



# Downtown Hempstead Reimagined

## MARKET ANALYSIS

*Village of Hempstead, NY*

September 15, 2021



**ECONOMIC AND REAL ESTATE ANALYSIS FOR SUSTAINABLE LAND USE OUTCOMES™**

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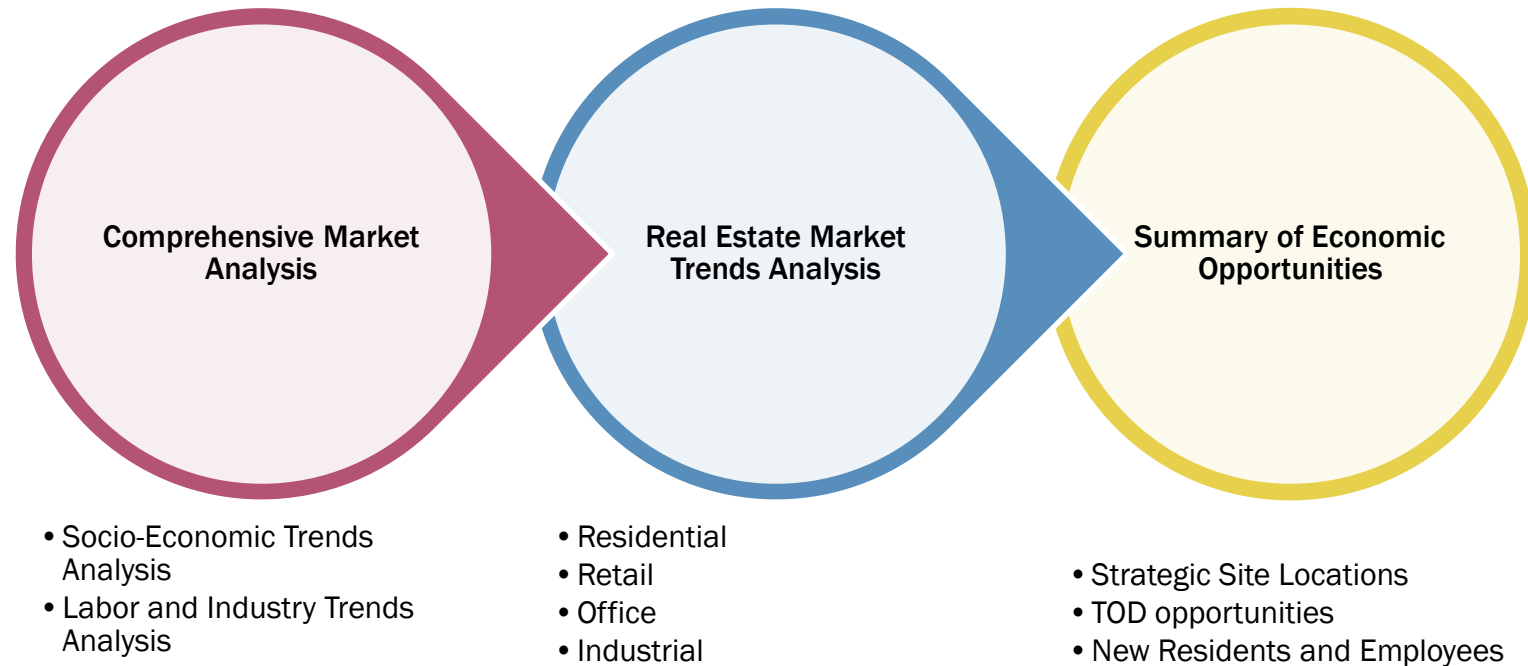
# EXECUTIVE SUMMARY

ECONOMIC AND REAL ESTATE ANALYSIS FOR SUSTAINABLE LAND USE OUTCOMES™



## Project Background: Scope

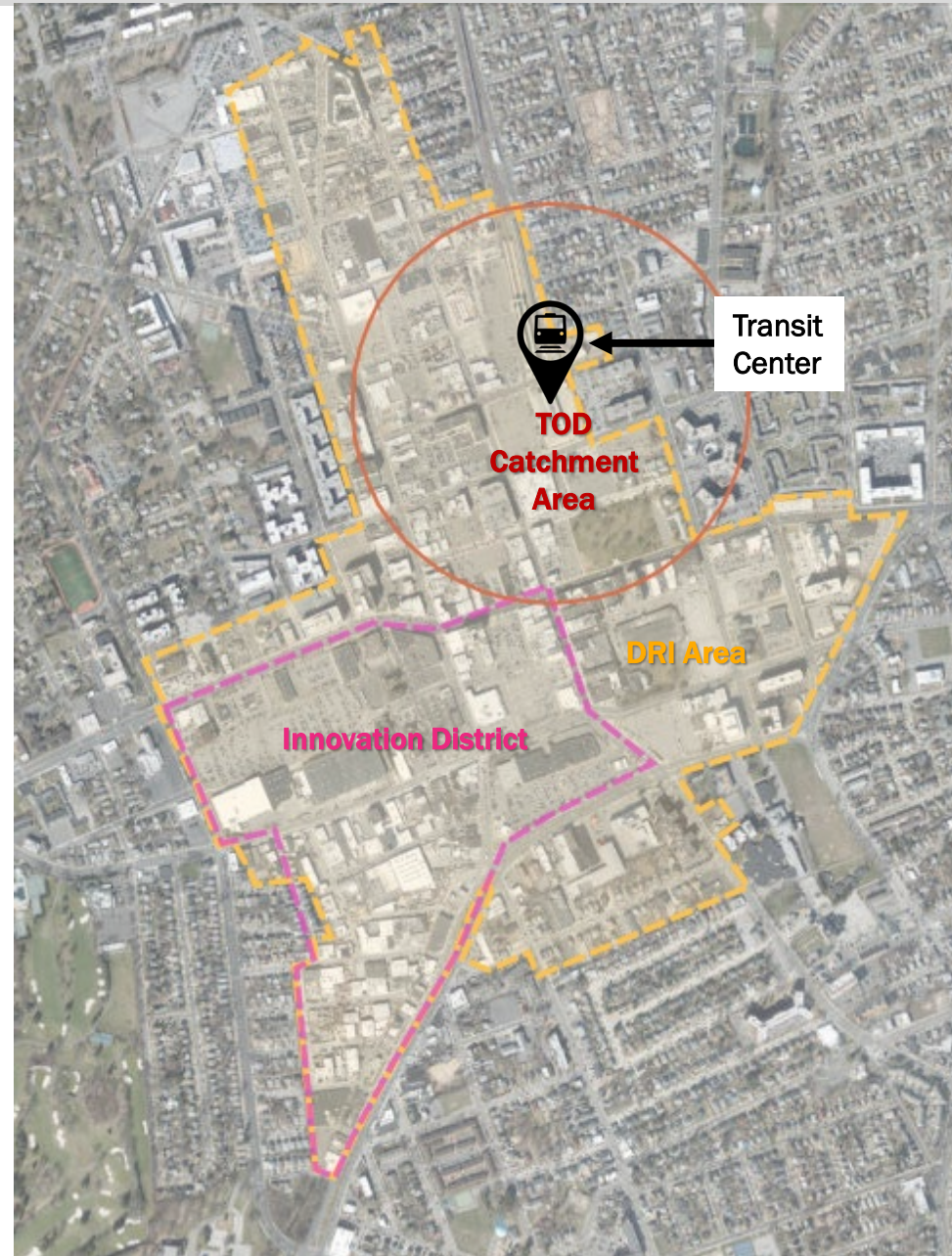
4ward Planning is providing the following economic and real estate analysis services in support of developing a Downtown Revitalization Initiative (DRI) application for the Village of Hempstead:



## Project Background: Boundaries

The map to the right illustrates the Downtown Revitalization Initiative (DRI), the Village of Hempstead's Innovation District, and the Transit-Oriented Development (TOD) catchment area (here defined as the 0.23-mile radius area surrounding the Transit Center, representing a 5-minute walk radius).

The Rosa Parks Hempstead Transit Center is the terminus for the Hempstead Line of the Long Island Rail Road (LIRR), serves more than 55,000 commuters daily and offers a direct line into Manhattan. The transit center also serves 19 bus routes for the Nassau Inter-County Express and is a major transfer point, offering ideal opportunities for transit-oriented development.

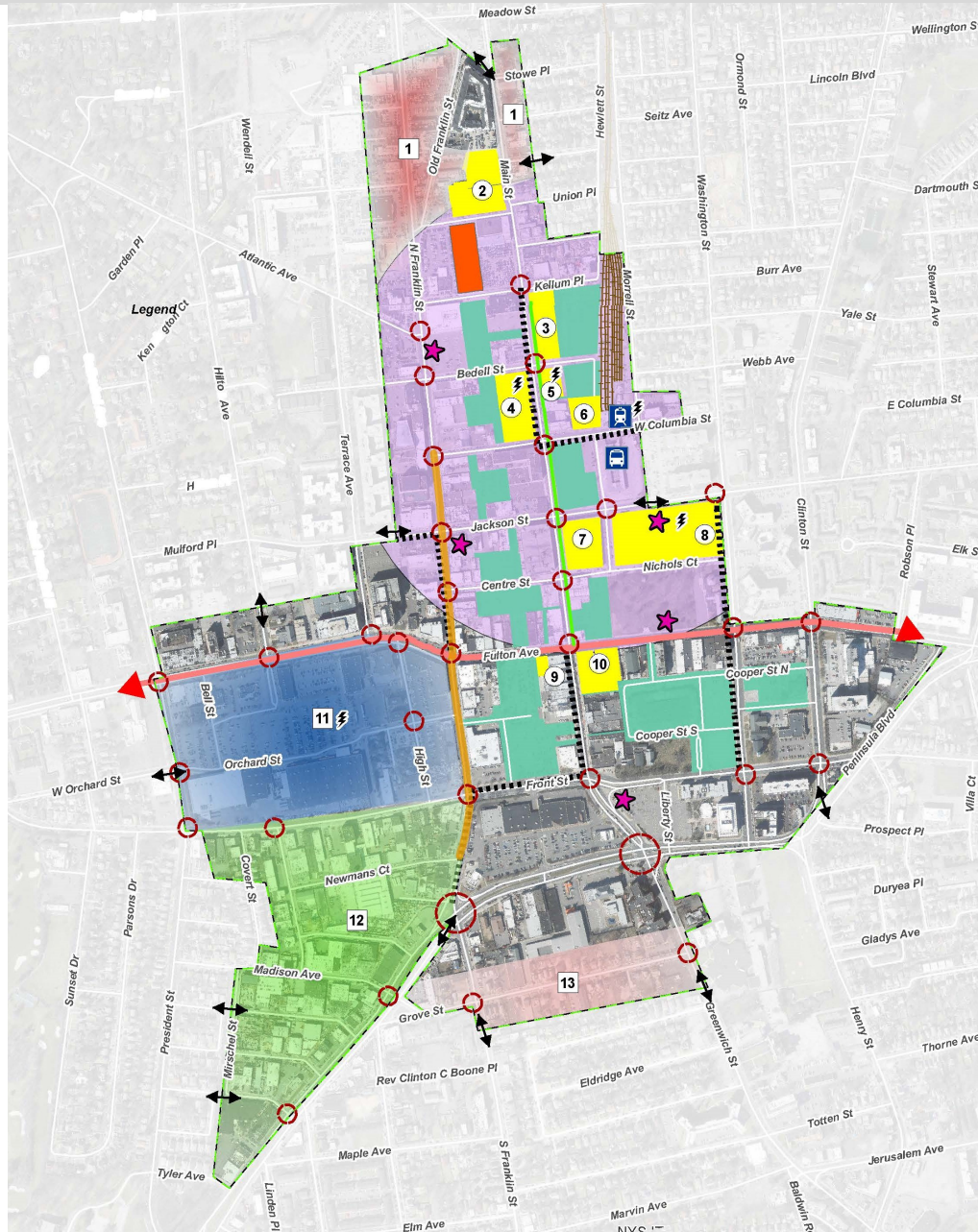


# Project Background: Strategic Village Sites

1. Retail & Business Development Area
2. Link Apartments
3. BRP-Alta Residential Project
4. Carmen Place/ Urban Grocery Store
5. Estella
- 6A. Restaurant/ Commercial Kitchen Incubator
- 6B. TOD Food Mall & Dining
7. TOD Childcare Facility
8. Town and Gown Partnership
9. Nagasaki Center
10. Main and Fulton Corner (Woolworth)
11. Mixed-Use Infill with Community Recreation
12. Specialized Retail Support & Medical Hub
13. Residential & Neighborhood Enhancements

**Legend**

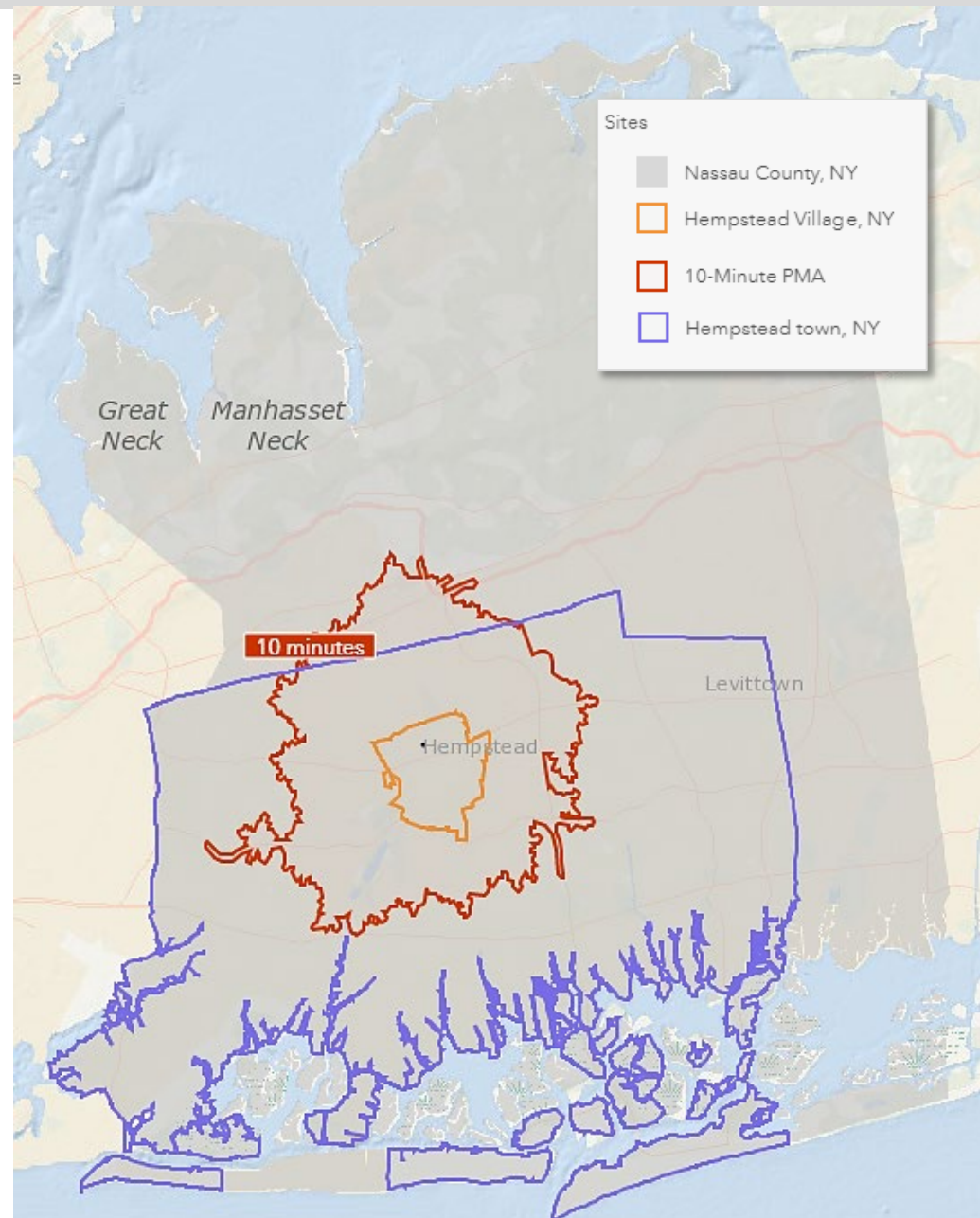
-  Art & Cultural Enhancements
-  EV Charging Stations
-  Potential Water & Sewer Modernization Areas
-  Fulton Avenue Pedestrian Safety/Traffic Calming
-  Dining & Entertainment Corridor
-  Complete & Green Street Corridor
-  DRI-Neighborhood Connections
-  Public Safety Enhancements & Wayfinding Signage
-  Transformative/ Priority Projects
-  Completed Dell Bus Project
-  RDUA Parcels
-  Priority TOD Area
-  DRI Boundary



## Project Background: Study Areas

Comparing socio-economic and labor trend data across multiple geographies and time provides context for understanding local market strength and potential, relative to other study areas. Accordingly, socio-economic data for the Village of Hempstead, is compared with that of the Town of Hempstead, the Downtown Primary Market Area or PMA (a 10-minute drive time from the LIRR Hempstead station) and Nassau County. Selected labor and industry trend metrics are also presented for the Long Island region.

Better understanding regional demand driver trends and local market potential is essential for identifying prospective market-receptive land uses within the Village of Hempstead.



Source: Esri, 2021

## Study Takeaways: Prospective Market-Receptive Land Uses

The following economic development opportunities are identified as market-receptive within the Village of Hempstead's DRI and Innovation District and should be considered transformative/priority projects.



### Grocery Anchored Shopping Center

- Development of at least one, if not two, full-service grocery stores, which not only serve the community's consumer needs, but also create entry level career path job opportunities. Further, grocery stores generate foot traffic for smaller retail and service businesses.



### Medical & Research Office

- Development of medical office and research facility buildings within the Innovation Zone - stimulating the creation of support retail and service businesses and associated employment opportunities for local residents.



### Transit Oriented Development

- Transit oriented development within the transit center area, creating housing, retail and small-scale office buildings. TOD projects also help to stimulate private investment within a 1,000-foot catchment area, leading to increased real estate values, job and business creation.



## Study Takeaways: TOD Catchment Area as a Game Changer

4ward Planning has significant experience performing TOD analysis throughout the Eastern and Midwestern U.S., including examining TOD opportunities and their impacts in Hicksville (in support of the 2016 DRI award), Farmingdale, and Patchogue. Our experience and observations demonstrate that much of the urban revitalization that has occurred in suburban New York over the past ten years is a result of developers leveraging the benefits of commuter rail transit and, to a lesser extent, bus transit.

As opportunities for TOD in the Long Island area are becoming few, the Village of Hempstead has an extraordinary opportunity to attract additional private investment into its TOD catchment area, beyond what it has now secured in residential and commercial development commitments (see the map on page 6).

TOD can be extremely transformative for communities like the Village of Hempstead, as rail transit commuters, typically, have relatively high disposable income (research has shown a strong correlation between rail transit commuters and white-collar employment), will spend liberally on dining out and personal services (e.g., dry cleaning, shoe repair, beauty salons, etc.) and, ultimately, serve as a prospective patron base for additional market rate residential development – the type of development that leads to more discretionary spending in the TOD catchment area and the attendant job creation.

Based on 4ward Planning's observations of established TOD in many other communities around the U.S., revitalization which starts in the TOD catchment area, eventually, radiates out into the surrounding neighborhoods.

# SOCIO-ECONOMIC ANALYSIS

ECONOMIC AND REAL ESTATE ANALYSIS FOR SUSTAINABLE LAND USE OUTCOMES™



## Key Findings: Socio-Economic Analysis

### Flat but positive population growth

The Village, Town, and the Primary Market Area (PMA) are expected to continue experiencing positive, albeit relatively flat population growth through 2026 (increasing by just 0.03 percent per year in the Village), with total population within Hempstead Village projected to increase by approximately 90 residents over the next five years. Total population within the Downtown PMA is expected to increase by approximately 1,950 residents over the next five years.

### Vulnerable populations in the Village of Hempstead

Minority persons (excluding White Non-Hispanic persons) currently make up a 92 percent of residents within the Village (compared to just 48 percent within the PMA) and the share of adult residents in the Village holding a bachelor's degree or higher level of education is less than half of that in Hempstead Town (20 and 43 percent, respectively). Not surprisingly, since educational attainment is correlated with earnings, both the Village's median household income (\$59.6k) and per capita income (\$23.5k) are much lower than that in the PMA.

### Potential to attract customers with higher spending potential

While consumer spending potential in the Village is generally lower than the U.S. average in most of the selected retail categories, spending is higher in the PMA. Consequently, to the extent that retail business in the DRI and Innovation District can attract customers from the larger PMA, these businesses have potential to access customers with higher spending potential.

## Methodology: Socio-Economic Analysis

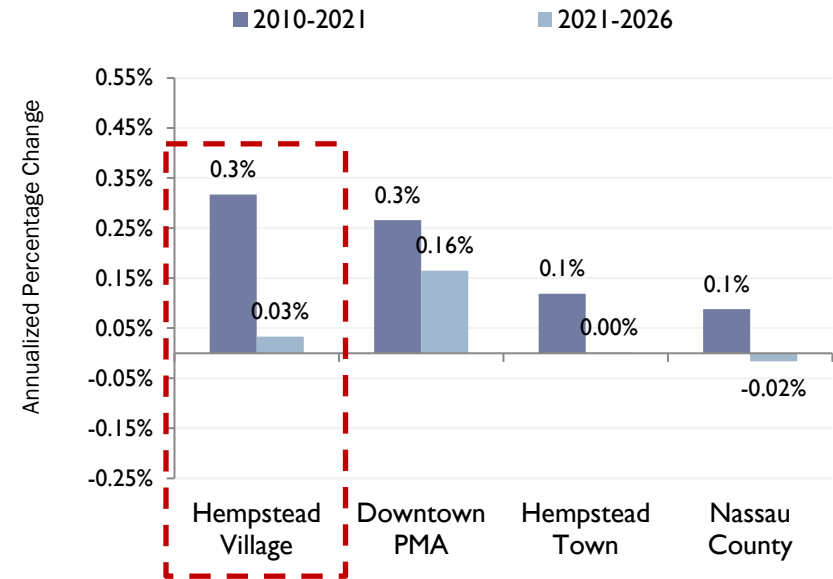
Utilizing a combination of published government data (U.S. Census, Bureau of Labor Statistics, and New York Department of Labor and Industry) and proprietary analysis software (Esri Community Analyst), 4ward Planning prepared a series of data tables comparatively illustrating demographic trends for the Village of Hempstead, the Downtown PMA (10-minute drive time from the LIRR Hempstead station), the Town of Hempstead, and Nassau County. Specifically, demographic trends associated with population, households, age cohorts, and population density, income distribution, and poverty rates, and consumer expenditure estimates (including restaurant, arts and entertainment expenditures) were analyzed. Demographic data is displayed for 2010, 2021 (estimated) and 2026 (projected).

Other socio-economic data in this report is based on current-year estimates and five-year projection data provided by Esri. Released in June 2021, Esri adjusted socio-economic projections due to the pandemic, where appropriate (e.g., adjusting household formation, household income, housing tenure, and consumer expenditures, in particular), as these variables are prone to change abruptly following a significant economic shock. Consumer spending estimates represent the expected annual expenditures for the 2021 calendar year and therefore reflect COVID-19 adjusted income estimates. Although impacts may take years to transpire, the pandemic is likely to have long-term socio-economic impacts due to shifts such as births, deaths, and migration.

