating Places	1.92%	183,975	3,531	\$385.05	\$1,359,790	\$7,584,582
Gift, Novelty, and Souvenir Stores	1.00%	183,975	1,833	\$194.04	\$355,632	\$1,983,627
Grocery Stores	9.11%	183,975	16,752	\$390.25	\$6,537,587	\$36,465,079
Health and Personal Care	1.75%	183,975	3,212	\$379.59	\$1,219,180	\$6,800,292
Hobby, Toy and Game Shops	0.93%	183,975	1,715	\$240.88	\$413,012	\$2,303,679
Jewelry Stores	0.31%	183,975	570	\$720.24	\$410,643	\$2,290,470
Luggage and Leather Goods	0.22%	183,975	398	\$196.23	\$78,145	\$435,872
Radio/TV/Other Electronics	0.84%	183,975	1,553	\$338.77	\$526,017	\$2,933,994
Shoe Stores	3.57%	183,975	6,562	\$270.24	\$1,773,418	\$9,891,698
Other Retail Tenants	66.57%	183,975	122,479	\$269.16	\$32,966,553	\$183,879,451
Total					\$65,251,502	\$402,104,980

*Department Stores are not counted towards Retail Mix

Sources: *Phillips Preiss Shapiro Associates, Inc; Midwood Management Corp.; The SCORE: Shopping Center Operations Revenues and Expenses, International Council of Shopping Centers, 2004; Dollars and Cents of Shopping Centers, Urban Land Institute, 2004*

With estimates of spending power by store type in the Future Trade Area and sales projections for the same categories, it is possible to estimate the mall's future capture rate for various store types. Table IV. 31 summarizes the redeveloped Cross County's spending power capture rates for the Anticipated Future Trade Area .On an aggregate level, total projected future sales at the Cross County are estimated to account for 2.58% of total spending power for the trade area, versus 2.26% if existing sales were applied to the Future Trade Area. Therefore, although the Cross County redevelopment is a significant, large-scale investment it is not anticipated to have a major impact on the Future Trade Area as a whole. As for retail store categories, the increased future sales do not result in more than a 1.5 percent absolute increase in capture rate for any store type except Jewelry. There is enough leakage in spending for most store categories in the Future Trade Area to absorb these increases in capture rate – the notable exception being computer/software and electronics stores.

Table IV. J-31

**Estimated Capture Rates for the Redeveloped Cross County
For Selected Retail Store Categories**

Store Type	Spending Power in Hypothetical Future Trade Area 2004 (in 000's)	Existing Capture Rate for Future Trade Area	Potential Capture Rate for Future Trade Area
TOTAL	15,593,375	2.16%	2.58%
Book Stores	146,116	0.42%	0.52%
Camera/Photo Supply	16,625	0.66%	0.81%
Apparel and Accessory Stores	1,253,784	2.31%	2.82%
Computer and Software	104,517	1.32%	1.61%
Department Stores	1,667,902	5.81%	6.57%
Eating Places	2,142,039	0.29%	0.35%
Gift, Novelty, and Souvenir Stores	3,951,948	0.04%	0.05%
Grocery Stores	950,407	3.15%	3.84%
Health and Personal Care	109,459	5.10%	6.21%
Hobby, Toy and Game Shops	176,169	1.07%	1.31%
Jewelry Stores	12,588	14.93%	18.20%
Luggage and Leather Goods	194,223	0.18%	0.22%
Radio/TV/Other Electronics	156,000	1.54%	1.88%
Shoe Stores	145,997	5.56%	6.78%

Sources: Phillips Preiss Shapiro Associates, Inc; Claritas

d. Potentially Affected Shopping Areas

As the foregoing analysis illustrates, total spending power within the Cross County's Future Trade Area significantly outweighs actual sales in the area, indicating that many residents are actually leaving the trade area to complete shopping in a variety of retail categories. It is assumed that residents would prefer to shop locally but for the lack of nearby shopping options for certain store types. In essence, based on the retail leakage previously discussed, the trade area can support significantly more square footage for the following store types: Apparel and Accessory stores, Department Stores, Eating Places, Grocery Stores and Health and Personal Care. The Future Trade Area has limited absorption potential for additional shoe stores, camera supply stores or luggage stores. As store categories currently importing retail spending from other trade areas, the addition of software/computer stores and electronic stores is likely to increase competition for other such stores within the trade area. The following section assesses what impacts, if any, the findings about the trade area spending and the redevelopment of the Cross County might have on the previously described retail areas and any areas to be included as a result of the expanded trade area boundaries.