## Near-Term Population Change

The Village, Town, and the PMA are expected to continue experiencing positive, albeit relatively flat population growth through 2026 (increasing by just 0.03 percent per year in the Village), with total population within Hempstead Village projected to increase by approximately 90 residents over the next five years. Total population within the Downtown PMA is expected to increase by approximately 1,950 residents over the next five years.

Annualized Percentage Change, Total Population



### Population by Geography

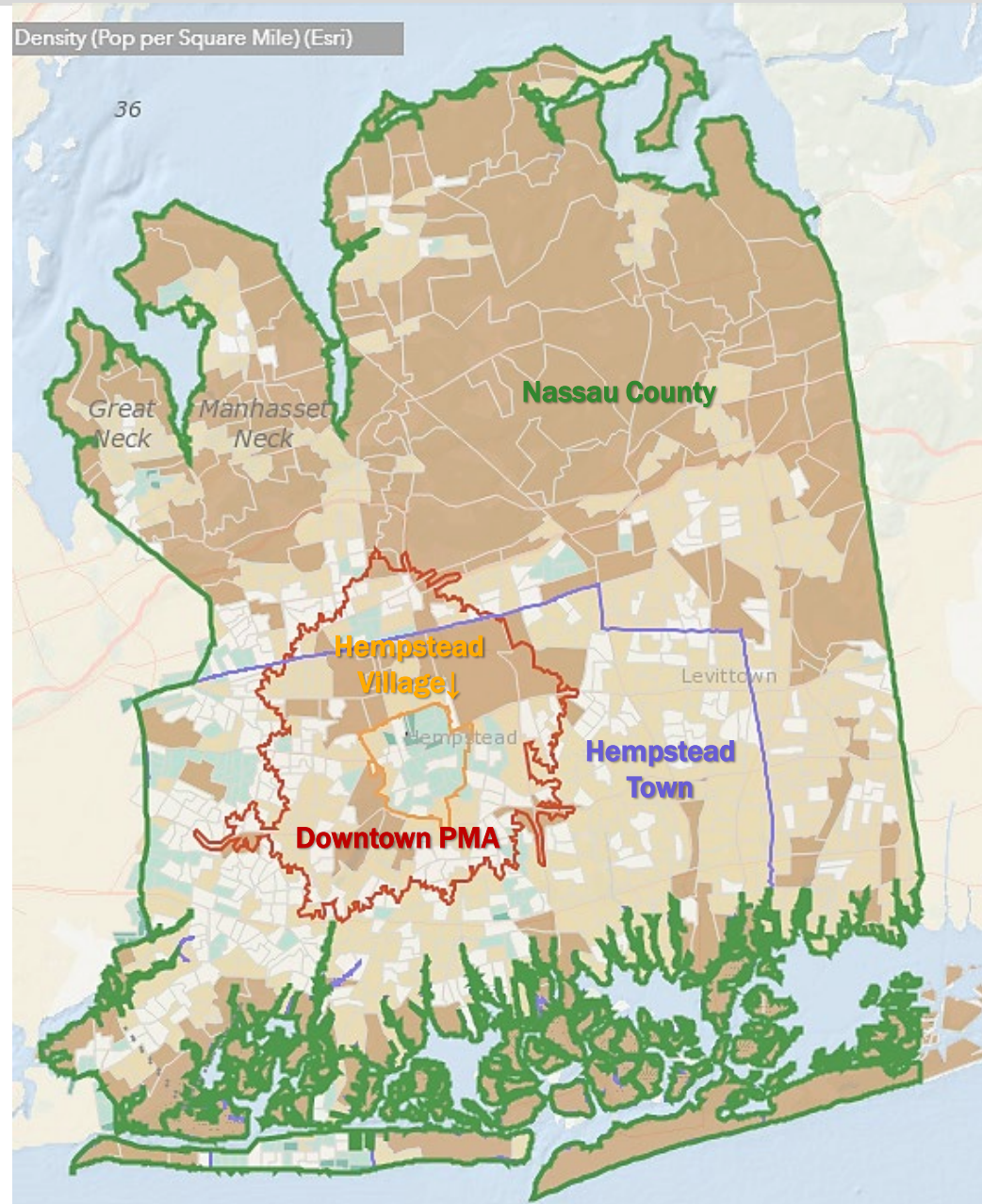
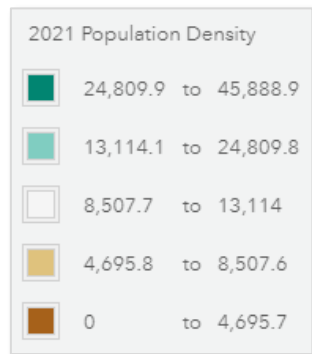
	2000	2010	2021	2026	Net Change (2021-2026)
Hempstead Village	56,554	53,923	55,803	55,895	92
Downtown PMA	224,065	230,001	236,733	238,685	1,952
Hempstead Town	756,083	760,031	769,962	769,997	35
Nassau County	1,334,544	1,339,869	1,352,883	1,351,790	-1,093

Source: US Census Bureau; Esri; 4ward Planning Inc., 2019

# Population Density

According to 2021 population density data provided by Esri, mapped to the right, Hempstead Village has a population density much higher than that in the Town or PMA. While the Village has approximately 15,145 persons per square mile, the Town and PMA have just 6,490 and 7,310 persons per square mile, respectively, reflective of the suburban character of the region.

	Population Density
Hempstead Village	15,145
Downtown PMA	7,310
Hempstead Town	6,493
Nassau County	4,752

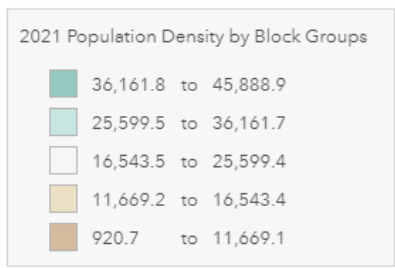


Source: Esri; 4ward Planning Inc., 2021

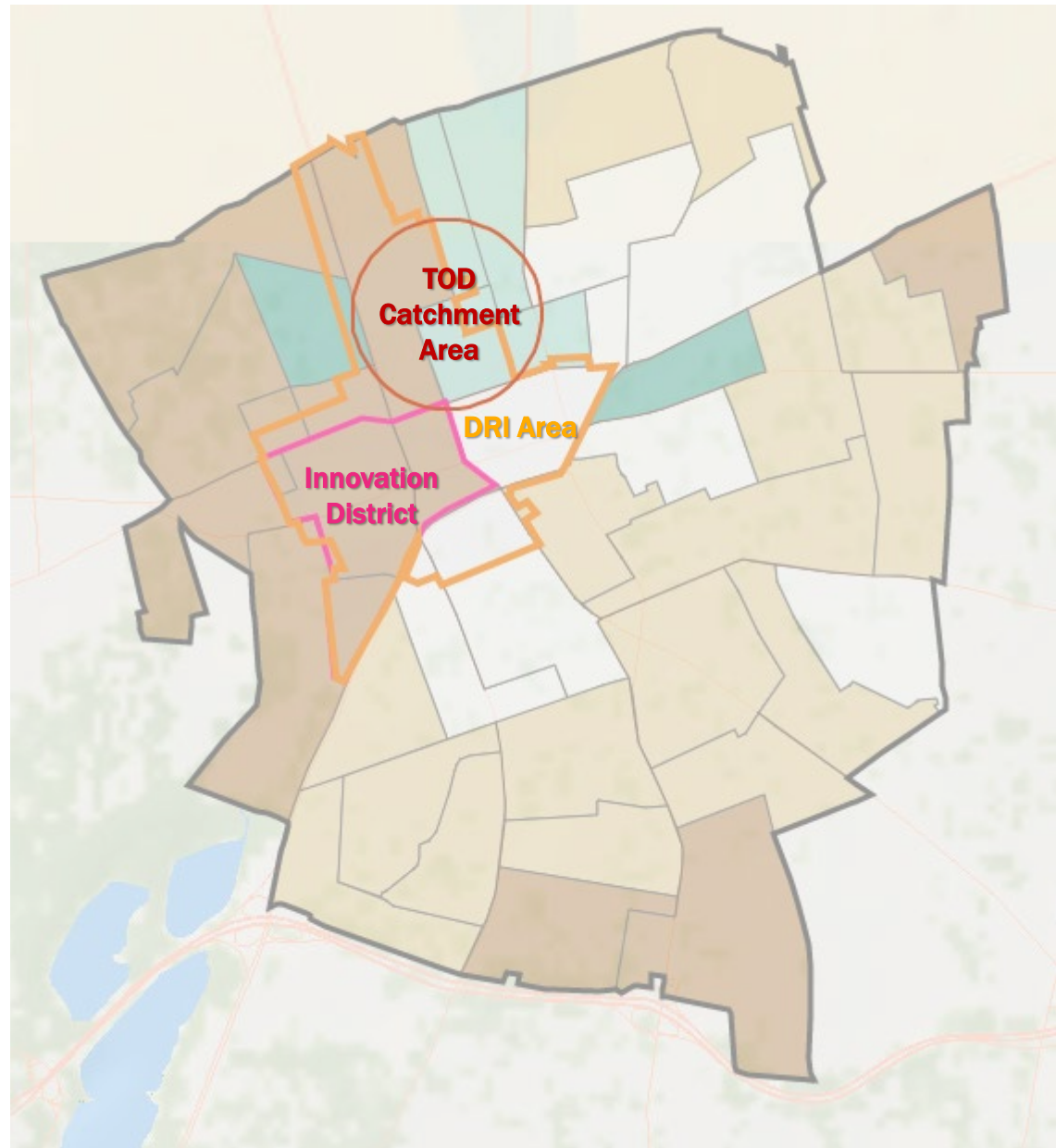
## Population Density

Within Hempstead Village, population density ranges widely from block group. While the TOD catchment area has a population density of 20,160 persons per square mile, population density is much lower in the Innovation District and DRI area (6,765 and 9,640 persons per square mile, respectively).

	Population Density
TOD Catchment Area	20,157
Innovation District	6,765
DRI Area	9,637
Hempstead Village	15,145



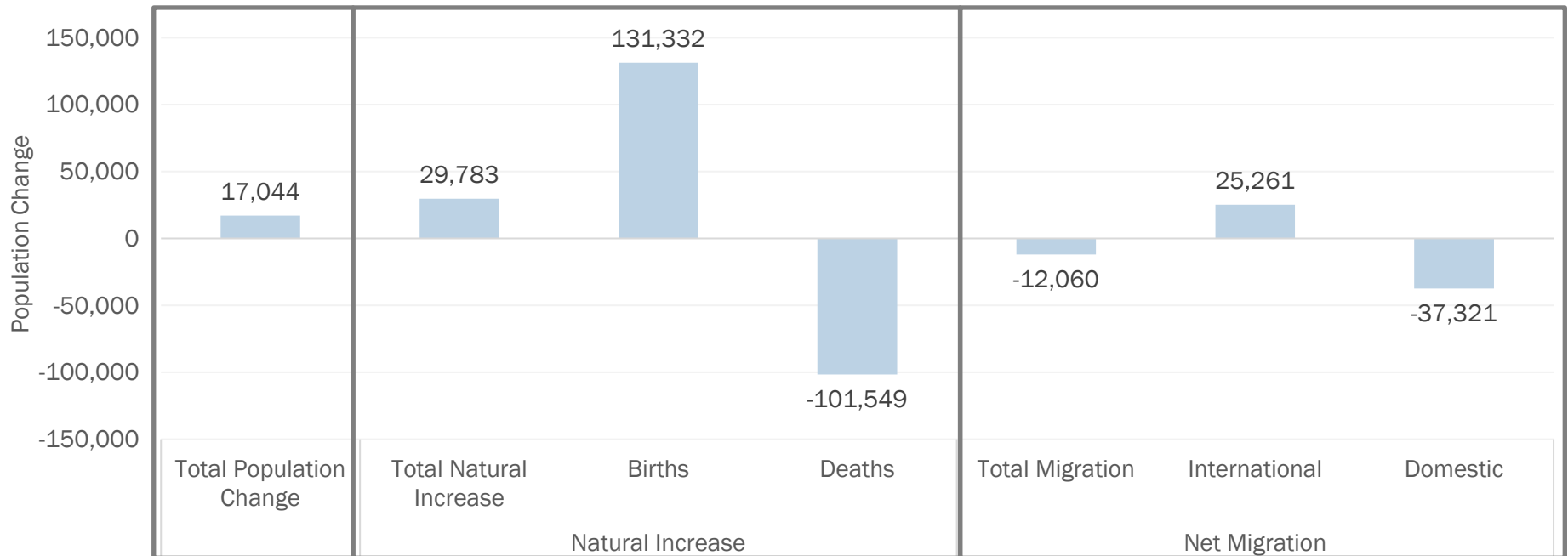
Source: Esri; 4ward Planning Inc., 2021



# Population Change: Nassau County

According to data provided by the U.S. Census Bureau, from April 1, 2010, to July 1, 2019, the number of births remained slightly higher than the number of deaths within Nassau County, resulting in some net positive natural population increases. Although, the County gained nearly 25,260 residents over the nine-year timeframe due to international migration, it lost 37,320 residents due to domestic migration, resulting in overall net negative total migration. Typically, common reasons for moving include housing, employment, or personal reasons.

**Cumulative Population Change, April 1, 2010 to July 1, 2019**



Source: US Census, Estimates of the Components of Resident Population Change: April 1, 2010 to July 1, 2019; 4ward Planning Inc., 2019

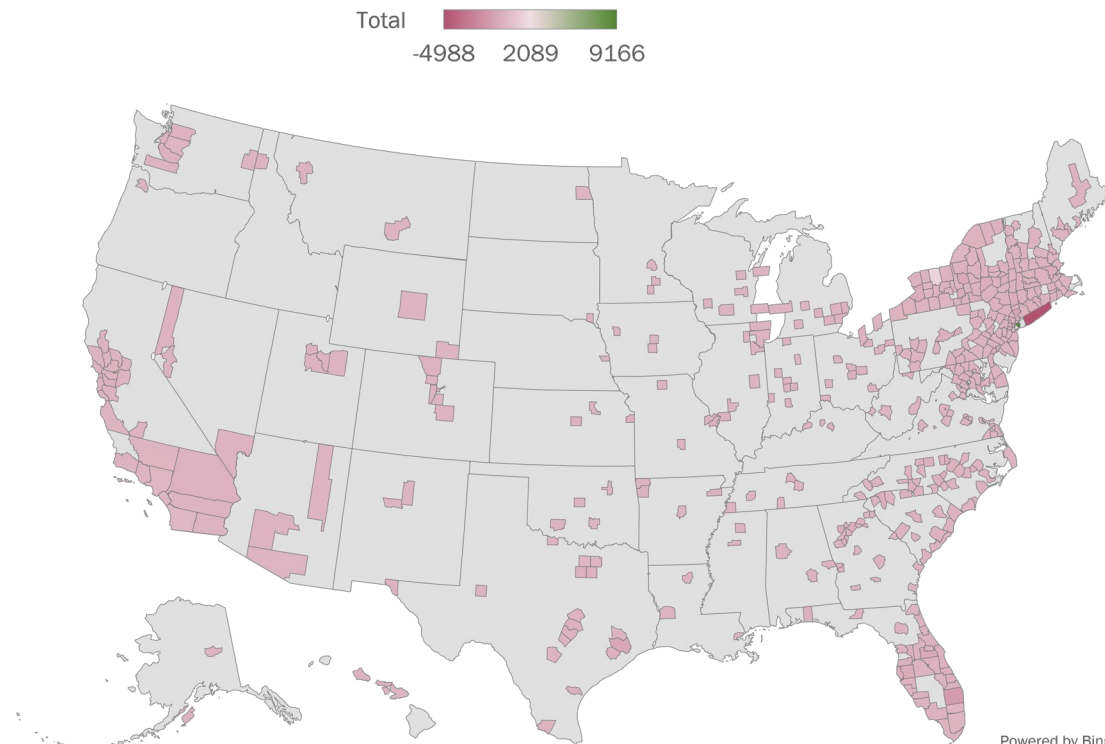


# Intercounty Migration: Nassau County

Long-distance moves (moves across county boundaries) are more likely to be made for work-related reasons, while short-distance moves are more likely to be made for housing-related reasons. As illustrated in the map and table below, from 2014 to 2018, the largest inflow of residents moving to Nassau County (9,166 persons) moved from neighboring Queens County, New York. Conversely, the largest outflow of residents leaving Nassau County (179 persons) moved to neighboring Suffolk County, New York. Since the Covid-19 pandemic is still unfolding, it is difficult to assess its impacts on mobility. Working from home is likely at record-high levels right now, and if even a portion of this shift proves to be permanent, it could mean fewer people moving for job-related reasons as well.

## Inter-County Movers: Nassau County 2014-2018

County	State	Persons
<b>Top Net Positive (Inflow)</b>		
1 Queens County	New York	9,166
2 Monroe County	New York	1,641
3 Kings County	New York	1,434
4 Bronx County	New York	283
<b>Top Net Negative (Outflow)</b>		
1 Suffolk County	New York	(4,988)
2 Palm Beach County	Florida	(1,236)
3 Westchester County	New York	(701)
4 Harris County	Texas	(633)

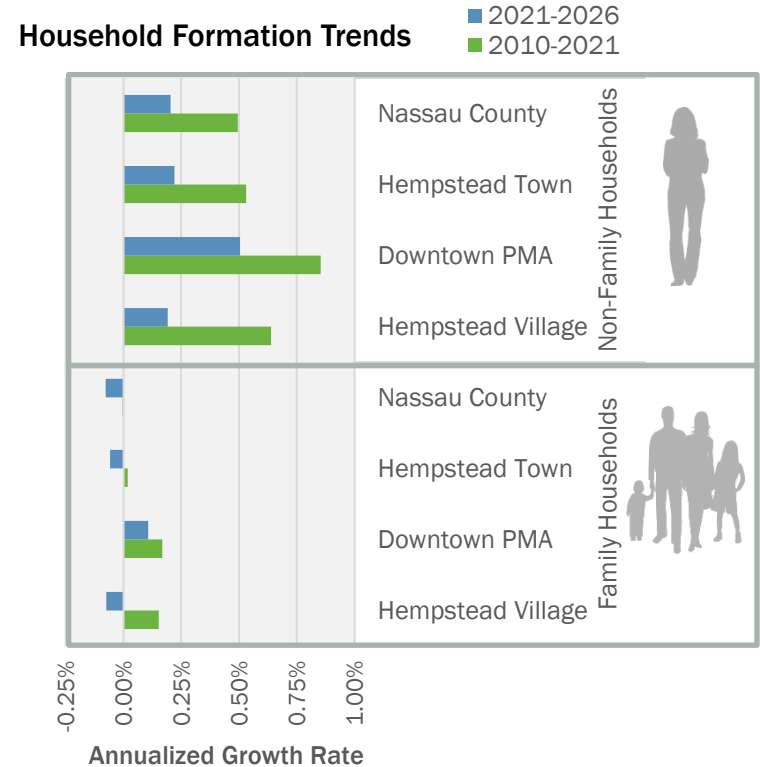


Source: U.S. Census Bureau, Census Flow Mapper; 4ward Planning Inc., 2021.

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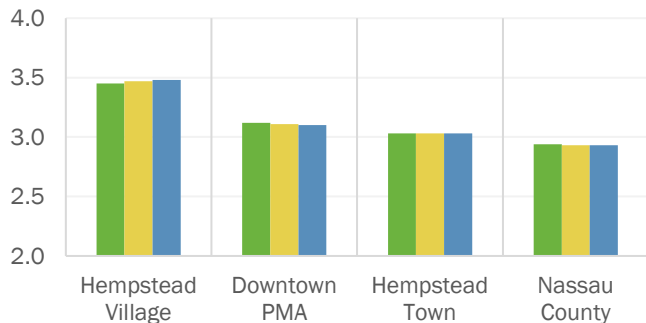
# Household Formation

As illustrated in the table below, from 2021 to 2026, Hempstead Village is projected to experience positive, albeit relatively flat, household growth (increasing by 0.004 percent per year or by just three households). As illustrated in the chart to the right, despite relatively flat growth, Esri expects the rate of non-family household formation (top right) in all geographies to be slightly stronger, compared to the rates of family household growth (bottom right). As illustrated in the chart below, average household size has also been decreasing slightly in recent years but is expected to remain relatively flat over the next five years. The growth in non-family households (typically one- and two-person in size) will increase demand for housing units (whether rental or for-sale, multi-family or single-family), all other factors remaining constant.



**Household Size Trends**

■ 2010 ■ 2021 ■ 2026



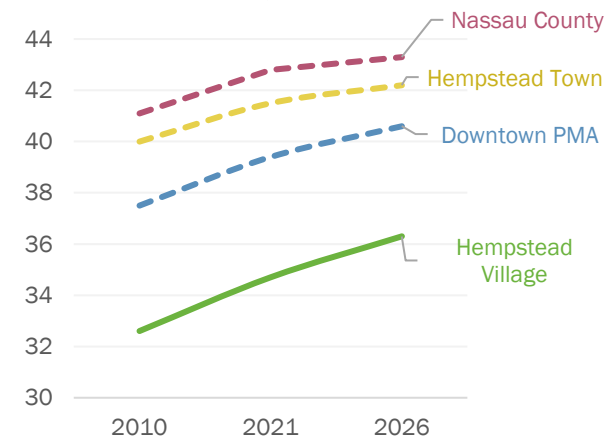
**Household Trends and Projections**

	2000	2010	2021	2026	Net Change (2021-2026)
Hempstead Village	15,188	15,241	15,727	15,730	3
Downtown PMA	69,894	71,120	73,797	74,583	786
Hempstead Town	246,888	246,546	250,256	250,377	121
Nassau County	447,387	448,641	454,361	454,220	-141

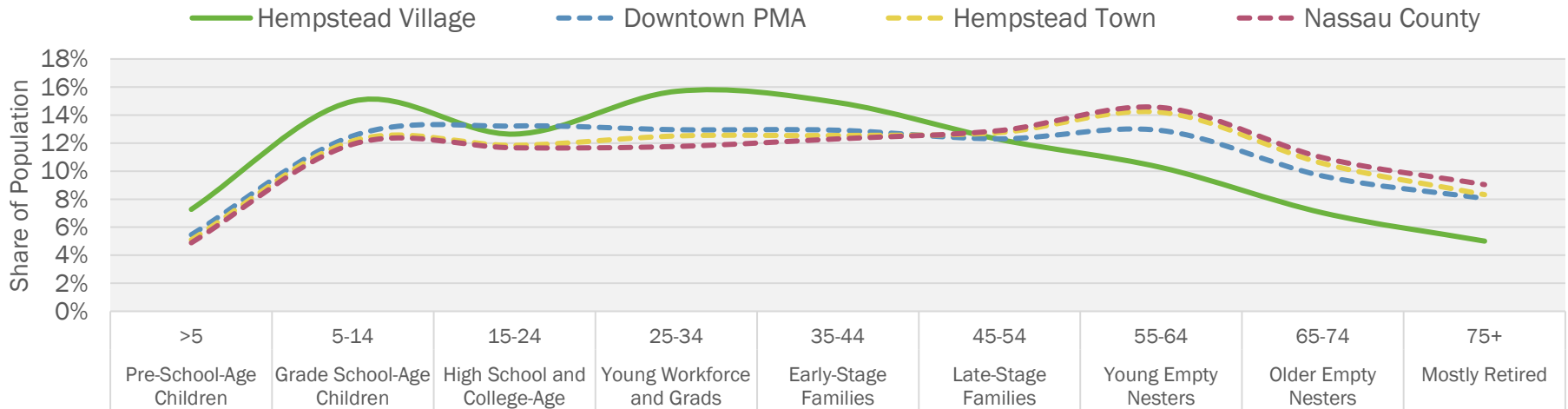
# Age Trends

As illustrated in the chart to the right, the current median age in Hempstead Village (36 years) is younger than that within the other three geographies, particularly Nassau County (43 years). The median age in all geographies is expected to increase through 2026. As illustrated below, compared to the other three geographies, Hempstead Village has higher shares of persons representing young workforce and graduate persons (ages 25 to 34 years) and lower share of persons representing empty nester and mostly retired persons (over 55 years).

Median Age 2010-2026



Age Distribution, 2021



Source: Esri; 4ward Planning Inc., 2021.

## Generation Trends

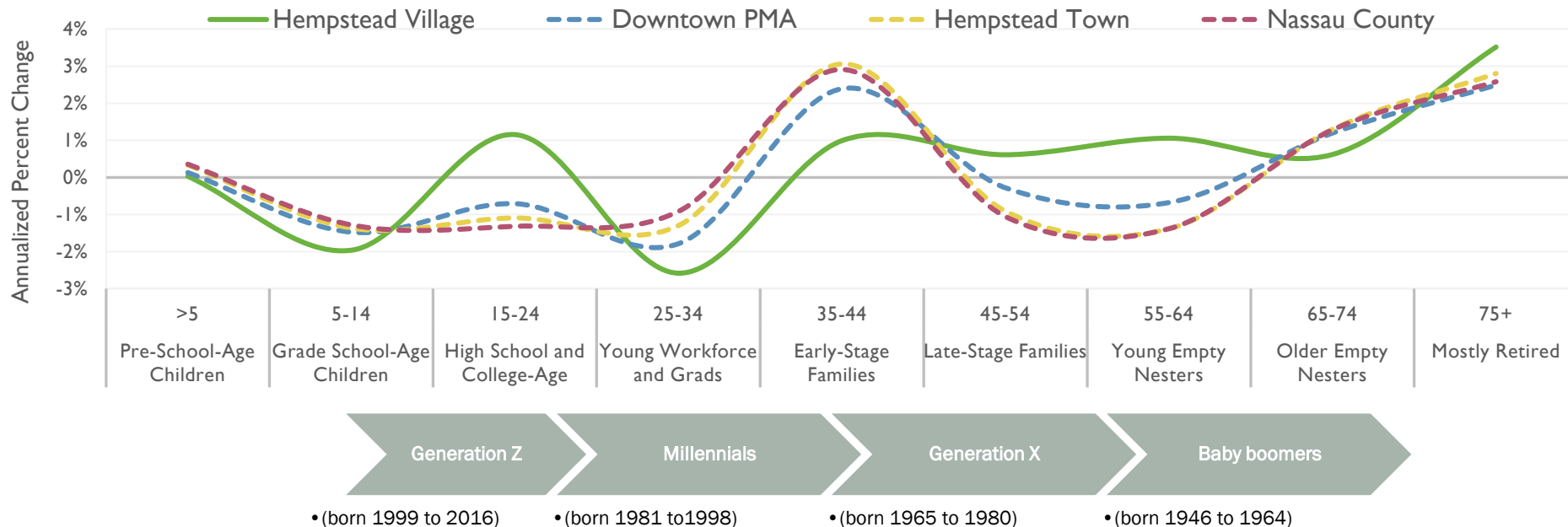
Research shows that each generation can exhibit distinct priorities and attitudes, goals, lifestyle choices, and purchasing behaviors. Understanding shifting purchasing behaviors and preferences is important for predicting changing housing and retail demand.

- **Baby boomers** (those born between 1946 and 1964), the principal driving force of the modern retail shopping center, are now 56 years of age and older (the vast majority of whom are in or approaching retirement). Baby boomers no longer represent the critical demand once relied upon by shopping centers, as they are well beyond the age of raising children, needing to buy new clothes for work, or making major furniture and/or housing-related purchases associated with the purchase or rental of a new home.
- **Generation X** (those born between 1965 and 1980) is that following the baby boom generation. While Gen X is comparatively younger and still making purchases associated with family rearing, employment, and new or renovated housing, it is a much smaller generation and never exhibited the same strong consumer spending might of boomers and were, thus, less impactful on the bottom lines of retailers.
- **Millennials** (those born between 1981 and 1998) came of age during the Great Recession and the advent of the Internet and have changed the retail consumer landscape. They do not exhibit the same zest for material goods as their parents or grandparents, and value experiences over purchases. Access to an online world of goods, which can be purchased at lower prices than those found in brick-and-mortar stores, has made the avoidance of visiting shopping centers easy and often preferable to the millennial generation.
- **Generation Z** (those born between 1999 and 2016) is the generation that was in line to inherit a strong economy with record low unemployment, but now peers into an uncertain future, as Covid-19 has reshaped the country's social, political, and economic landscape. This generation is more racially and ethnically diverse than any previous generation and is on track to be the most well-educated generation yet.

# Age Cohort Growth Patterns

Through 2026, all geographies are expected to experience the fastest population growth among adults over age 65 (partially represented by the baby boomer generation, those born between 1946 and 1964) and, to a lesser degree, adults ages 35 to 54 (partially represented by the millennial generation, those born between 1981 and 1998). Hempstead Village should consider the housing preferences of these two groups for future housing developments. For example, seniors and millennials are attracted to smaller dwellings than past generations, with lower maintenance needs and more amenities (within walking distance to a diversity of activities and services).

**Annualized Age Distribution Change, 2021-2026**



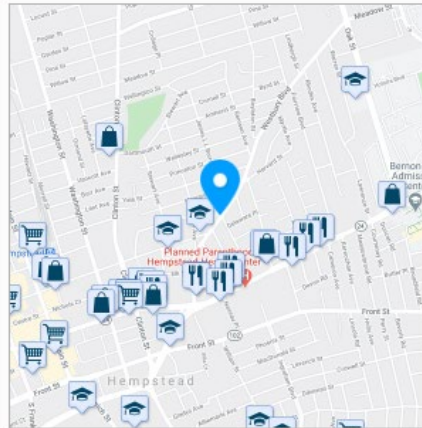
Source: US Census Bureau; Esri; 4ward Planning Inc., 2021.

# Walk and Bike Scores

Walk Score measures walkability on a scale from 0 - 100 based on walking routes to destinations such as grocery stores, schools, parks, restaurants, and retail. Likewise, Bike Score measures bike accessibility on a scale from 0 - 100 based on bike infrastructure, topography, destinations and road connectivity. Overall, Hempstead Village is very walkable (Walk Scores of 77), meaning most errands can be accomplished on foot or by bike, and the Hempstead Station area is a walker’s paradise (Walk Scores of 91), meaning daily errands do not require a car. Hempstead Village has a Bike Score of 52, meaning it has some bike infrastructure.

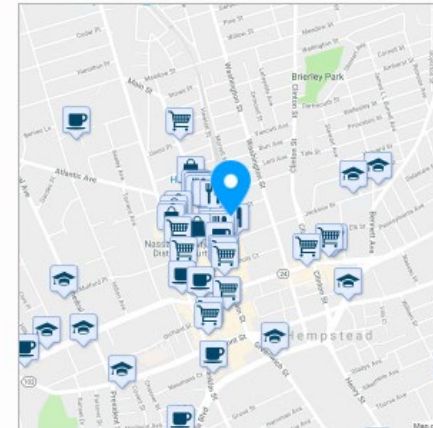
## Hempstead Village

- 
**Walk Score 77**  
**Very Walkable**  
 Most errands can be accomplished on foot.
- 
**Transit Score 57**  
**Good Transit**  
 Many nearby public transportation options.
- 
**Bike Score 52**  
**Bikeable**  
 Some bike infrastructure.



## Hempstead Station

- 
**Walk Score 91**  
**Walker's Paradise**  
 Daily errands do not require a car.
- 
**Transit Score 63**  
**Good Transit**  
 Many nearby public transportation options.

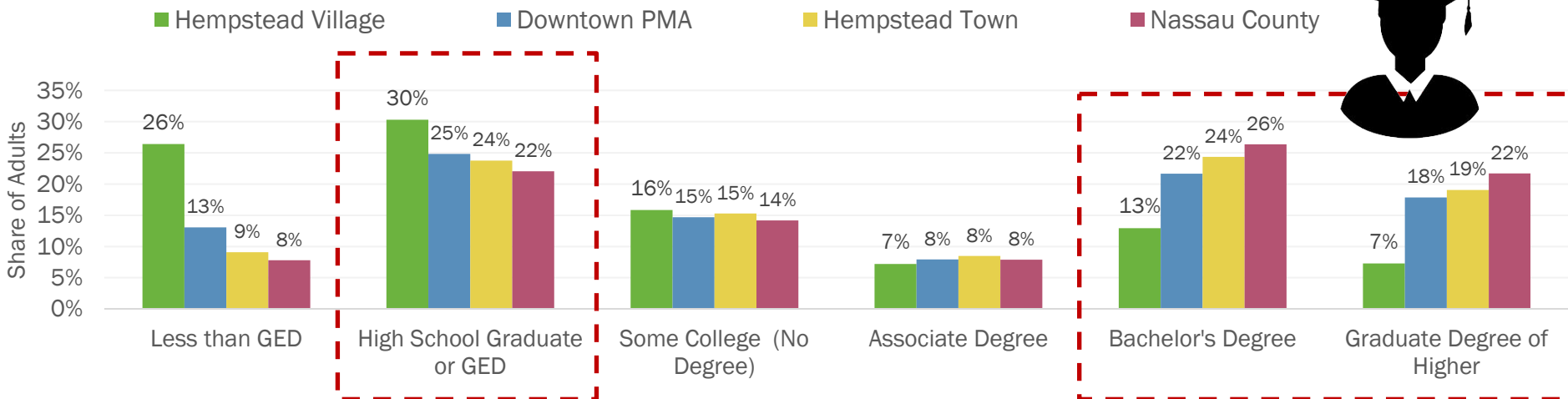


Source: WalkScore.com

## Educational Attainment: Residents

A well-educated population is typically better equipped to meet employer demands, adapt to changing workforce demands, and earn more than their less educated peers. As illustrated in the chart below, the level of educational attainment in Hempstead Village is lower than that in the Town and PMA. For example, the share of Hempstead Village adult residents 25 and older holding a bachelor’s degree or higher level of education is less than half of that in Hempstead Town (20 and 43 percent, respectively), while the share of residents in the Village holding a high school degree or lower level of education is higher than that in the Town (30 and 24 percent, respectively).

Educational Attainment by Geography, 2021

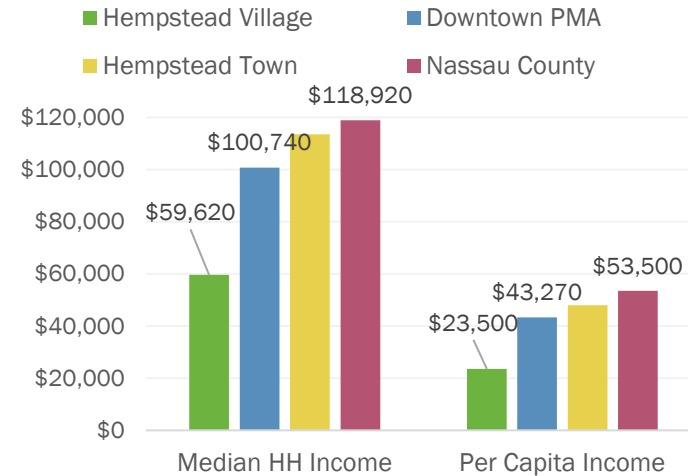


Source: Esri; 4ward Planning Inc., 2021.

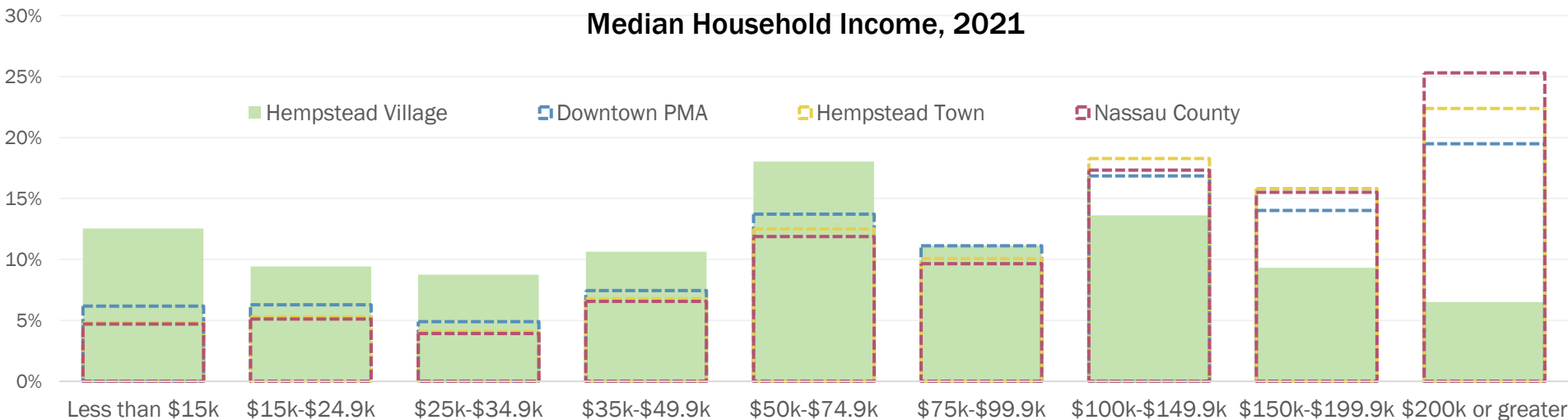
# Median Household Income

Typically, educational attainment is correlated with earnings, with households and persons with higher levels of educational attainment associated with higher incomes. Not surprisingly, as illustrated to the right, Hempstead Village’s median household income (\$59.6k) and per capita income (\$23.5k) are lower than that in the other three geographies. As illustrated below, compared to the Town (shown in blue), the Village (shown in green) has higher shares of middle- and lower-income households (i.e., with median household incomes below \$50,000) and lower shares of higher-income households (i.e., with median household incomes above \$100,000).

Income Metrics, 2021



Median Household Income, 2021



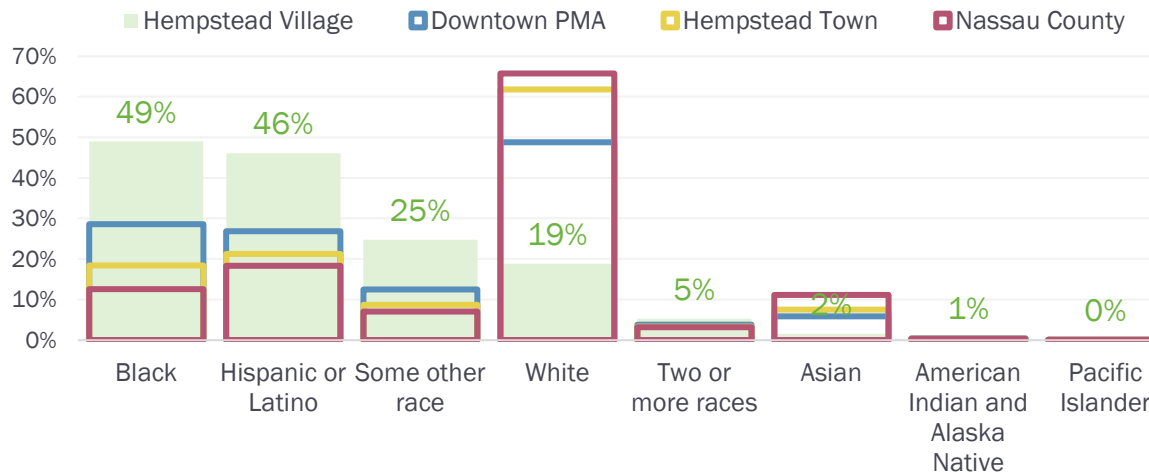
Sources: US Census Bureau; Esri; 4ward Planning Inc., 2021.



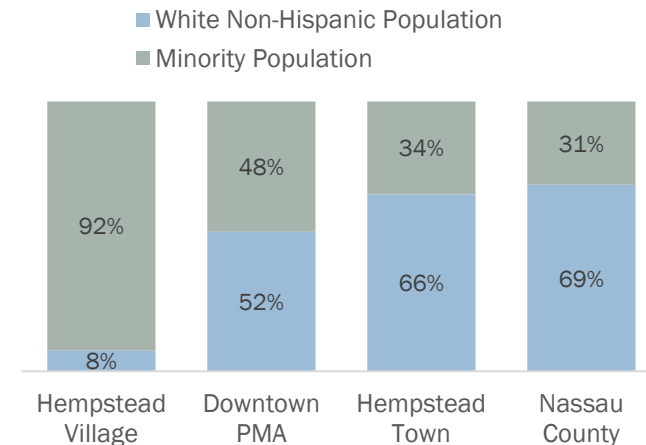
## Race & Ethnicity

While White non-Hispanic persons represent the majority of residents in Hempstead Town, the PMA, and Nassau County, this population represents just eight percent of residents in Hempstead Village. The population in Hempstead Village is largely composed of Black (49 percent) and Hispanic or Latino (46 percent) persons. Minority persons (excluding White Non-Hispanic persons) currently make up a 92 percent of residents within the Village (compared to just 48 percent within the PMA).

**Race and Ethnicity, 2021**



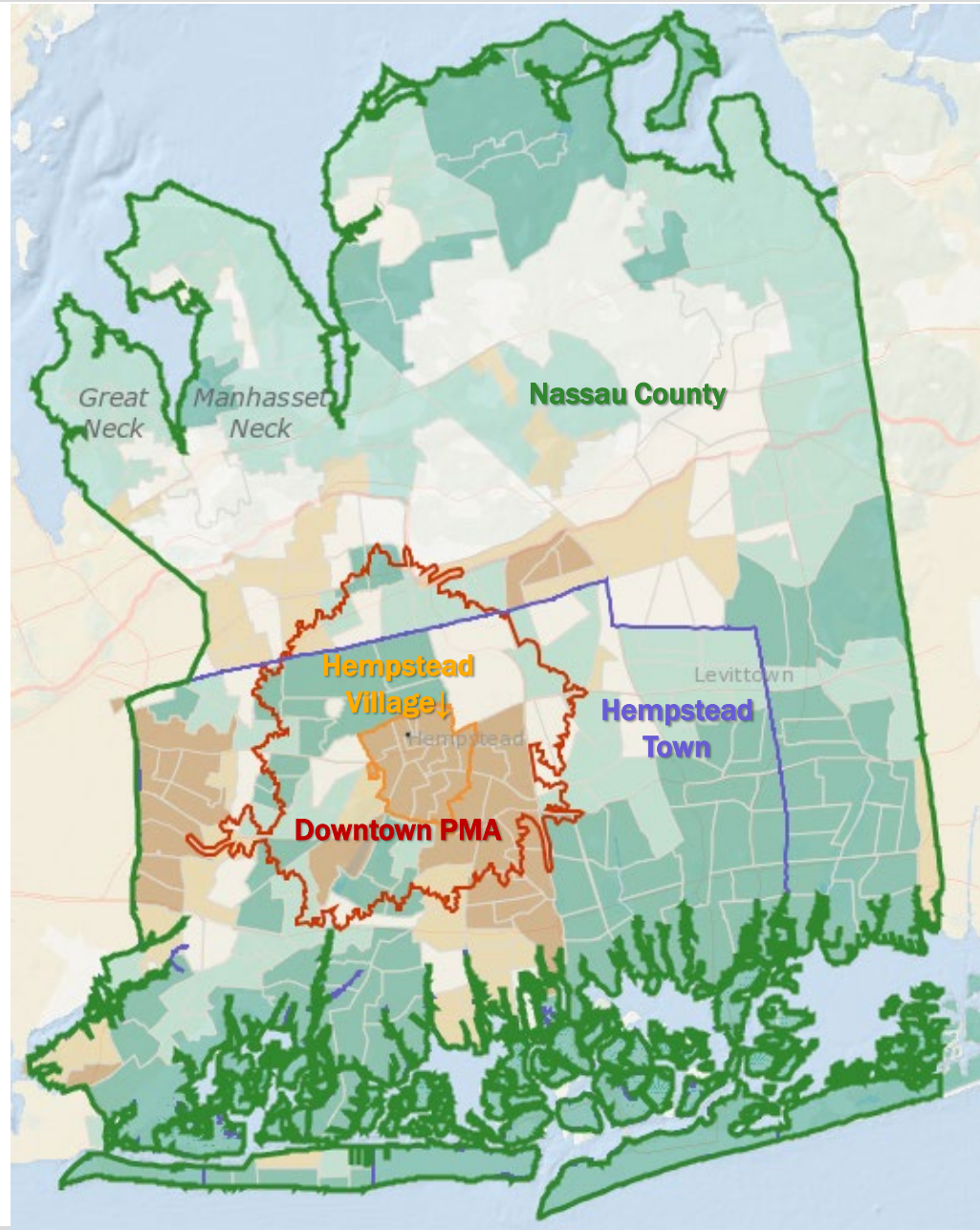
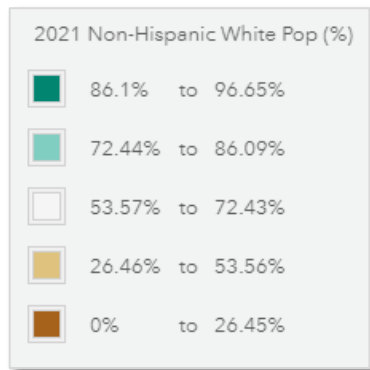
**Minority Populations, 2021**