Central Park Avenue, Yonkers

Of all the competing retail areas, Central Park Avenue would likely be the most affected by the redevelopment of the Cross County Shopping Center, given the trade area overlap and geographic proximity between the two destinations. That said, Central Park Avenue is not expected to experience a significant increase in competition from the redeveloped Cross County overall. For the vast majority of store categories for which the two comparison destinations overlap, there is significant retail leakage and thus, the ability to support additional retail square footage without increasing competition for sales. One retail store category present on Central Park Avenue that may be impacted by the Cross County redevelopment is electronics/home appliances stores. For example, if the Cross County introduces a tenant like Best Buy to its new Junior anchor space, it may directly compete with a tenant like PC Richards on Central Park Avenue due to the fact this store type is already importing retail spending from other trade areas. If there are several shoe store establishments that fill the new tenant spaces at the redeveloped Cross County, then there may be some competition for tenants like DSW on Central Park Avenue. The impact of competition for either of these two scenarios would be diffused between other retail areas and limited to the degree of overlap between the two shopping destinations' trade areas. In that sense, the relative competition impact is not anticipated to be more than 43 percent of new sales since that is the proportion of Cross County customers currently coming from within the existing Primary Trade Area, which is where Central Park Avenue is located. Even if such competition were to adversely impact those tenants identified on Central Park Avenue, the area is a thriving commercial corridor which does not suffer major vacancy or image issues. If a store of this type were to go out of business, the character of the area would not be jeopardized. There are numerous other store types that would be likely to thrive in its place given the unmet retail demand for grocery stores, department stores and clothing/apparel stores and drugstores.

Getty's Square/South Broadway

As already described, Getty's Square is a convenience shopping destination, and as such, its customer and merchandise base does not overlap with the existing or

redeveloped Cross County Shopping Center. Therefore, no impacts are anticipated for this retail area due to the mall redevelopment.

Fordham Road, Bronx

Although Fordham Road is a comparison shopping destination with some overlap in store type and retailers with the County County Shopping Ceneter, no major impacts on the the area are anticipated from the mall's redevelopment. Given that Sears is a major anchor in both locations, the expansion of the of Cross County store is not expected to have any adverse impacts on the Fordham Road one because there is significant unmet demand for department stores in the Future Trade Area to absorb the expansion without creating competition.

Depending on the new tenant mix at the Cross County, the redevelopment could have some impact on shoe stores (e.g. Payless Shoes) and electronics stores (e.g. PC Richards) on Fordham Road; however, this is unlikely due to differing target market segments. Although Fordham Road like the Cross County probably draws its customer base heavily from the Bronx and Inwood, Fordham's shopping district diverges in two significant ways: (1) the retail mix is more "street"; and (2) the patrons are more disproportionately transit users rather than drivers. Therefore, the market segment served at Fordham Road is somewhat different from the Cross County, and while there is overlap, it is not estimated to be significant as there is ample excess spending power to be distributed between retail sites within the trade area. Rather, the Cross County likely competes with Manhattan for these retail dollars, that is, people with cars may prefer to shop at the Macy's at the Cross County, while people using buses and trains find it better to go to Herald Square.

Bay Plaza, Bronx

Bay Plaza is a comparison retail destination with a mix of retailers similar to that of the Cross County, and as such may face some competition for stores in the following categories: shoes, electronics and software. This impact, of course, is dependent on the degree to which the Cross County's new tenants are these retail store-types. Additionally, any competitive impacts on Bay Plaza are expected to be tempered by

differences in customer base. Although Bay Plaza is a destination for customers traveling from longer distances, it is reasonable to assume that the vast majority of the shopping center's customer base is drawn from the immediate community, given its close proximity to the high-density housing of Co-Op City. The population of Co-Op City and its surrounding neighborhoods is about 38,000 according to the 2000 Census.³⁹ With a median household income of \$40,528 and 16,923 total households, the estimated total spending power of the immediate area is about \$205 million. Spending power in this range can roughly support 825,000 square feet of retail space. Thus, Bay Plaza is not likely to face major competition from the Cross County redevelopment.

New Roc City

The Anticipated Future Trade Area for the redeveloped Cross County expands the boundaries of the mall to east and encompasses towns along Interstate 95, such as, Larchmont and New Rochelle. Accordingly, any major commercial areas in this vicinity must necessarily be considered. New Roc City falls into this category. As a major new development totaling 1.2 million square feet of retail in downtown New Rochelle, New Roc City is mostly an entertainment destination. The main attractions include: an 18-screen movie and IMAX theatre, an ice skating rink, a glow-in-the-dark bowling alley, and a Bally's Gym. There are some sit-down restaurant options including Applebee's and Zanaro's. As a predominately entertainment destination without a major comparison retail component, New Roc City is a fundamentally different commercial area that is not anticipated to experience any increased competition as a result of the Cross County redevelopment.