Sources: U.S. Census Bureau; Esri; 4ward Planning Inc., 2021

# Minority Populations: Nassau County

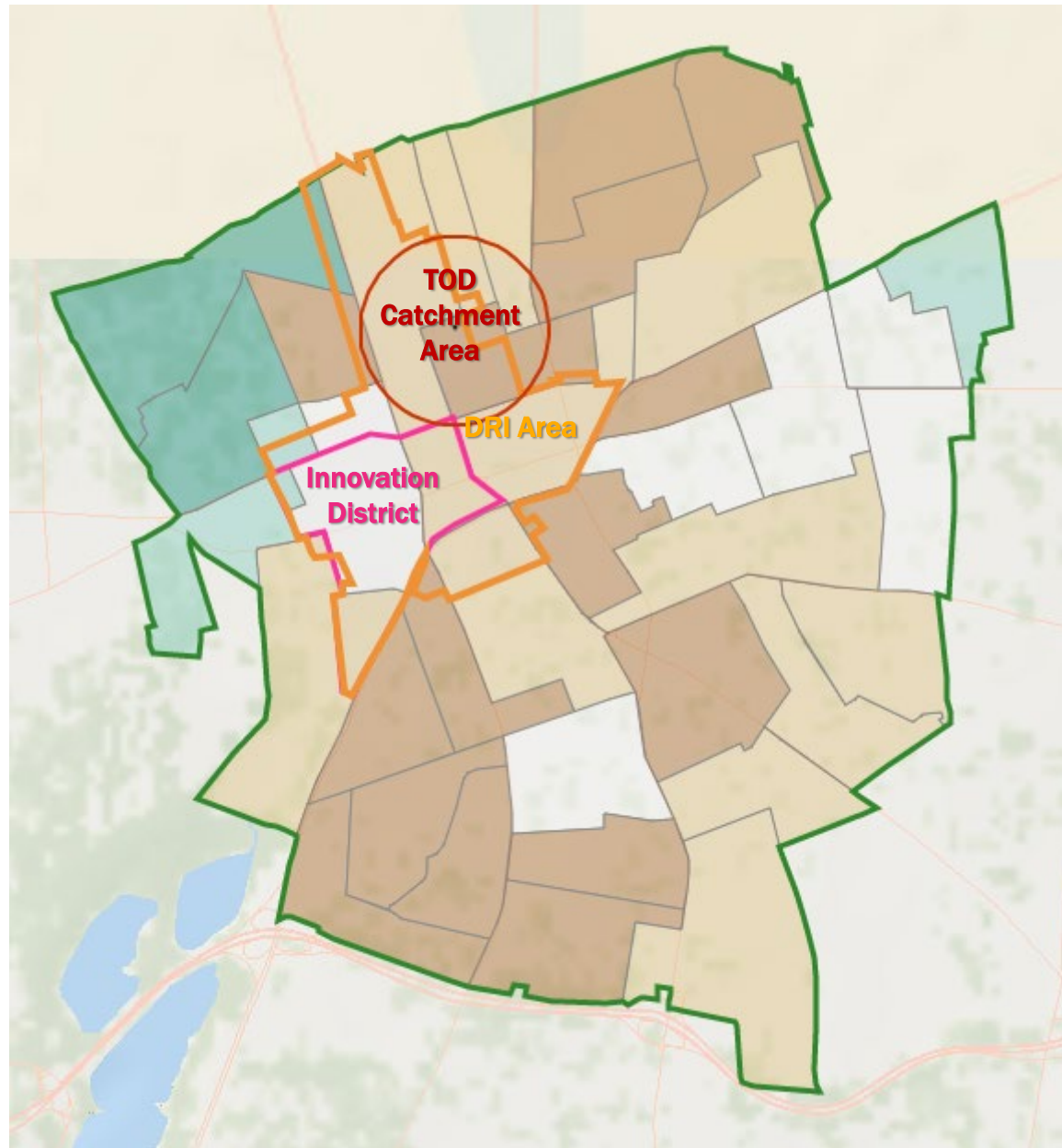
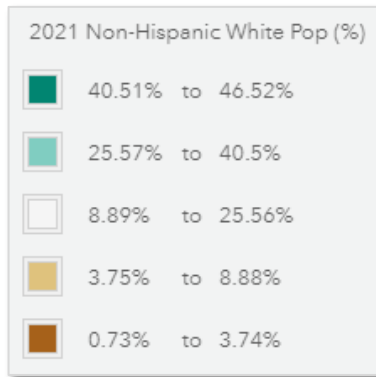
According to 2021 race data provided by Esri, mapped to the right, there are high shares of minority residents (excluding White Non-Hispanic persons) within and around Hempstead Village. The relatively high concentration of minority residents presents an opportunity to establish retail and service businesses which cater to consumer demands particular to the village of Hempstead.



Source: Esri; 4ward Planning Inc., 2021

## Minority Populations: Hempstead Village

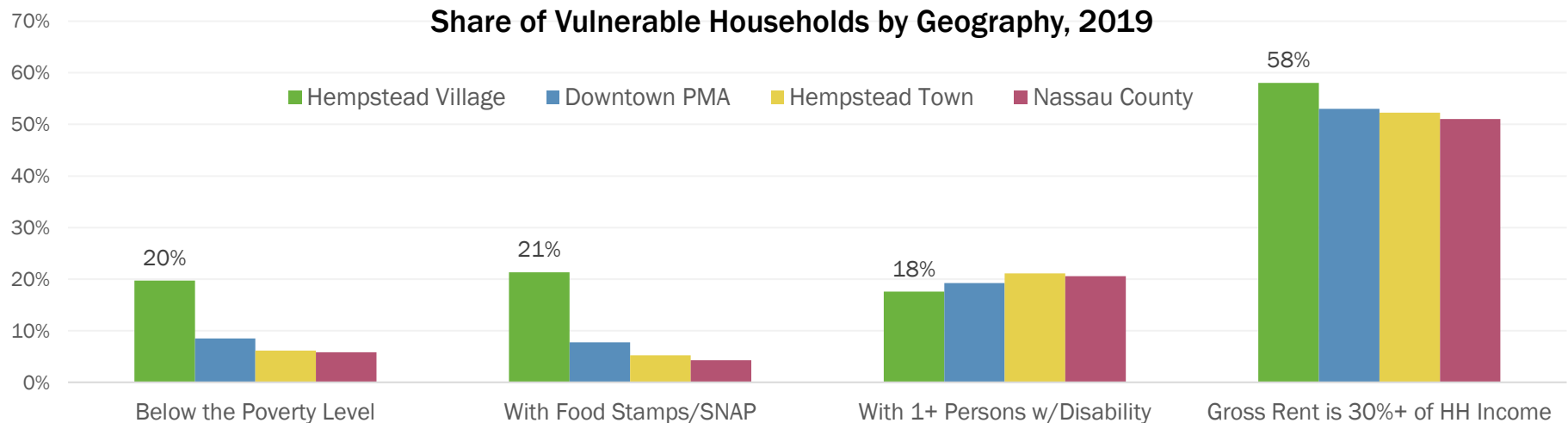
According to 2021 race data provided by Esri, mapped to the right, the highest shares of White Non-Hispanic persons are located in the northwest portion of Hempstead Village. The block group where the Hempstead station is located is composed of 98 percent minority residents.



Source: Esri; 4ward Planning Inc., 2021

## Vulnerable Households

According to 2019 American Community Survey data provided by Esri, 20 percent of Hempstead Village residents are below the poverty level, 21 percent receive nutrition assistance via food stamps/SNAP (Supplemental Nutrition Assistance Program), and 18 percent live with one or more persons with a disability. The U.S. Housing and Urban Development Department (HUD) states households that spend more than 30 percent of their incomes on housing are considered “cost-burdened” and may have difficulty affording necessities such as food, clothing, transportation, and medical care. In 2019, approximately 58 percent of renter households within the Village pay more than 30 percent of their monthly household incomes on rent. The share of selected vulnerable persons or households in the Village are higher, generally, than in the larger Town and PMA – suggesting more local workforce housing options may be warranted.

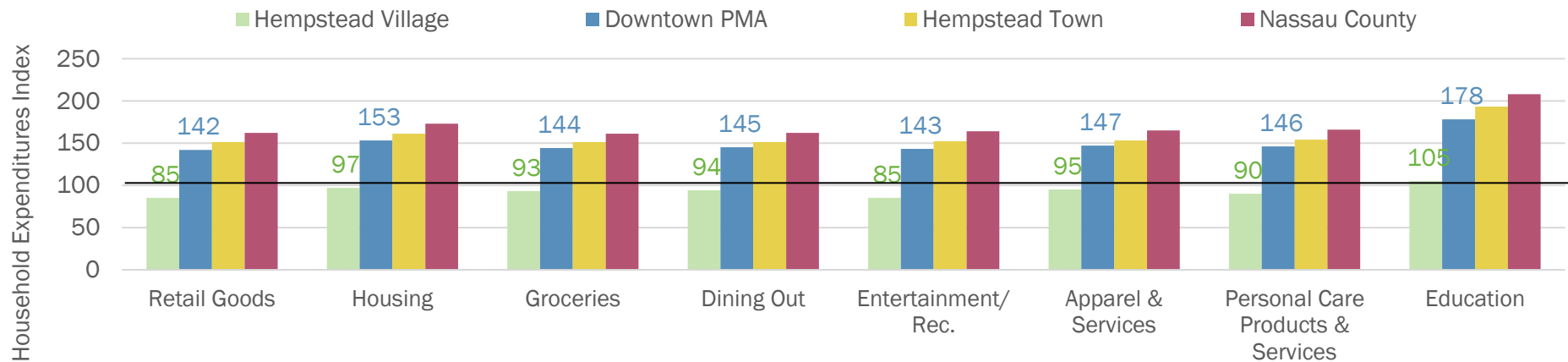


Sources: US Census Bureau; Esri; 4ward Planning Inc., 2021.

# Household Expenditures

Esri combines the latest Consumer Expenditure Surveys from the Bureau of Labor Statistics (BLS) to estimate a current Spending Potential Index (SPI). The SPI compares the average amount spent locally for a product to the average amount spent nationally. An index of 100 reflects the average. An SPI of 90 means that the area spends 10 percent less than the national average, on that good or service. A relatively low spending potential index typically suggests that potential customers in the Village have less capacity to support a variety of retail businesses in comparison to the other geographies. As shown in the chart below, while consumer spending potential in the Village is generally lower than the U.S. average in most of the selected retail categories, it is higher in the PMA. To the extent that retail business in the DRI and Innovation District can attract customers from the larger PMA, these business have potential to access customers with higher spending potential.

**Household Expenditure Index by Geography, 2021**



Source: Esri; 4ward Planning Inc., 2021.

# LABOR AND INDUSTRY TRENDS

ECONOMIC AND REAL ESTATE ANALYSIS FOR SUSTAINABLE LAND USE OUTCOMES™



## Key Findings: Labor and Industry Trends

### **Pent up demand from commuting workers**

In 2018, 20 percent of Downtown PMA residents also worked in the PMA. Approximately 119,010 workers commuted into the PMA for work and 86,800 residents commuted outside the PMA for work. Assuming some of these commuting workers would prefer to live closer to their place of work if adequate housing were available, these commuting workers represents pent-up housing demand.

### **Education and health care institutions are assets**

The Downtown PMA contains various major institutions of higher education and health care institutions, which have the potential to provide synergistic opportunities for employment and training, and to attract funding for medical occupation and related programs within the Village. Most notably, the Hempstead Family Health Center is located within the DRI while Hofstra University is located on the eastern edge of the Village.

### **Health care and social services sector top sector by growth**

From 2002 to 2020, the health care and social services sector was the top sector by employment growth in Nassau County (growing by 70,520 new jobs). Through 2028, this sector is expected to continue experiencing the greatest employment growth in the region (3.4 percent per year in Long Island). With an average first quarter 2021 annual earnings of \$65,030, this sector provides relatively mid-wage job opportunities.

## Methodology: Labor and Industry Trends

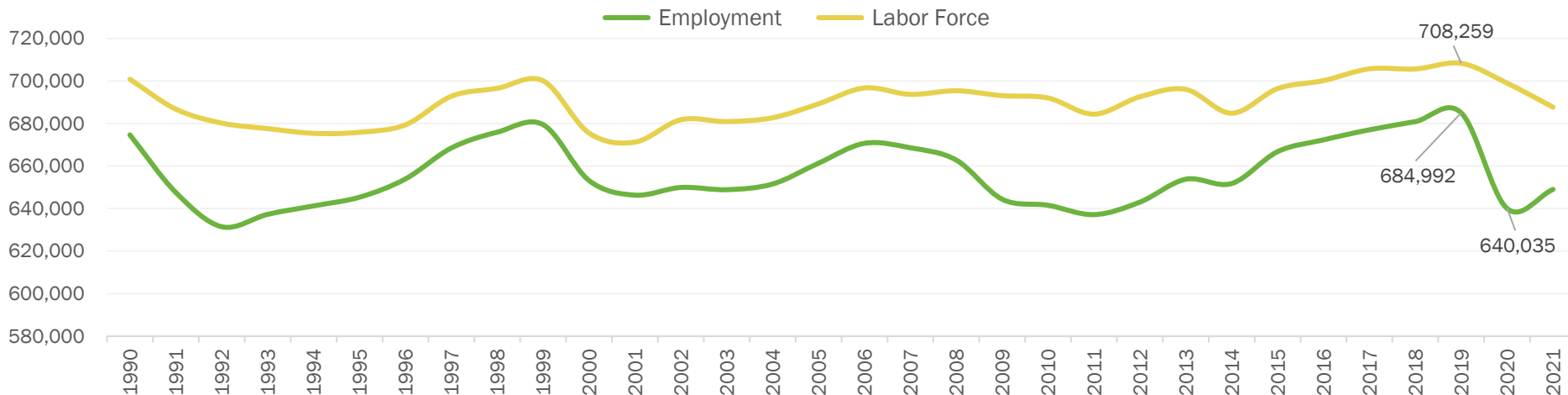
We examined current labor market and industry trends within Nassau County and Long Island, including current and projected industry and occupational (BLS Data) employment. The examination of projected industry and occupational employment data provides necessary insight into the types and quantity of office, industrial, and retail land-uses, which might be in demand over the coming years and prospectively captured within the Hempstead Village. Labor market trends include industry and occupational employment, top six employers by industry, primary job estimates within the Hempstead Village, the Downtown PMA, and Nassau County, and a travel shed analysis (demonstrating worker commuting patterns to and from the Village). Labor data was assembled from the latest U.S. Department of Labor industry figures.



## Labor Force & Employment Trends

The U.S. Bureau of Labor Statistics (BLS) defines the labor force as all civilians classified as employed and unemployed. The employed are those who work for pay for themselves or someone else, or who work 15 hours or more as unpaid workers in a family-operated business. Also included among the employed are those who were temporarily absent from work for reasons such as illness and child-care problems. The unemployed include individuals who had no job but were available for work and looking for employment. According to BLS data, Nassau County’s labor force reached an average high of 684,992 persons in 2019, and an average of 640,035 in 2020, reflecting initial job loss due to the Covid-19 pandemic. In June 2021, there was 661,306 jobs and 695,945 persons in the labor force in the County.

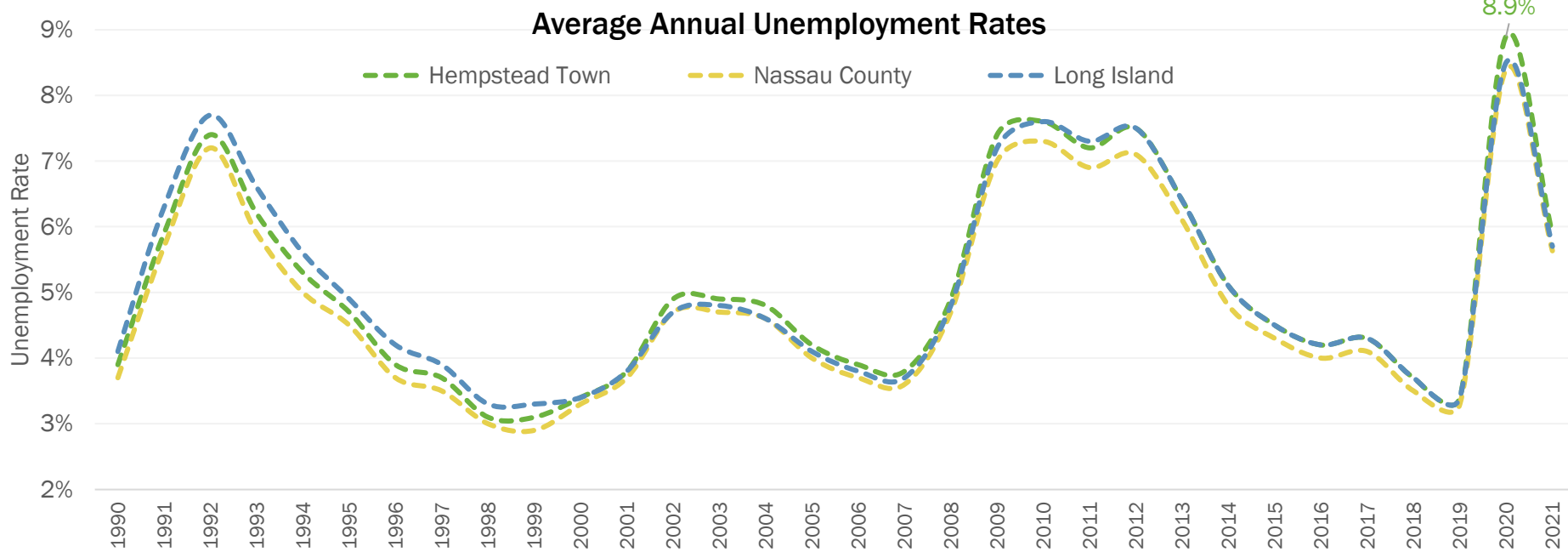
**Labor Force & Employment Trends: Nassau County**



Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics, data as of June 2021.

# Unemployment Trends

According to data provided by the BLS, although the unadjusted average unemployment rate in Nassau County reached as high as 8.9 percent in 2020, due to the Covid-19 crisis, it has since recovered some, albeit not to pre-recession levels. The average annual 2021 (as of June 2021) unemployment rate in Hempstead Town is 5.9 percent, compared to 3.4 in 2019. As illustrated below, the Town’s unemployment rate has been historically comparable with that of Nassau County and the Long Island region.

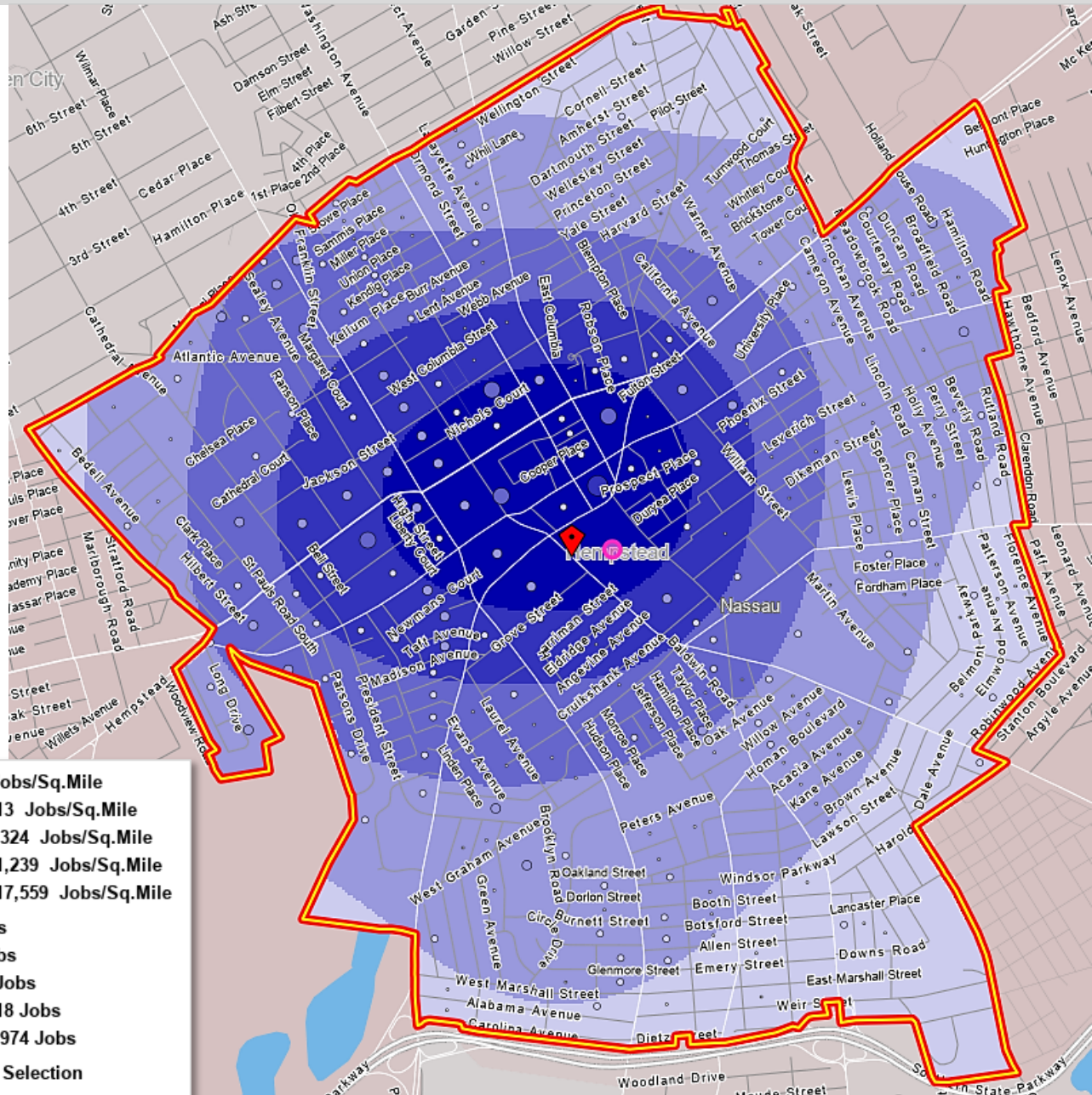
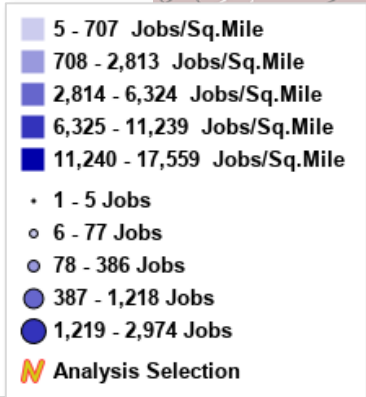


Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics, data as of June 2021.

# Primary Jobs: Hempstead Village

According to 2018 data provided by the US. Census, mapped to the right, there are approximately 15,540 primary jobs within Hempstead Village (represents the highest paying public or private-sector job for an individual worker).

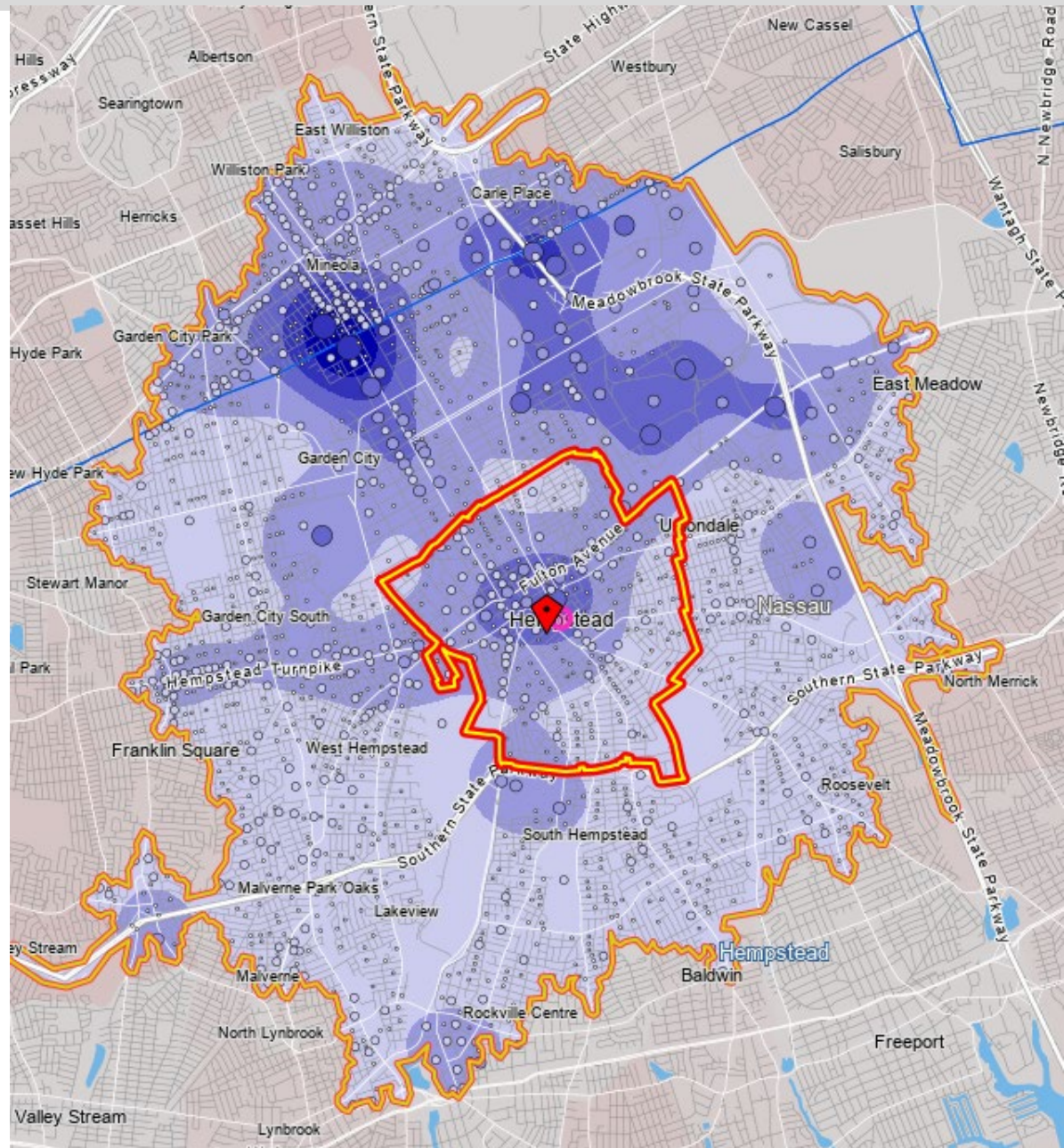
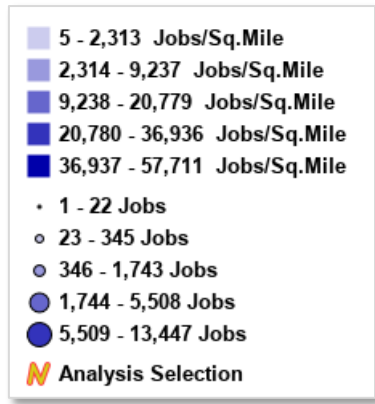
	Primary Jobs (2018)
Hempstead Village	15,540
Downtown PMA	140,840
Hempstead Town	270,310
Nassau County	587,380



Source: U.S. Census Bureau, Center for Economic Studies, LEHD.

# Primary Jobs: Downtown PMA

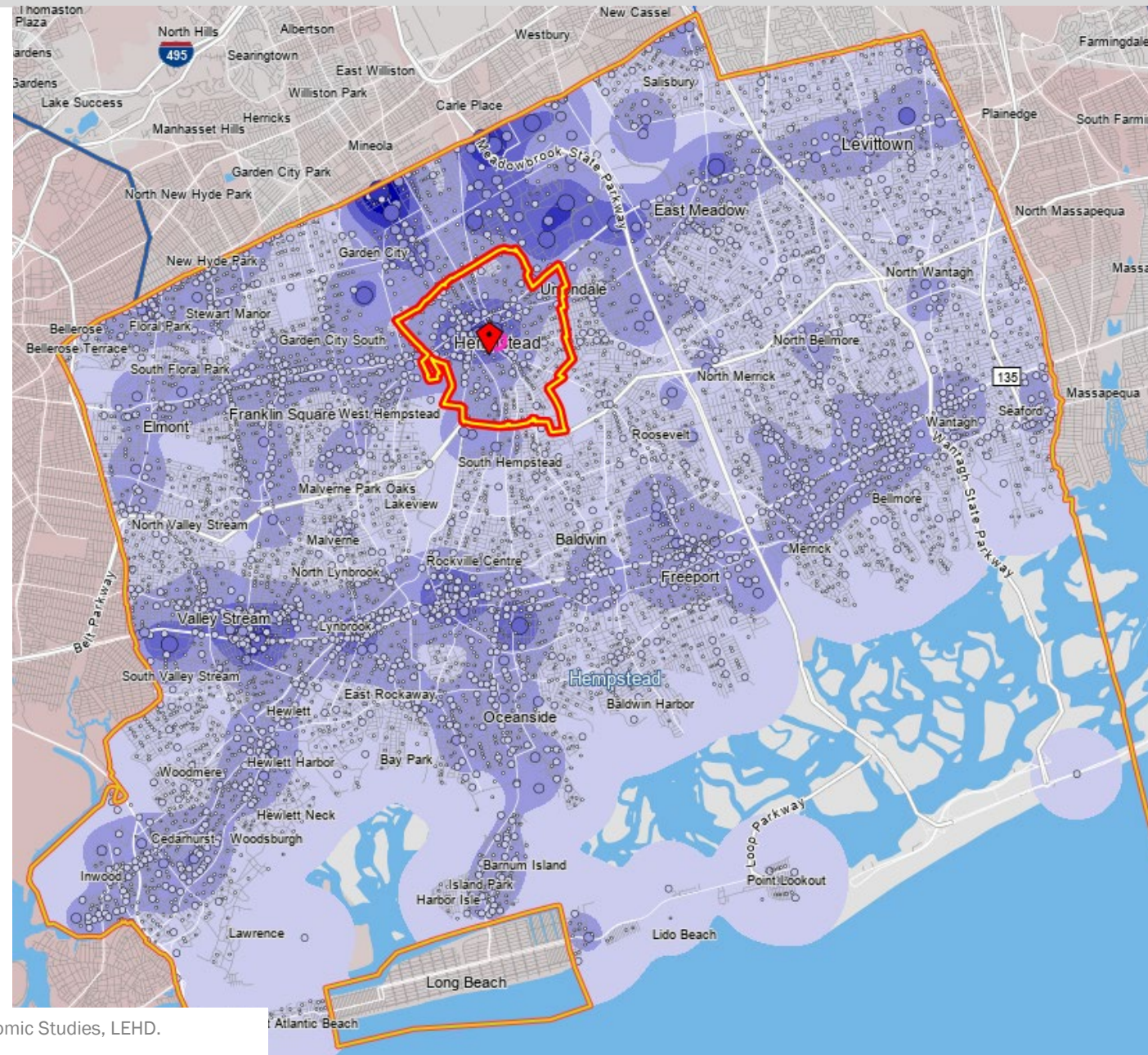
The map to the right illustrates primary job clusters within the Downtown PMA.



Source: U.S. Census Bureau, Center for Economic Studies, LEHD.

# Primary Jobs: Hempstead Town

The map to the right illustrates primary job clusters within Hempstead Town.

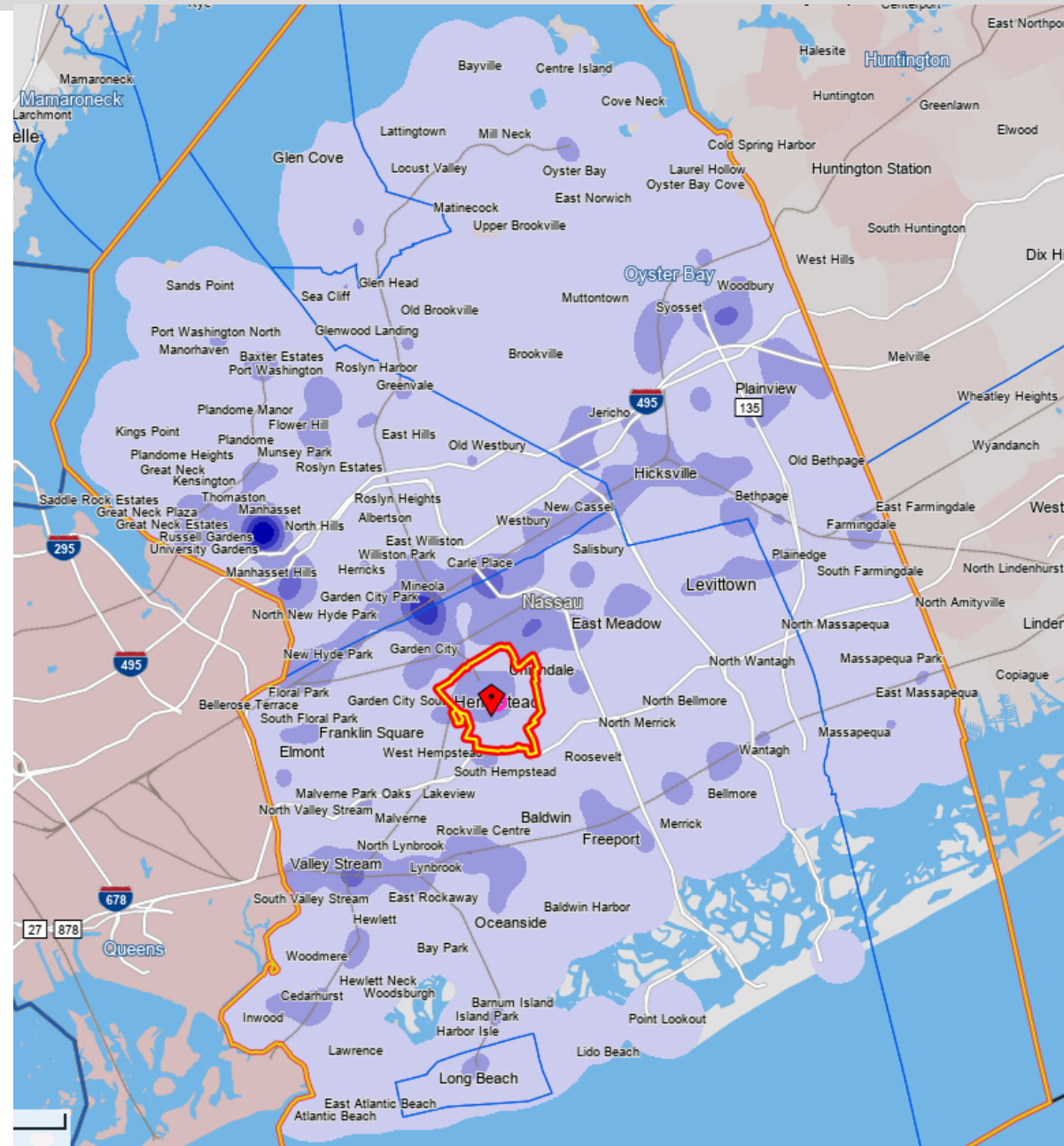
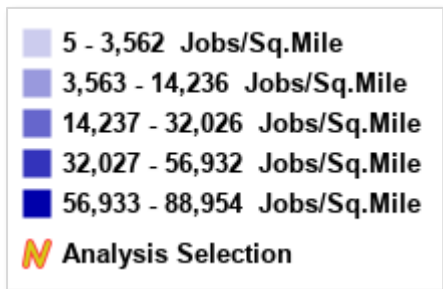


■	5 - 1,601 Jobs/Sq.Mile
■	1,602 - 6,392 Jobs/Sq.Mile
■	6,393 - 14,376 Jobs/Sq.Mile
■	14,377 - 25,553 Jobs/Sq.Mile
■	25,554 - 39,925 Jobs/Sq.Mile
•	1 - 22 Jobs
○	23 - 345 Jobs
○	346 - 1,743 Jobs
○	1,744 - 5,508 Jobs
○	5,509 - 13,447 Jobs
🔴	Analysis Selection

Source: U.S. Census Bureau, Center for Economic Studies, LEHD.

# Primary Jobs: Hempstead Town

The map to the right illustrates primary job clusters within Nassau County.

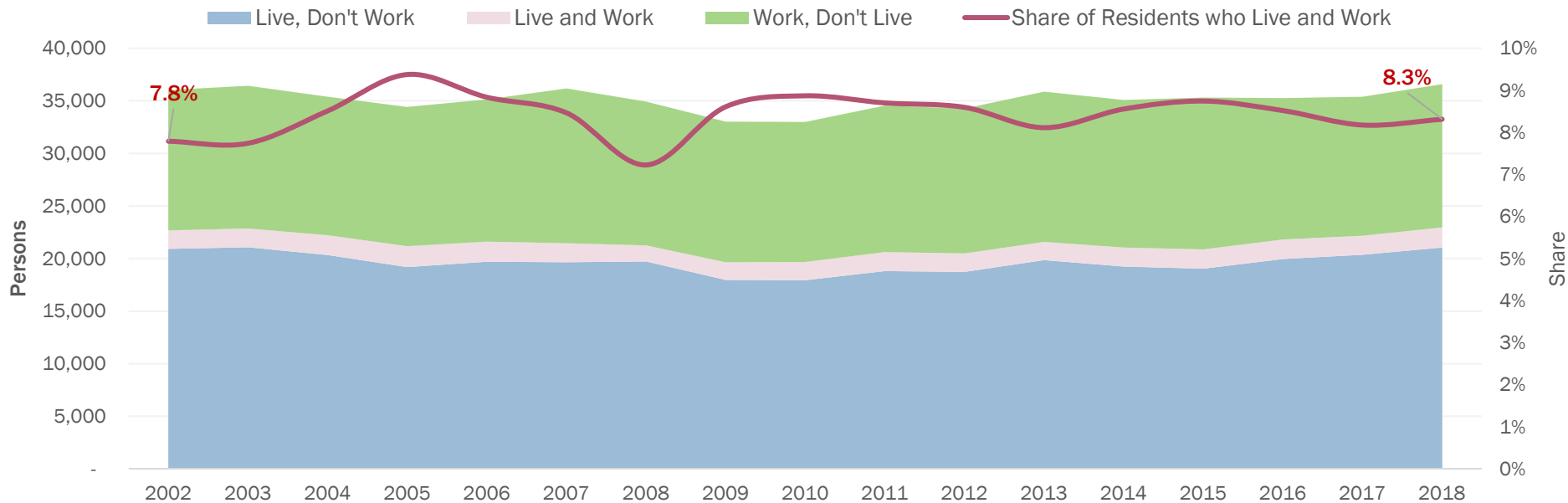


Source: U.S. Census Bureau, Center for Economic Studies, LEHD.

# Travel Shed Analysis: Hempstead Village

In 2018, just 8.3 percent of Hempstead Village residents also worked in the Village. Approximately 13,630 workers commuted into the Village for work and 21,050 residents commuted outside the Village for work. From 2002 to 2018, the share of residents both living and working in the Village increased by approximately 0.5 percent, suggesting there may have been a slight improvement in local job or housing opportunities.

**Historic Worker Inflow/Outflow, Hempstead Village**

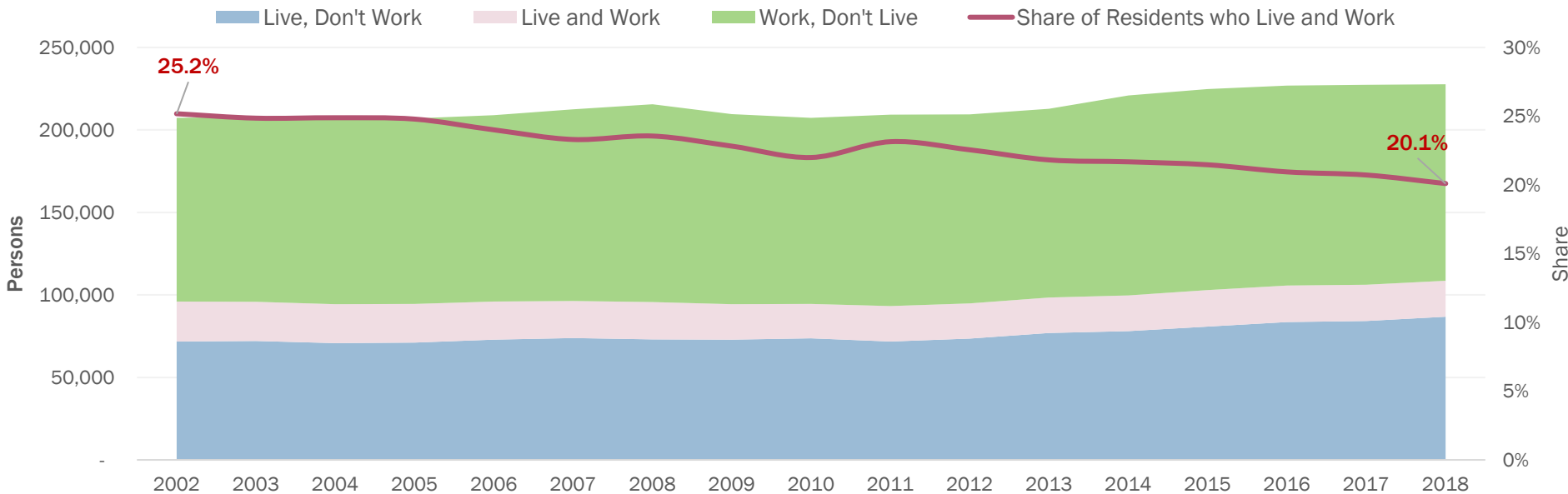


Source: U.S. Census Bureau, Quarterly Workforce Indicators (QWI).

## Travel Shed Analysis: Downtown PMA

In 2018, 20.1 percent of Downtown PMA residents also worked in the PMA. Approximately 119,010 workers commuted into the PMA for work and 86,800 residents commuted outside the PMA for work. From 2002 to 2018, the share of residents both living and working in the PMA decreased by approximately 5.1 percent, suggesting there may have been a growing imbalance in local job or housing opportunities.

**Historic Worker Inflow/Outflow, Downtown PMA**



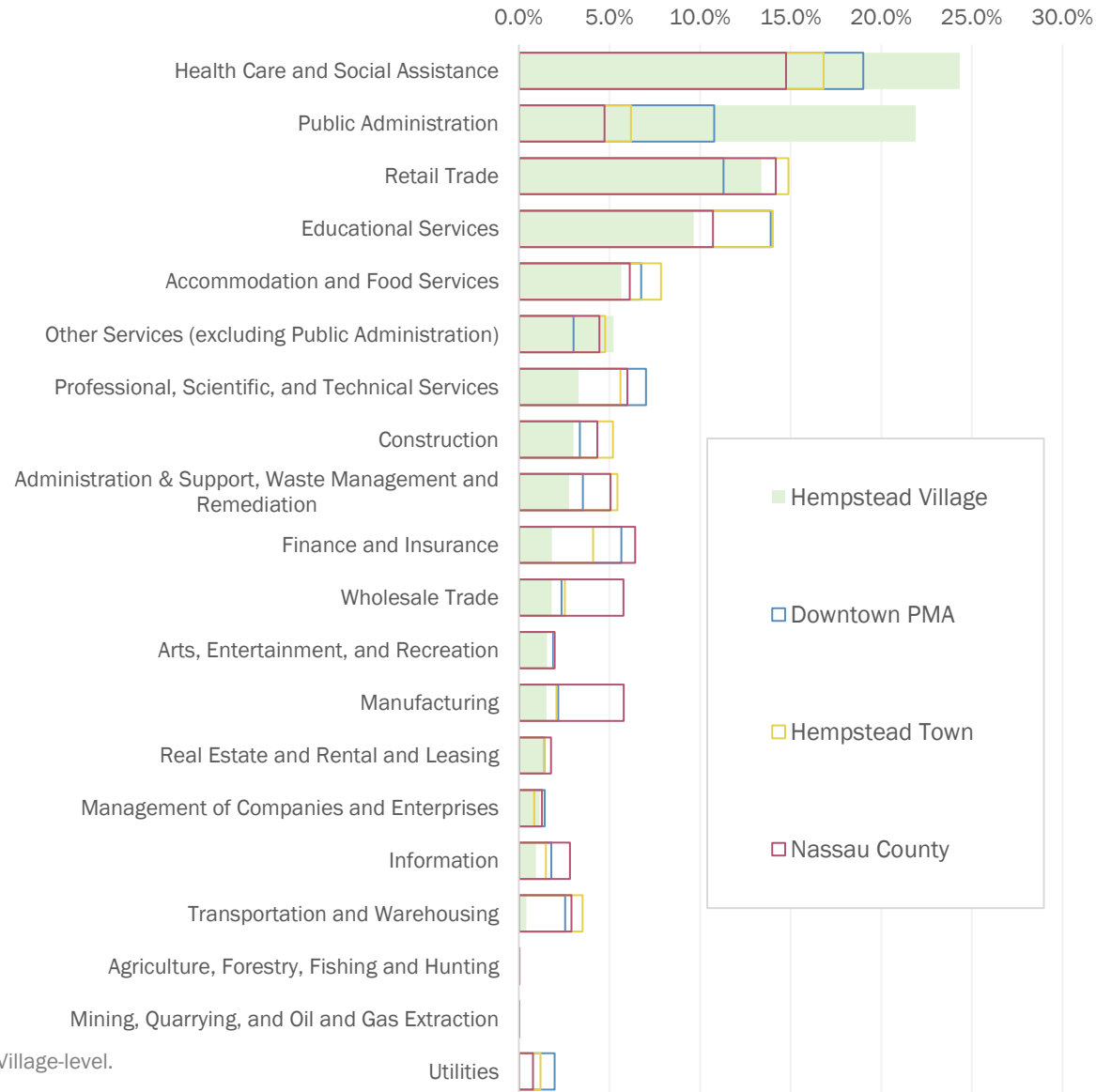
Source: U.S. Census Bureau, Quarterly Workforce Indicators (QWI).



# Employment by Industry

The chart to the right compares 2018\* employment share by NAICS industry for Hempstead Village, the Downtown PMA, Hempstead Town, and Nassau County. Most notably, compared to the other geographies, Hempstead Village has higher shares of health care and social services and public administration sector employment. These two top sectors by employment alone represent 46 percent of jobs in the Village.