The Mall at Cross County Square

Although The Mall at Cross County Square is a comparison shopping destination within the immediate vicinity of the Cross County Shopping Center, the redevelopment is not anticipated to have a major impact on the Mall since (1) there is not significant overlap in terms of retail mix and (2) where there is overlap, there is notable room for absorption given existing spending patterns in the trade area.

³⁹ Profile of General Demographic Characteristics for Zip Code 10475; US Census. This zip code area includes neighborhoods outside of Co-Op City proper.

However, in the case that a new junior anchor tenant at the redeveloped center is a rival store to anchors TJ Maxx or Circuit City, then the Mall would likely feel some degree of direct competition. Since there is notable retail leakage for women's clothing, the effect would be negligible but for the proximity issue. In contrast, competition on the electronics front would prove a greater issue since importation of spending for electronics is already occurring within the trade area.

It should be noted that the Mall at Cross County Square may also stand to positively benefit from the redevelopment of the Cross County Center due to its proximity. The improved appearance and size of its retail neighbor, coupled with the anticipated trade area expansion, may help attract new shoppers to the Mall at Cross County Square.

YONKERS AVENUE CORRIDOR

Since none of the various retail centers along the Yonkers Avenue offer comparison shopping, the redeveloped Cross County Center is not anticipated to have any impacts on this corridor.

TUCKAHOE ROAD CORRIDOR

The redeveloped Cross County Center is not anticipated to increase competition along the Tuckahoe Avenue corridor as it predominately consists of specialty and convenience retailers.

MCLEAN AVENUE

McLean Avenue is a neighborhood-oriented local shopping street with some specialty retail. As such, no competitive impact is anticipated to be generated from the redevelopment of the Cross County Center.

AUSTIN AVENUE RETAIL COMPLEX

The Austin Avenue retail complex provides a fundamentally different shopping experience (three stand alone big box retailers) and therefore, is not expected to witness additional competition as the result of the Cross County Center's

redevelopment.

RIVER PLAZA, BRONX

River Plaza is a comparison shopping destination with some of the same or similar retail stores as the Cross County Shopping Center. Despite this overlap, River Plaza is not expected to experience increased competition from the redeveloped Cross County Center as there is notable retail leakage occurring in all of the retail store categories represented at the Center. Additionally, there may be differences in customer base since River Plaza likely draws more transit-riders and customers from Upper Manhattan.

SANFORD BOULEVARD, MOUNT VERNON

The Sanford Boulevard retail complex is a comparison shopping complex comprised of a few big box retailers. Given its location off the Hutchison River Parkway, it likely draws its customer base from a somewhat different geographic area. The degree of competitive impact from the redeveloped Cross County Center remains entirely dependent upon the type of new junior anchor tenants that it attracts. This is particularly true if the County County Center attracts a Best Buy, Circuit City or similar electronics retailer (given the existing importation of spending in this category).

VERNON HILLS, EASTCHESTER

Although a comparison destination, Vernon Hills is a more upscale shopping destination and essentially caters to a different demographic than the Cross County Center. Therefore, it is not likely to compete with the redeveloped Shopping Center.

EASTCHESTER SHOPPING CENTER

The Eastchester Shopping Center is a convenience shopping destination that primarily serves the surrounding neighborhood. The redevelopment of the Cross County Center is not anticipated to increase competition with this shopping center.

MITIGATION MEASURES

a. **Mitigation Measures for Affected Retail Areas**

As the foregoing analysis concludes, no major impacts on competing retail centers are anticipated. The only retail area that may experience a more considerable degree of competition is Central Park Avenue in Yonkers, although this is entirely dependent upon the tenant mix of the redeveloped Cross County Shopping Center . In particular, Central Park Avenue is expected to experience some competition in the electronics store category if the Cross County attracts a junior anchor tenant such as a Best Buy or PC Richards, since this store category is already importing spending power from outside the trade area.

There is not much in the way of policy measures that could serve to alleviate the impact of retail competition given the market forces at play. In terms of an appropriate policy response to Central Park Avenue impacts, it is suggested that the City of Yonkers consider physical and aesthetic improvements to Central Park Avenue which would serve to modernize this commercial strip and ensure that it remains an attractive retail destination. From a regulatory perspective, these improvements could be achieved in two ways:

- 1) Supporting strategies that encourage private property owners to invest in the physical upgrade and maintenance of shopping centers and stand-alone destinations (including signage, structures, and landscaping); and
- 2) Securing public investment in streetscape and access, such as, tree planting and landscaping along the corridor and addressing any traffic issues that would improve access.

More generally, the City of Yonkers should continue to monitor conditions along Central Park Avenue over time.