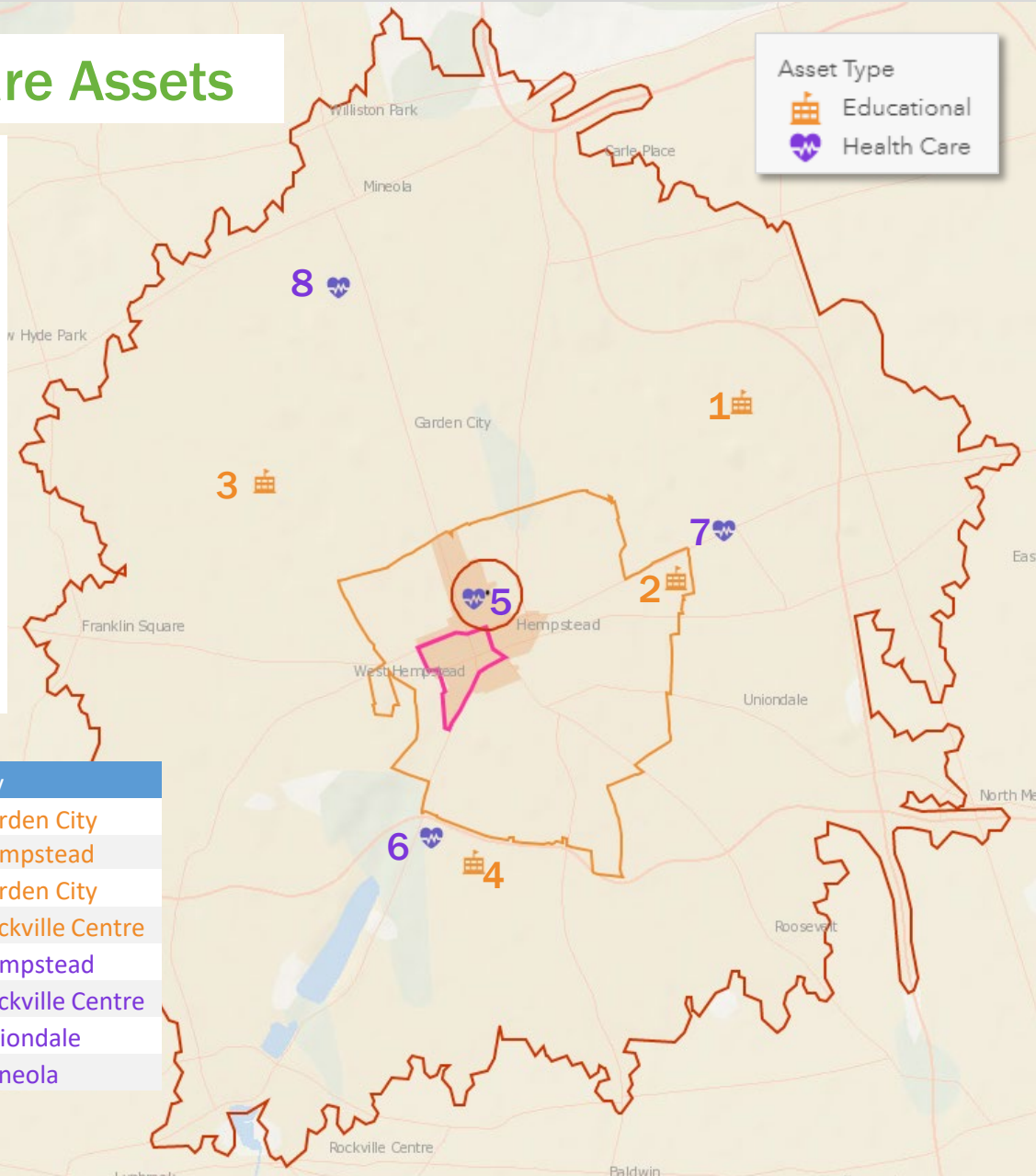
Primary Job Share by Industry, 2018



\* 2018 is the most current year employment data is available at the Village-level.  
 Source: U.S. Census Bureau, Center for Economic Studies, LEHD.

# Educational and Health Care Assets

As mapped to the right and presented in the table below, the PMA contains various major institutions of higher education and health care institutions, which have the potential to provide synergistic opportunities for employment and training, and to attract funding for medical occupation and related programs within the Village. Most notably, the Hempstead Family Health Center is located within the DRI and TOD catchment areas while Hofstra University is located on the eastern edge of the Village.



No	Name	Asset Type	City
1	Nassau County Community College	Educational	Garden City
2	Hofstra University	Educational	Hempstead
3	Adelphi College	Educational	Garden City
4	Molloy College	Educational	Rockville Centre
5	Hempstead Family Health Center	Health Care	Hempstead
6	Mercy Medical Center	Health Care	Rockville Centre
7	Memorial Sloan Kettering Nassau	Health Care	Uniondale
8	NYU Langone Hospital	Health Care	Mineola

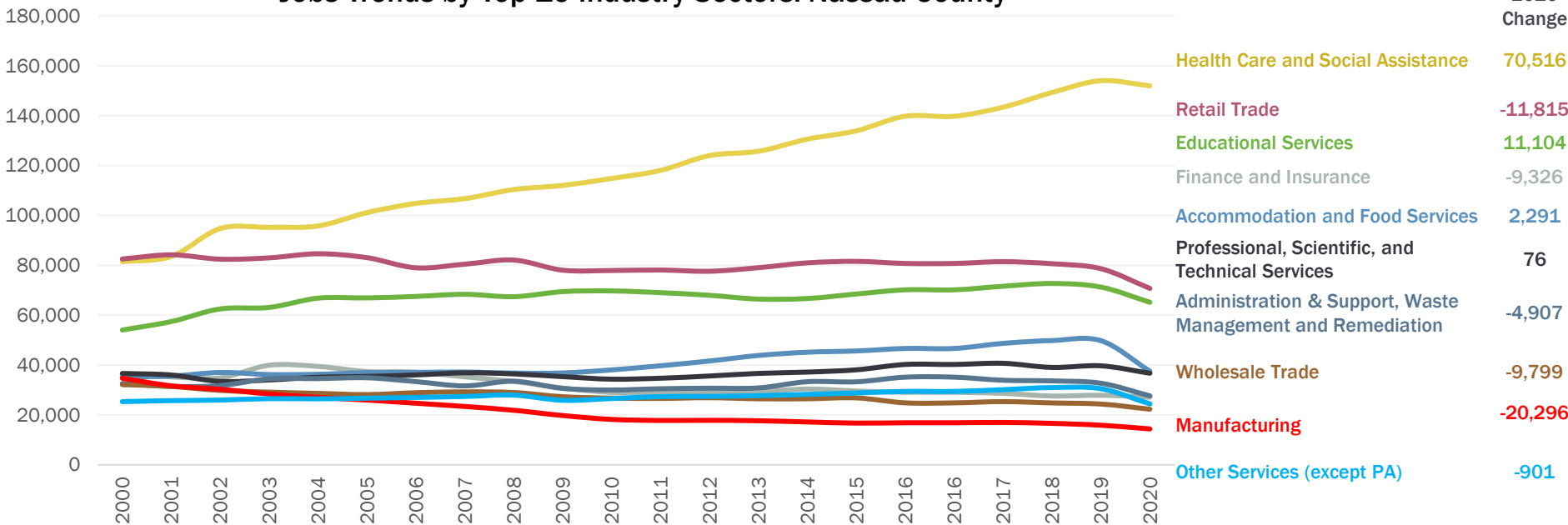
Source: Esri.

# Top 10 Industry Employment Trends: Nassau County

The chart below presents employment trends for the top 10 industries by current employment in Nassau County. Five of these top industries have grown since 2002, while five have declined. From 2002 to 2020, the health care and social services sector was the top sector by employment growth (growing by 70,520 new jobs). The educational services; and the accommodation and food services sectors were the second the third strongest industries by employment growth during this period (growing by approximately 11,100 and 2,290 new jobs, respectively). Notable, from 2000 to 2020, the manufacturing sector experienced the most job losses in the County (shrinking by nearly 20,300 jobs).

**Jobs Trends by Top 10 Industry Sectors: Nassau County**

2000-2020 Change



Source: U.S. Census Bureau, Center for Economic Studies, LEHD.

## Top 10 Industries by Employment: Nassau County

The table below presents average annual employment and earnings estimates and projections by NAICS industry for the top 10 industries by employment in Nassau County, based on data provided by the U.S. Census Bureau and long-term employment projections provided by the New York State Department of Labor, Division of Research and Statistics for Long Island. Through 2028, the County's top sector by employment, the health care and social assistance sector, is expected to experience the greatest employment growth in the region (3.4 percent per year). With an average first quarter 2021 annual earnings of \$65,030, this sector provides relatively mid-wage job opportunities. Conversely, the County's second top sector by employment, the retail trade sector, is expected to experience negative employment growth in the region (-0.8 percent per year). With an average first quarter 2021 annual earnings of \$40,240, this sector provides relatively low to mid-wage job opportunities.

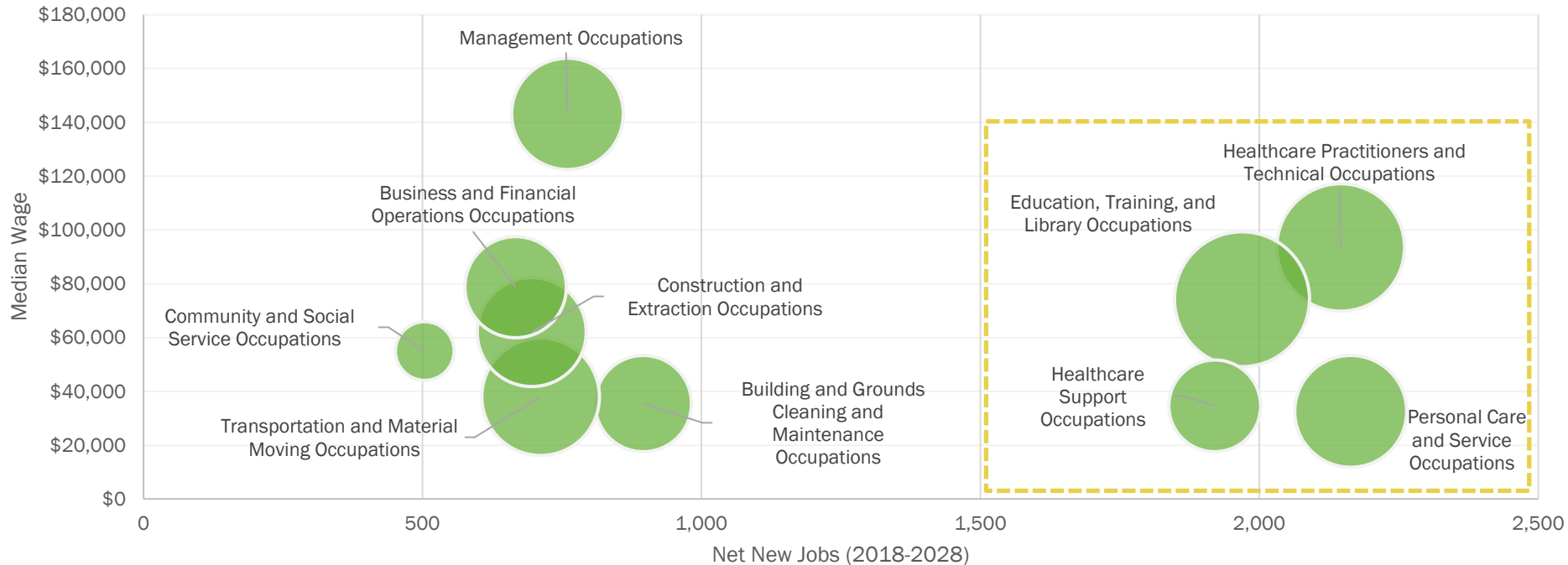
Industry	2021 Estimated Employment	2031 Projected Employment	Numeric Change	Annualized Change	Average Annual Earnings (Long Island, Q1 2021)
Health Care and Social Assistance	145,560	195,060	49,500	3.4%	\$65,030
Retail Trade	71,490	65,560	-5,930	-0.8%	\$40,240
Educational Services	69,140	80,700	11,560	1.7%	\$47,600
Accommodation and Food Services	41,850	42,760	910	0.2%	\$26,560
Professional, Scientific, and Technical Services	40,060	44,540	4,480	1.1%	\$82,600
Construction	32,140	34,930	2,790	0.9%	\$74,460
Admin. & Support, Waste Management and Remediation	30,730	38,180	7,450	2.4%	\$55,270
Other Services (excluding Public Administration)	27,720	27,720	0	0.0%	\$36,800
Finance and Insurance	26,970	28,070	1,100	0.4%	\$175,710
Wholesale Trade	24,540	23,580	-960	-0.4%	\$89,100

Data Source: Quarterly Census of Employment and Wages, State of New York and the U.S. Bureau of Labor Statistics.

# Top 10 Occupations by Projected Net New Jobs: Long Island

The chart below presents occupational employment projections (down to the two-digit SOC level) and median wage data provided by the New York State Department of Labor, Division of Research & Statistics for Long Island. Personal care and service occupations is the top occupation by net new employment change (21,640 net new jobs from 2018 to 2028). The top four top occupations by employment change (highlighted below), provide a relatively large range of average annual earnings opportunities, from as low as \$32,560 for personal care and service occupations to as high as \$93,490 for healthcare practitioners and technical occupations.

**Long-Term Occupational Employment Projections: Long Island, 2018-2028**



Note: Bubbles size represents 2018 jobs.

Source: New York State Department of Labor, Division of Research & Statistics, July 2021.

# REAL ESTATE ANALYSIS

ECONOMIC AND REAL ESTATE ANALYSIS FOR SUSTAINABLE LAND USE OUTCOMES™



## Methodology: Real Estate Market Trends Analysis

This real estate supply/demand analysis is designed to offer an understanding of local supply, demand, occupancy, and pricing factors for existing land uses within Hempstead Village and Nassau County, inclusive of retail, residential (single-family, townhouses, condos, and flats), office, and light industrial. Using a variety of primary and secondary resources, 4ward Planning examined real estate opportunities for each of the major land uses (residential, retail, office, and light industrial) and identified prospective opportunities and challenges for each land-use category. We examined the following land-use metrics for residential (single-family, townhouses, condos, and flats), retail, office, and light industrial: vacancy and absorption rate trends; commercial lease rates, apartment rental rates, and residential price points; building permit activity; and land prices (per acre).

# Residential



## Key Findings: Residential

### High share of vacant rental units

In 2019, the vacancy rate for rental units in the Village (8.6 percent) was much higher than that for owner units (1.6 percent). The number vacant units offered "for rent" in the Village (890 units) represents a relatively large share (62 percent) of all vacant units.

### Between 330 and 470 units

Largely due to existing pent-up demand from primary workers who commute into the Downtown PMA (84.5 percent of PMA workers) and replacement of physically obsolescent housing, by 2031, there will be an estimated net housing demand for approximately 6,650 residential units in the PMA. Assuming between five and seven percent of this demand could be met locally, Hempstead Village could potentially accommodate between 330 and 470 units by 2031. Much, if not all of this housing could be captured within a mid-rise TOD project.

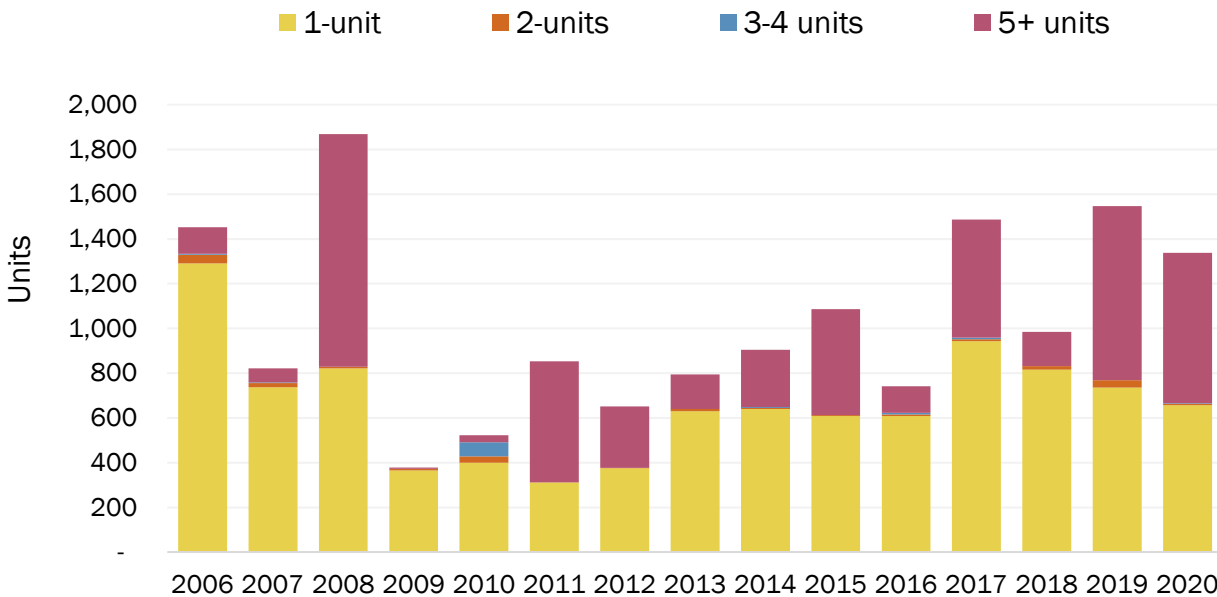
### 58 percent renter-occupied

In contrast to the larger region, the majority of occupied housing units in Hempstead Village (58 percent) are renter-occupied, a share more than double that found in the larger PMA (28 percent). A healthy housing market is one that has a sufficient supply of units to satisfy the needs of households looking to both own and rent. There is a need in the Village to create more diverse housing options for all income levels while discouraging gentrification and implementing anti-displacement mechanisms.

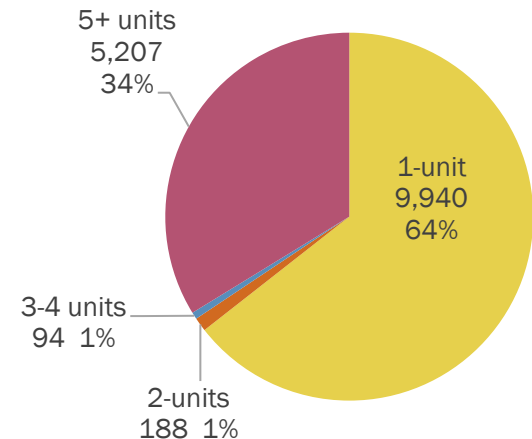
# Housing Pipeline: Nassau County

The charts below illustrate housing permit trends for Nassau County based on data provided by the U.S. Census Bureau’s Building Permits Survey. Approximately 36 percent of this development (5,490 units), built since 2006, is characteristic of multi-family housing. Notably, the number of housing permits dipped after the previous economic recession (2007 to 2009), before increasing again over the past decade.

**Housing Permit Trends: Nassau County, New York**



**Total Housing Permits: Tuscarawas County (2006-2020)**

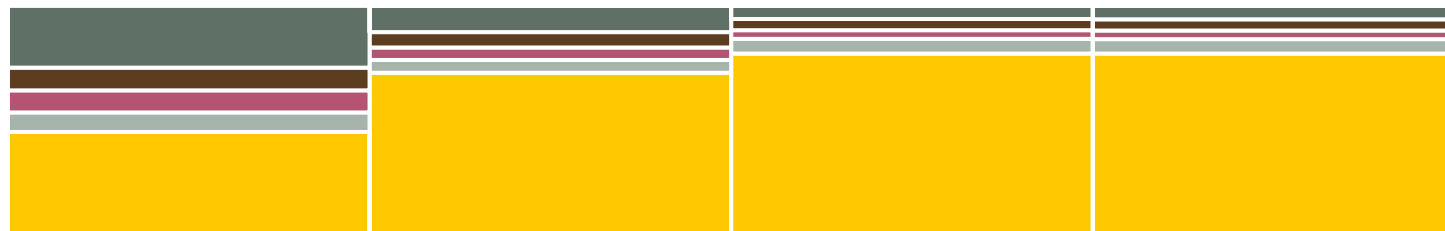


Source: U.S. Census Bureau’s Building Permits Survey, 2021.

## Housing Choice: Unit Type and Bedroom Size

While 45 percent of the housing in Hempstead Village is characteristic of traditional single-family homes, the Village’s housing stock is more varied in terms of building type and age compared to the PMA and Town. For example, 27 percent of the Village’s housing stock is characteristic of high-density multifamily units (50 or more units), compared to just six percent in the County. Research suggests that, increasingly, younger home buyers seek housing options offering a walkable lifestyle not often found in markets dominated by single-family detached homes. The Village’s diversity of housing stock is likely more attractive to younger households looking for more walkable neighborhoods.

### Housing Units Built & Structure by Type, 2019



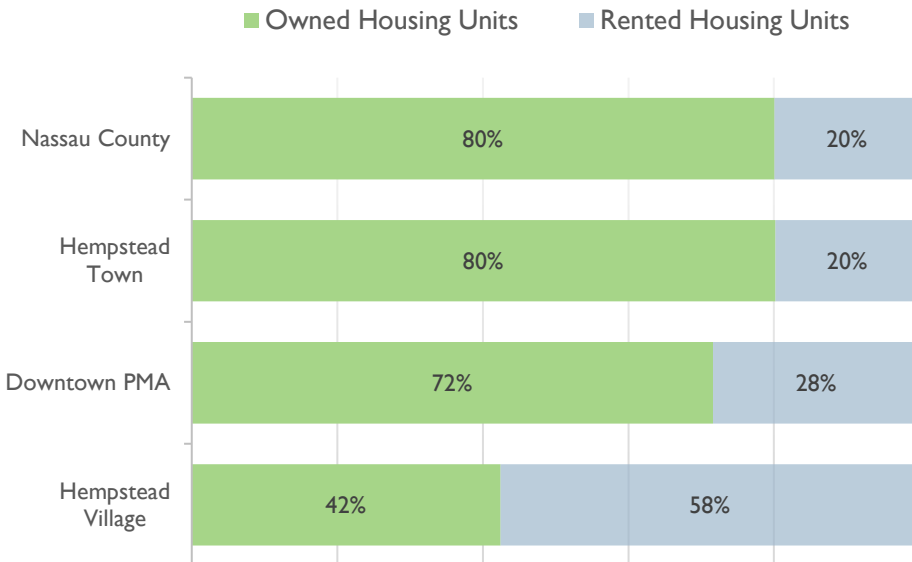
	Hempstead Village	Downtown PMA	Hempstead Town	Nassau County
■ Mobile home	0%	0%	0%	0%
■ High-Density MF (50+ units)	27%	11%	6%	6%
■ Medium-Density MF (10-49 units)	10%	7%	5%	5%
■ Low-Density MF (3-9 units)	10%	5%	4%	4%
■ Duplex	8%	6%	6%	6%
■ Single Family	45%	71%	79%	79%

Source: U.S. Census Bureau, 2012-2016 American Community Survey, 4ward Planning Inc., 2021.

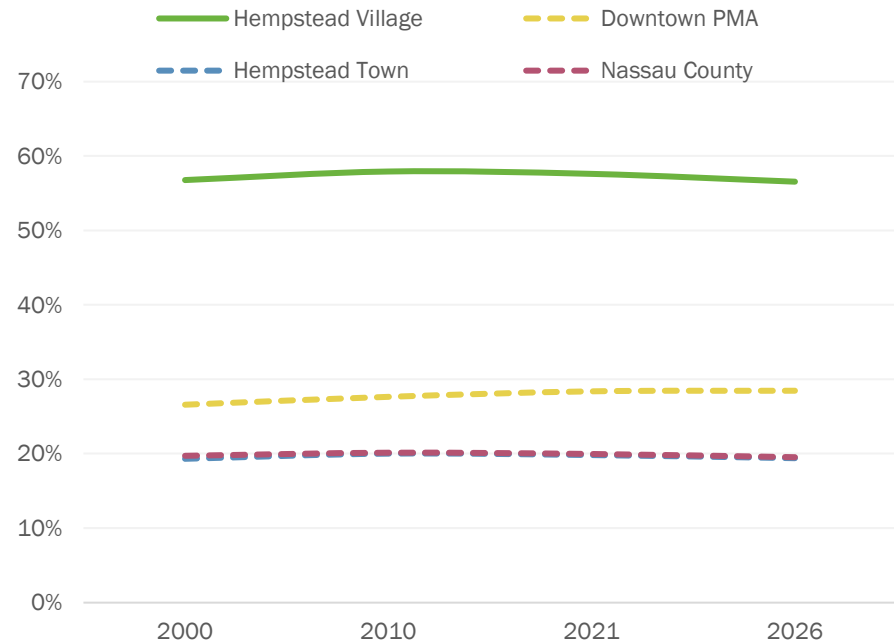
# Housing Tenure

Housing tenure refers to whether a housing unit is owner- or renter-occupied. In contrast to the larger region, the majority of occupied housing units in Hempstead Village (58 percent) are renter-occupied, a share which is markedly higher than that found in the larger PMA (28 percent). A healthy housing market is one that has a sufficient supply of units to satisfy the needs of households looking to own and rent.

**Housing Tenure as Share of Total Occupied Units, 2021**



**Share Renter-Occupied Housing**

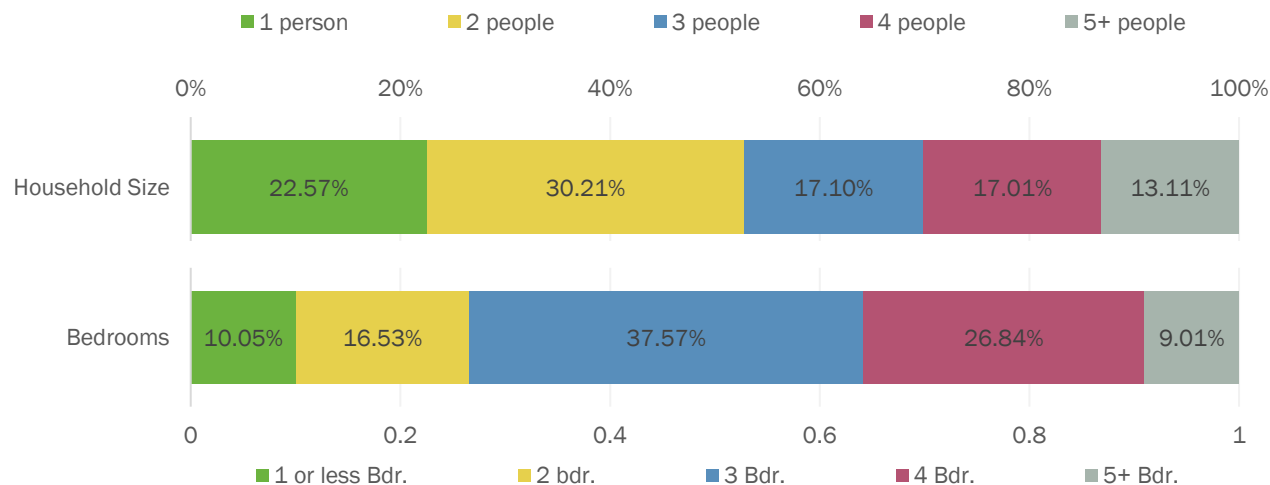


Source: Esri; 4ward Planning Inc., 2021.

## Household and Unit Size: Hempstead Village

One way to measure whether the existing housing stock is suited to the local population is to compare household size to the number of bedrooms within dwelling units in the local inventory (unit size). The share of one- and two-person households combined (53 percent) is larger than the share of studio, and one- and two-bedroom units, combined (27 percent). In other words, there is a mismatch between housing unit size and household size among Village households. The development of one- and two-bedroom units in the Hempstead Village could help relieve the existing shortage of smaller housing units, relative to household size.

**Household Size vs. Unit Size, 2019**

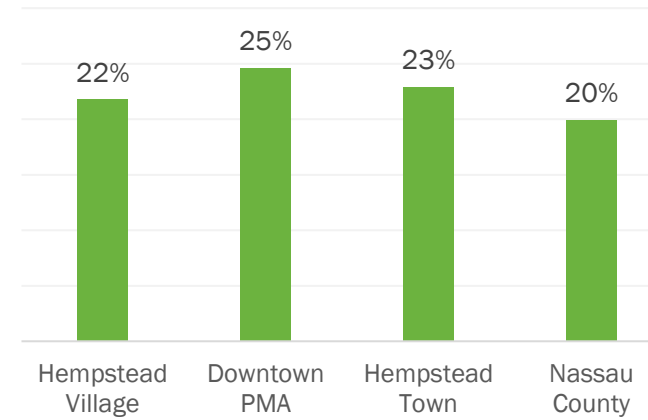


Source: 2019 ACS 5-Year Estimates, B11016; DP04.

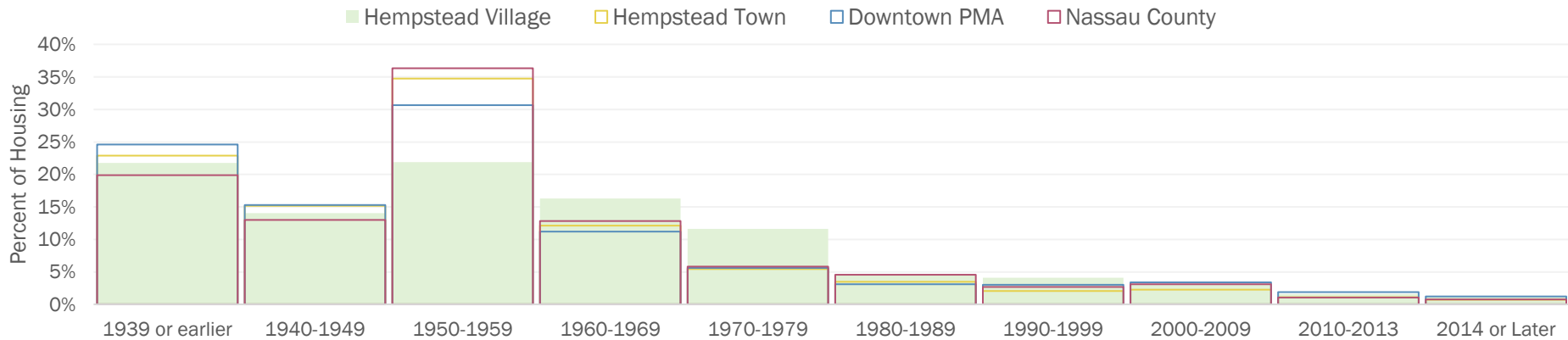
# Housing Age

The age of housing units is used to analyze the condition of housing stock in terms of physical needs and historical significance. While housing built before current building codes may present potential hazards from faulty wiring or lead-based paint, older homes can also indicate historical significance which may lend to desirable community character. Although Hempstead Village’s housing stock is slightly younger compared to that of the PMA, it is older compared to that within the region. For example, 22 percent of all housing in the Village was built before 1939, compared to 25 percent within the PMA.

**Housing Built 1939 or Earlier, 2019**



**Housing Units by Year Built, 2018**

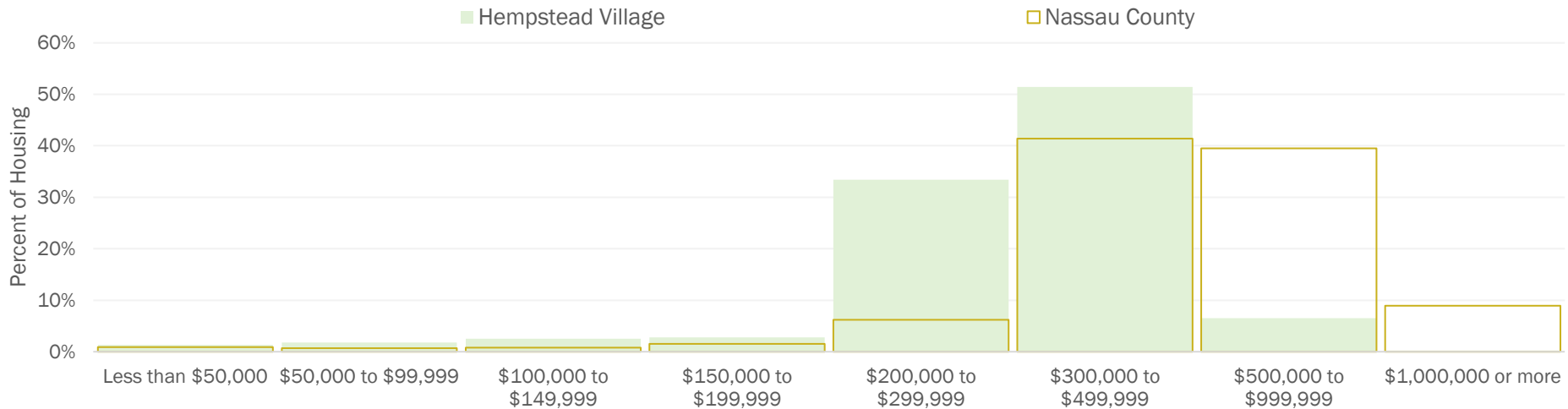


Source: Esri

# Housing Value

In 2019, the median home value in Hempstead Village (\$321,100) was relatively affordable, compared to that within the County, overall (\$493,500). As illustrated below, compared to the County, the Village has higher shares of housing units valued under \$300,000, suggesting that the Village has housing that is likely affordable to lower income households.

**Housing Value of Owner Occupied Units, 2019**

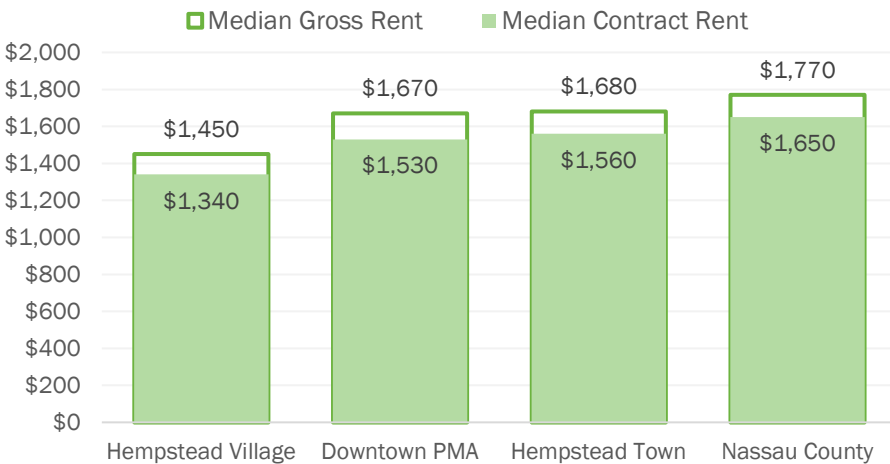


Source: 2019 ACS 5-Year Estimates, DP04.

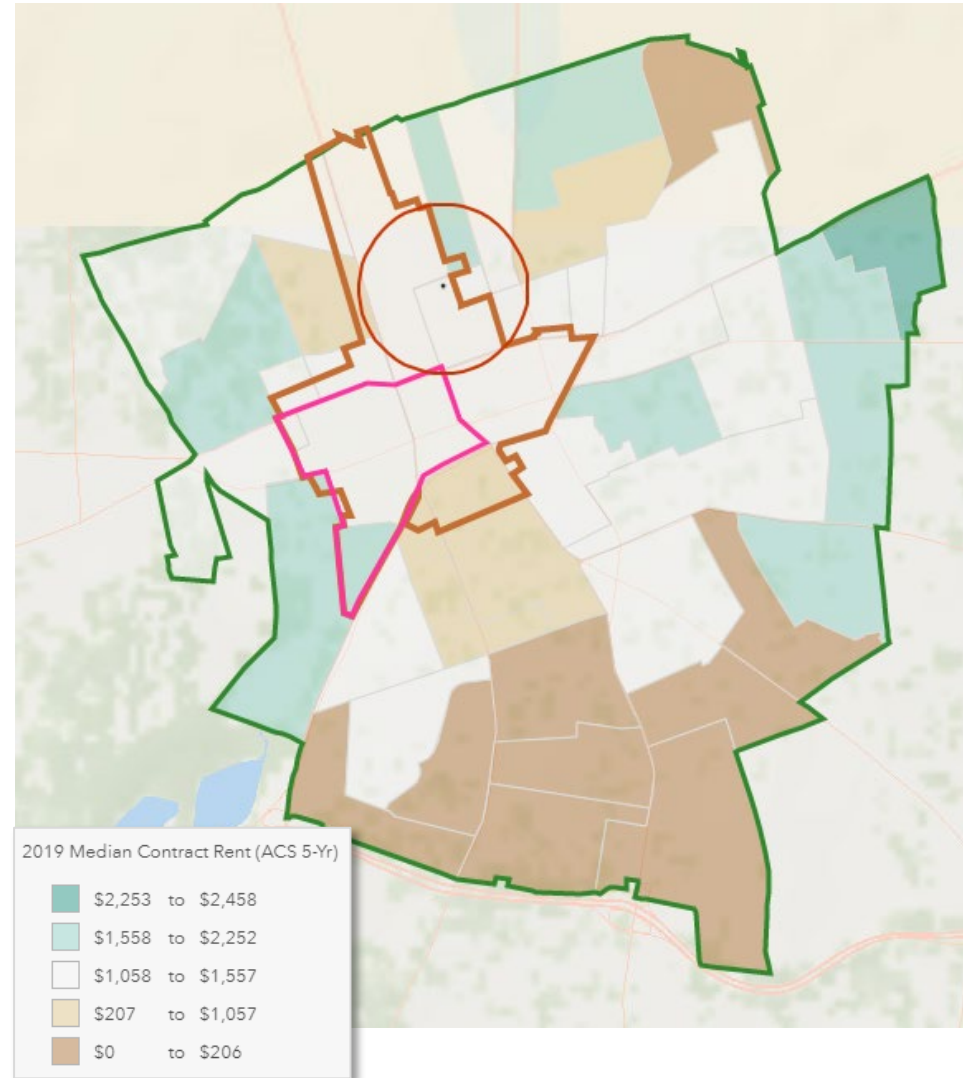
# Median Rents

The rental market in the Village is slightly more affordable compared to the PMA, Town, and County, overall. According to 2019 data provided by Esri, illustrated below, the median contract rent in Hempstead Village was \$1,340 and the median gross rent (includes utilities) was \$1,450.

**Median Rent, 2019**



Source: Esri; 4ward Planning Inc., 2021.

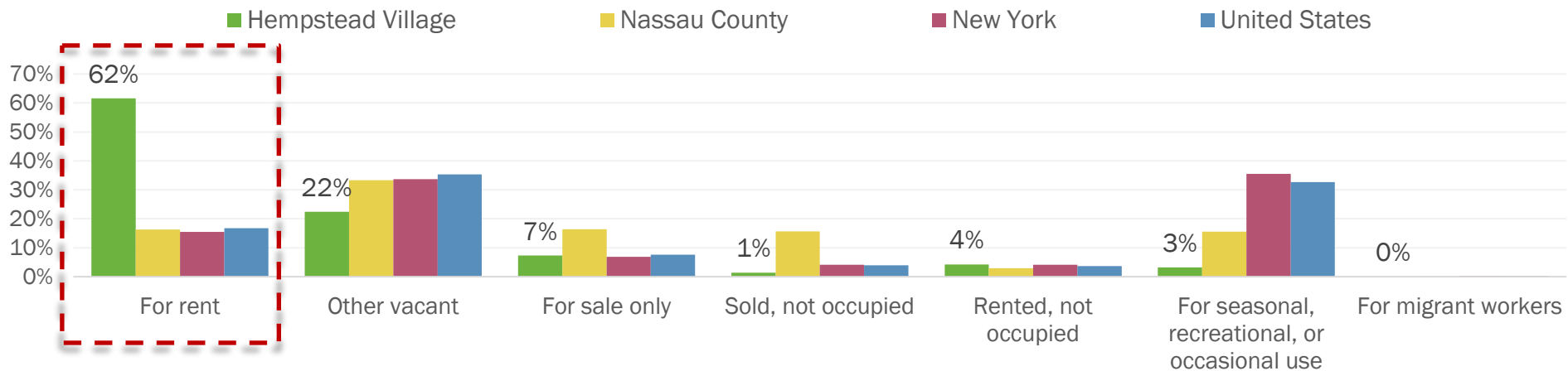




## Detailed Housing Vacancy

The Census classifies vacant units into housing market classifications. For example, rental units are separated into vacant units offered "for rent," and those "rented, not occupied" (e.g., rent has been paid, but new renter has not moved in). Likewise, for-sale units are separated into vacant units offered "for sale only," and those "sold, not occupied" (e.g., unit has recently been sold but the new owner has not moved in). "For seasonal, recreational, or occasional use" units are vacant units used only in certain seasons or other occasional use. "Migrant units" are vacant units intended for migratory workers. If a vacant unit does not fall into any of the above classifications, it is classified as "other vacant" (e.g., owner that does not want to rent or sell; or house is being used for storage, being foreclosed upon, or being repaired or renovated). Notably, in 2019, 62 percent of vacant units in Hempstead Village were those offered "for rent" (890 units), suggesting there exists a large share of obsolescent rental housing stock.

**Detailed Vacancy Status, 2019**

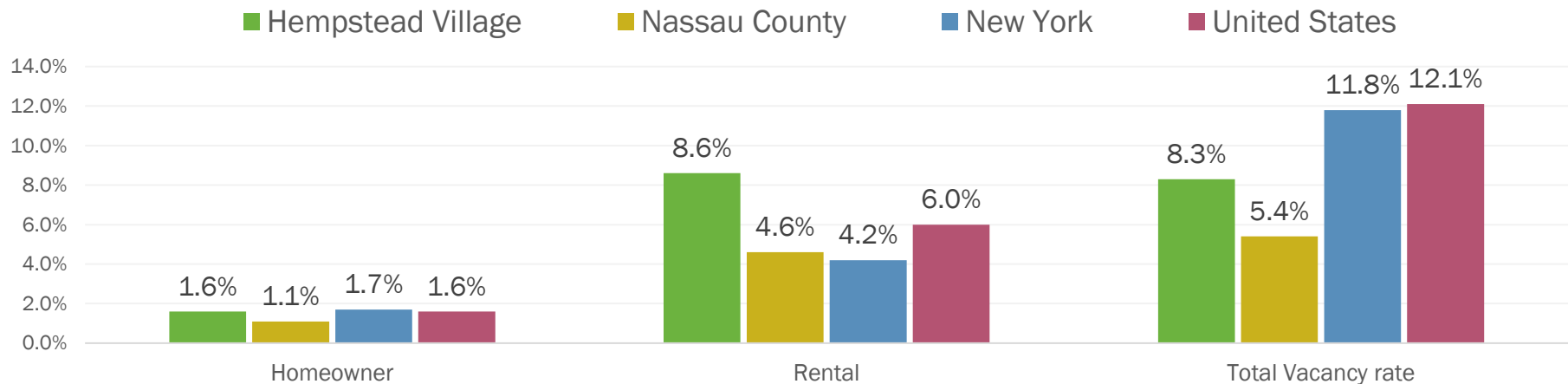


Source: American Community Survey 1-Year Estimates; 4ward Planning Inc., 2021.

## Housing Vacancy By Tenure

In general, a vacancy rate of between four and seven percent is an indicator of a relatively healthy housing market. Although the average housing vacancy rate is somewhat high in Hempstead Village (8.3 percent in 2019), this vacancy rate includes seasonal and other vacant units (units which are vacant due to a sales or leasing transition, repairs being conducted, or for personal reasons of the owner). The vacancy rate for ownership and rental units within the Village was much lower (at 1.6 percent and 8.6 percent, respectively, in 2019). The Village’s vacancy rate among rental units is much higher than that within the County, overall.

Vacancy Rate Trends by Housing Tenure, 2019

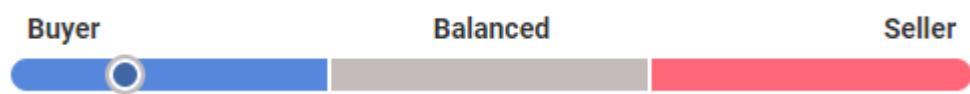


Note: Rental and homeowner vacancy rates do not include "other vacant" or "seasonal" units in the calculation of vacancy rates.  
 Source: American Community Survey 5-Year Estimates; 4ward Planning Inc., 2021.

# Home Sales: Hempstead Village

According to data provided by the National Association of Realtors, in July 2021, the median list price of homes in Hempstead Village was \$477K (\$291 per square foot), a year-over-year increase of 7.1 percent. The median sale price was \$465K. As of July 2021, Hempstead Village was a buyer’s market, which means that the supply of homes is greater than the demand for homes.

Home Sale Trends: Hempstead Village



Source: Realtor.com, July 2021.

## Supply/Demand Analysis: Key Demand Scenario Assumptions

### Net Household Formation from 2021 to 2031 Based on Esri's Household Growth Forecasts

Households within the Downtown PMA are projected to decrease by 1,535 from 2021 to 2031 (by 0.2 percent per year).

### Employment Growth Based on Average Annual Growth Rate of 1.4 Percent over 2018 Base Employment

Based on 2018 primary worker data provided by the U.S. Census Bureau and average 2018 to 2028 industry employment growth rate projections provided by the New York State Department of Labor for Long Island, primary workers within the PMA are expected to increase by 21,780 from 2021 to 2031 (by 1.4 percent per year).

### Five of Every 100 PMA Workers Would Trade Commute for Adequate Housing Choice

Currently, approximately 84.5 out of every 100 primary workers commute from outside the PMA. It is assumed that five out of every 100 of these workers would trade their commutes if adequate housing choice was available.

### Housing inventory expected to grow at 0.3 percent per year

Housing within the PMA is projected to increase by 2,600 units from 2021 to 2031 (by 0.3 percent per year).

### PMA will Maintain a Natural Average Annual Housing Vacancy Rate of Four Percent

These units represent the supply of units in a given market that are not leased or occupied, allowing for housing turnover.

### Remaining Vacant Housing within the PMA is Physically Obsolescent or Unmarketable

With a projected housing vacancy rate of 5.0 percent, it is assumed the remaining share of vacant housing (1.0 percent) within the PMA is not available for sale or for rent, but is vacant due to repairs, foreclosure, or other personal reasons.

### 1.0 Percent of the PMA's Remaining Housing Stock Becomes Obsolescent Annually

All housing stock gradually wears out over time and, on average, one out of every 100 units becomes obsolescent, annually.

## Supply/Demand Analysis: Downtown PMA

Largely due to existing pent-up demand from primary workers who commute into the Downtown PMA (84.5 percent of PMA workers) and replacement of physically obsolescent housing, there is currently a net demand for approximately 6,610 residential units in the PMA. By 2031, there will be an estimated net housing demand for approximately 6,650 residential units. Assuming between five and seven percent of this demand could be met locally, Hempstead Village could potentially accommodate between 330 and 470 units by 2031.

### Net Dwelling Unit (DU) Demand Through 2031

	2021	2026	2031
<b>Housing Demand Metrics</b>			
<i>Estimated Households in Downtown PMA (0.2% growth rate)</i>	73,797	74,583	75,332
Estimated Primary Workers in Downtown PMA (1.4% growth rate)	145,980	156,490	167,760
Estimated Primary Workers Residing Outside Downtown PMA (84.5%)	123,350	132,231	141,754
<i>Estimated Pent-Up Housing Unit Demand from Commuting Area Workers (5%)</i>	6,168	6,612	7,088
<i>Estimated Number of Naturally Occurring Vacant Housing Units (4%)</i>	3,089	3,141	3,193
<b><i>Estimated Aggregate Housing Unit Demand in Downtown PMA</i></b>	<b>83,053</b>	<b>84,335</b>	<b>85,612</b>
<b>Housing Supply Metrics</b>			
Estimated Housing Units in Downtown PMA	77,220	78,520	79,820
<b><i>Physically Obsolescent Units (1% of total units, 1% annual obsolescence rate)</i></b>	<b>772</b>	<b>812</b>	<b>853</b>
New Units Added in Downtown PMA (0.3% growth rate)	-	1,300	1,300
<b><i>Estimated Net Marketable Housing Units in Downtown PMA</i></b>	<b>76,448</b>	<b>77,708</b>	<b>78,967</b>
<b>Net Housing Demand/Supply Calculation</b>			
<b><i>Estimated Aggregate Housing Unit Demand in Downtown PMA</i></b>	<b>83,053</b>	<b>84,335</b>	<b>85,612</b>
<b><i>Subtract Estimated Net Marketable Housing Units in Downtown PMA</i></b>	<b>76,448</b>	<b>77,708</b>	<b>78,967</b>
<b><i>Net Housing Unit Demand/(Excess Units)</i></b>	<b>6,606</b>	<b>6,627</b>	<b>6,645</b>
<b><i>Study Area Unit Capture (5%)</i></b>	<b>330</b>	<b>331</b>	<b>332</b>
<b><i>Study Area Unit Capture (7%)</i></b>	<b>462</b>	<b>464</b>	<b>465</b>

Source: 4ward Planning Inc. 2021.

# Office & Industrial

## Key Findings: Office & Industrial

### **1.0 million square feet of medical office space**

Based on job growth within the health care and social assistance sector, there will be a new demand for approximately 1.0 million square feet of medical office space in the PMA by 2031, some of which could be potentially accommodated in Hempstead Village. Medical office tenants will likely drive near-term new office space demand on Long Island.

### **483,780 square feet of institutional office space**

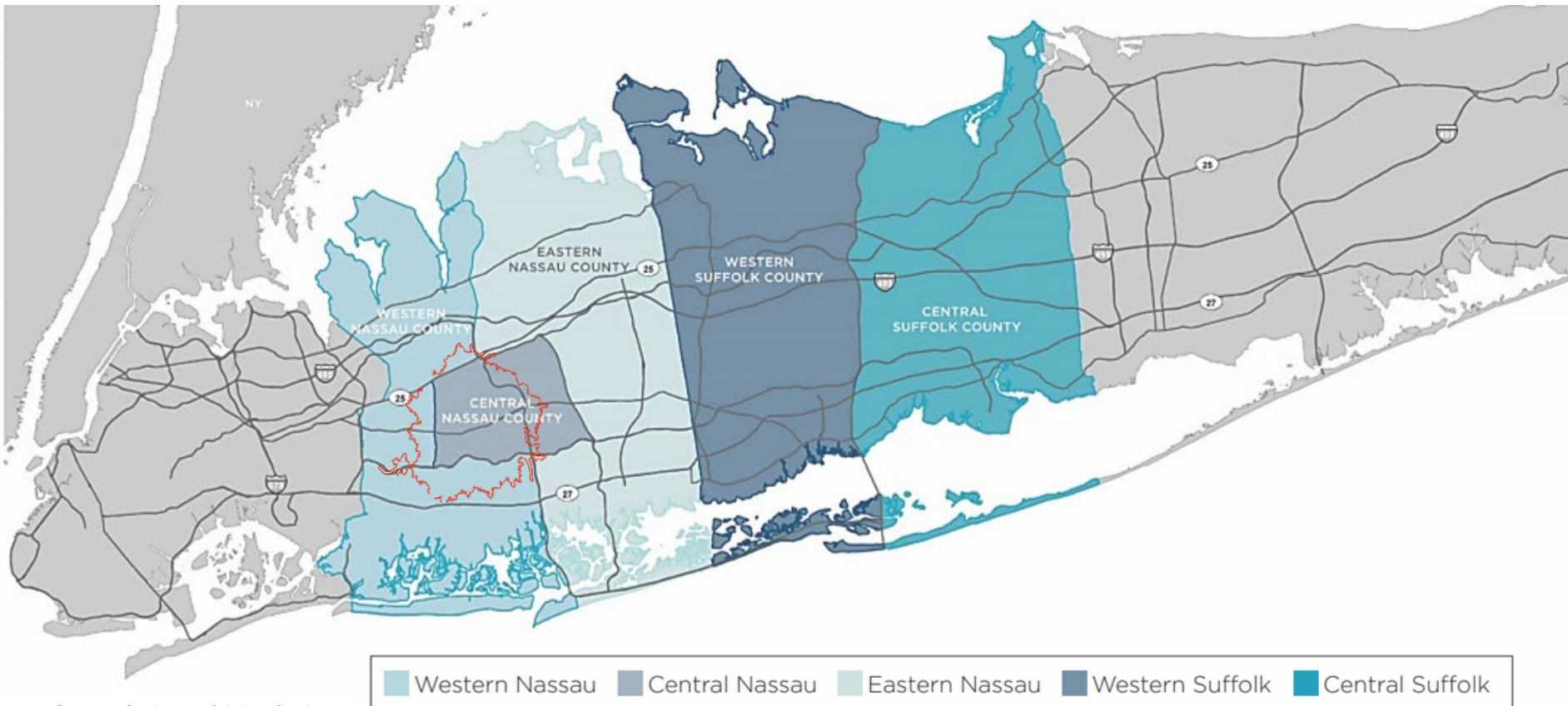
Based on job growth within the educational services; public administration sectors, there will be a new demand for approximately 483,780 square feet of institutional space by 2031.

### **169,500 square feet of flex/industrial space**

According to second quarter 2021 data provided by Cushman & Wakefield, there is 123,100 square feet of vacant industrial space within the Central Nassau submarket. The submarket's overall industrial vacancy rate is relatively low (1.7 percent) compared to Nassau County, overall (13.78 percent). Based on job growth within the transportation and warehousing; and wholesale trade sectors, there will be a new demand for approximately 169,500 square feet of flex/industrial space in the PMA.

## Office and Industrial Submarkets: Long Island

According to Cushman & Wakefield, provider of real estate data, Hempstead Village is located within the Central Nassau County submarket (also composing much of the Downtown PMA illustrated in red below).



Source: Cushman & Wakefield



## Office Market Characteristics: Long Island

According to second quarter 2021 data provided by Cushman & Wakefield, there is over 36.7 million square feet of office space within Long Island (none under construction). Within the Central Nassau submarket, there is 9.0 million square feet of existing office space with 1.2 million square feet of this space vacant (sublet and direct). The submarket's overall vacancy rate is relatively high (14.4 percent) compared to Nassau County, overall (11.8 percent).

Submarket	Inventory (SF)	Sublet Vacant (SF)	Direct Vacant (SF)	Overall Vacancy Rate	Current Qtr. Overall Net Absorption (SF)	YTD Overall Net Absorption (SF)	YTD Leasing Activity** (SF)	Under Construction (SF)	Overall Avg Asking Rent (All Classes)*	Overall Avg Asking Rent (Class A)*
Western Nassau	7,106,318	197,793	473,886	9.5%	-46,920	-39,241	133,011	-	\$38.97	\$39.52
Central Nassau	9,028,281	87,398	1,211,000	14.4%	-132,647	-115,071	151,414	-	\$33.56	\$35.19
Eastern Nassau	6,406,176	183,143	514,500	10.9%	120,641	99,379	53,938	-	\$29.62	\$37.87
<b>NASSAU</b>	<b>22,540,775</b>	<b>468,334</b>	<b>2,199,386</b>	<b>11.8%</b>	<b>-58,926</b>	<b>-54,933</b>	<b>338,363</b>	-	<b>\$33.79</b>	<b>\$36.76</b>
Western Suffolk	8,603,087	183,058	994,634	13.7%	-88,028	-194,438	182,034	-	\$30.31	\$33.67
Central Suffolk	5,638,353	199,135	667,875	15.4%	-35,265	-111,867	81,234	-	\$26.43	\$29.29
<b>SUFFOLK</b>	<b>14,241,440</b>	<b>382,193</b>	<b>1,662,509</b>	<b>14.4%</b>	<b>-123,293</b>	<b>-306,305</b>	<b>263,268</b>	-	<b>\$29.06</b>	<b>\$32.73</b>
<b>LONG ISLAND</b>	<b>36,782,215</b>	<b>850,527</b>	<b>3,861,895</b>	<b>12.8%</b>	<b>-182,219</b>	<b>-361,238</b>	<b>601,631</b>	-	<b>\$31.82</b>	<b>\$35.25</b>

\*Rental rates reflect gross asking \$psf/year

\*\*Does not include renewals

Note: Direct vacant space is space being offered for lease directly from the landlord or owner of a building, as opposed to space being offered in a building by another tenant (or broker of a tenant) trying to sublet a space that has already been leased.

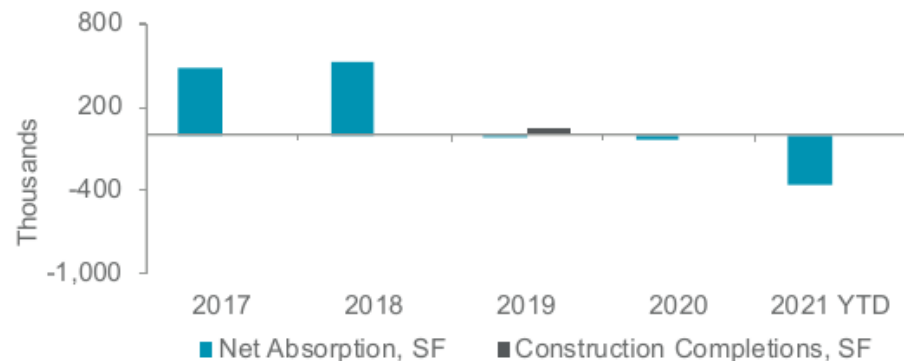
Source: Cushman & Wakefield, Long Island Marketbeat, Office Q2 2021

# Office Market Characteristics: Long Island

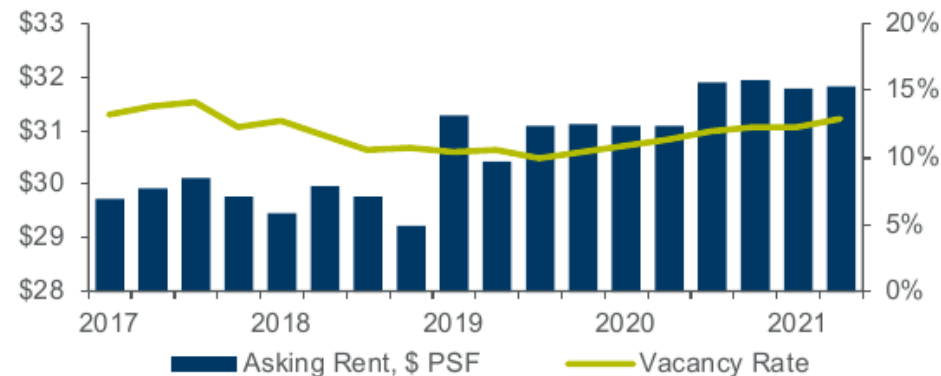
According to second quarter 2021 data provided by Cushman & Wakefield, Long Island’s office market had a year-to-date negative absorption of 361,000 square feet. The region’s office vacancy rate experienced a year-over-year increase of 60 basis points to 12.8 percent while overall office asking rents remained virtually unchanged quarter-over-quarter, moving up \$0.03 per square foot to \$31.82. The Long Island economy continued to grow as a result of industries benefitting from pandemic-driven demand.

	YoY Chg	12-Mo. Forecast
<b>12.8%</b> Vacancy Rate	▲	▲
<b>-361K</b> Net Abs. YTD, SF	▼	▲
<b>\$31.82</b> Asking Rent, PSF	▲	▲

## SPACE DEMAND / DELIVERIES



## OVERALL VACANCY & ASKING RENT



Source: Cushman & Wakefield, Long Island Marketbeat, Office Q2 2021

## Industrial Market Characteristics: Long Island

According to second quarter 2021 data provided by Cushman & Wakefield, there is 132.5 million square feet of industrial space within Long Island. Within the Central Nassau submarket, there is 7.3 million square feet of existing industrial space with 123,100 square feet of this space vacant. The submarket's overall vacancy rate is relatively low (1.7 percent) compared to Nassau County, overall (13.78 percent). The Long Island economy continues to grow as a result of industries benefitting from pandemic-driven demand

Submarket	Inventory (SF)	Overall Vacant (SF)	Overall Vacancy Rate	Current Qtr Overall Net Absorption	Ytd Overall Net Absorption	Under Construction (SF)	Overall Weighted Avg Net Rent (HT)*	Overall Weighted Avg Net Rent (MF)*	Overall Weighted Avg Net Rent (W/D)*	Overall Weighted Avg Net Rent*
Western Nassau	16,447,878	513,085	3.1%	188,948	162,096	235,234	\$11.74	\$11.07	\$11.80	\$11.64
Central Nassau	7,329,239	123,074	1.7%	46,650	125,000	-	N/A	N/A	\$11.94	\$11.94
Eastern Nassau	21,149,166	1,010,357	4.8%	68,349	95,359	-	\$11.47	\$13.42	\$11.79	\$12.12
<b>NASSAU</b>	<b>44,926,283</b>	<b>1,646,516</b>	<b>3.7%</b>	<b>303,947</b>	<b>382,455</b>	<b>235,234</b>	<b>\$11.55</b>	<b>\$12.65</b>	<b>\$11.80</b>	<b>\$11.96</b>
Western Suffolk	30,420,654	1,049,486	3.5%	-5,264	-19,569	846,483	\$13.79	\$11.58	\$9.08	\$10.25
Central Suffolk	42,867,000	1,463,430	3.4%	15,661	480,617	28,000	\$12.12	\$11.25	\$13.20	\$12.92
Eastern Suffolk	14,235,926	434,094	3.1%	0	2,181	122,345	N/A	\$16.75	\$11.00	\$11.10
<b>SUFFOLK</b>	<b>87,523,580</b>	<b>2,947,010</b>	<b>3.4%</b>	<b>10,397</b>	<b>463,229</b>	<b>996,828</b>	<b>\$12.41</b>	<b>\$11.49</b>	<b>\$12.42</b>	<b>\$12.33</b>
<b>LONG ISLAND</b>	<b>132,449,863</b>	<b>4,593,526</b>	<b>3.5%</b>	<b>314,344</b>	<b>845,684</b>	<b>1,232,062</b>	<b>\$12.07</b>	<b>\$12.10</b>	<b>\$12.19</b>	<b>\$12.18</b>

\*Rental rates reflect weighted net asking \$psf/year.

HT = High Technology/Flex

MF = Manufacturing

W/D = Warehouse/Distribution

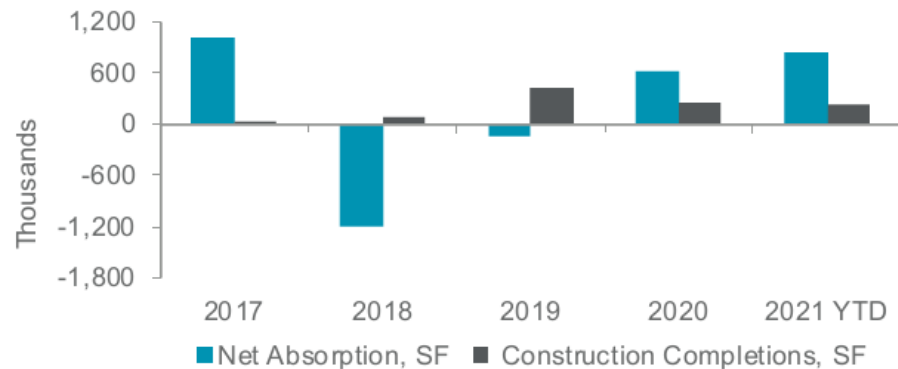
Source: Cushman & Wakefield, Long Island Marketbeat, Industrial Q2 2021

# Industrial Market Characteristics: Long Island

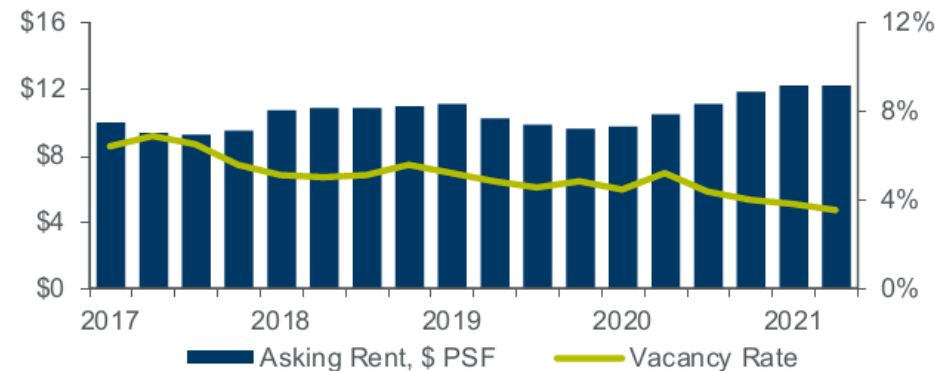
According to second quarter 2021 data provided by Cushman & Wakefield, Long Island’s industrial market had a year-to-date positive absorption of 846,000 square feet. The region’s industrial vacancy rate experienced a year-over-year decrease to 3.5 percent. Over the past 18 months, asking rents have spiked \$2.48 per square foot to an all-time high of \$12.18 per square foot. The Long Island economy continued to grow as a result of industries benefitting from pandemic-driven demand.

	YoY Chg	12-Mo. Forecast
<b>3.5%</b> Vacancy Rate	▼	▲
<b>846K</b> YTD Net Abs., SF	▲	▼
<b>\$12.18</b> Asking Rent, PSF	▲	▲

## SPACE DEMAND / DELIVERIES



## OVERALL VACANCY & ASKING RENT



Source: Cushman & Wakefield, Long Island Marketbeat, Industrial Q2 2021

## Methodology: Key Steps for Deriving Demand

### Projecting 2031 Jobs

To determine projected office and industrial space demand, jobs in the Downtown PMA were projected through 2031, based on average 2018 employment estimates provided by the U.S. Census Bureau for the PMA, and 2018 to 2028 employment-by-industry projections provided by the New York State Department of Labor for Long Island. However, since these industry forecasts were created before the onset of the Covid-19 pandemic, they do not reflect its potential long-term impacts, which are still unfolding.

### Estimating the Number of Office Workers

A National Center for Real Estate Research study has estimated the percentage of employees in various industry sectors that typically work in office environments. Using these percentages, 4ward Planning estimated the number of capture-area employees that would likely require office space.

### Determining Office Space Demand

Assuming a space requirement of 180 square feet per employee, the total demand for office space was estimated, based on the projected office workers for each year through 2031.

## Supply/Demand: Downtown PMA, 2031

The table below depicts projected net new jobs, office workers, and office demand (by square footage) by industry for the PMA. By 2031, there will be an estimated net new demand for approximately 2.2 million square feet of office space within the PMA. It should also be noted that net new positive demand does not necessarily indicate the need for newly developed office space (e.g., some demand can be accommodated by the 9.0 million square feet of existing vacant office space in the Central Nassau submarket).

	PMA Employment (2018)	Annualized Growth Rate (2018-2028)	New Jobs	New Office Workers	New Office Space Demand (SF)
Health Care and Social Assistance	26,770	3.0%	12,397	5,946	1,070,231
Educational Services	19,576	1.6%	4,358	2,471	444,846
Transportation and Warehousing	15,912	1.7%	3,970	1,030	185,405
Admin. & Support, Waste Management and Remediation	4,974	2.2%	1,622	570	102,606
Professional, Scientific, and Technical Services	9,895	1.1%	1,461	1,302	234,332
Public Administration	15,188	0.2%	491	216	38,929
Management of Companies and Enterprises	2,011	1.7%	479	402	72,300
Finance and Insurance	7,983	0.4%	427	411	73,993
Construction	2,791	0.8%	318	62	11,178
Accommodation and Food Services	9,506	0.2%	270	20	3,610
Arts, Entertainment, and Recreation	2,677	0.5%	162	28	4,963
Real Estate and Rental and Leasing	2,006	0.4%	116	53	9,575
Other Services (except Public Administration)	4,259	0.2%	92	37	6,680
Mining, Quarrying, and Oil and Gas Extraction	5	-	-	-	-
Agriculture, Forestry, Fishing and Hunting	-	-	-	-	-
Wholesale Trade	3,075	-0.4%	(156)	(88)	(15,923)
Manufacturing	4,742	-0.3%	(172)	(51)	(9,239)
Information	2,527	-0.7%	(219)	(152)	(27,385)
Utilities	3,617	-0.5%	(223)	(109)	(19,536)
Retail Trade	3,327	-0.9%	(355)	(82)	(14,672)
<b>Total</b>	<b>140,841</b>		<b>25,039</b>	<b>12,066</b>	<b>2,171,892</b>

Source: U.S. Census Bureau; Ohio Department of Job and Family Services; 4ward Planning Inc., 2021.

## Supply/Demand: Downtown PMA, 2031 (Cont.)

Office space demand varies by office subtype due to the nature of the businesses in those industries. For example, new office workers in the health care and social assistance sector (largest industry by net new workers in the PMA) may require medical office space, while new office workers in the professional, scientific, and technical services (PSTS) sector may require professional office space. Development in the PMA should consider the local demand by office space subtype, when making land-use decisions. For example, most notably, based on job growth within the health care and social assistance sector, and the educational services; public administration sectors, there will be a new demand for approximately 1.0 million square feet of medical office space and 483,780 square feet of institutional space by 2031.

### New Office /Industrial Space Demand by Subtype: Downtown PMA, 2031

Office Subtypes	Industries	Square Feet
Medical	Health Care and Social Assistance	1,070,231
Institutional	Educational Services; Public Administration	483,775
Professional	Professional, Scientific, and Technical Services; Finance and Insurance, Management of Companies and Enterprises; Other Services	387,305
Flex / Industrial	Transportation and Warehousing; Wholesale Trade	169,482
Warehouse /Limited Office	Construction; Agriculture; Mining	11,178
Commercial	Retail Trade, Accommodation and Food Services; Arts, Entertainment, and Recreation	-6,100

Source: U.S. Census Bureau; PA Department of Labor and Industry; 4ward Planning Inc., 2021.

# Retail



## Key Findings: Retail

### **The Hub: 248,570 square feet of major shopping center space**

Located in downtown Hempstead Village along Fulton Avenue, The Hub contains 248,570 square feet of power center shopping center space on 28 acres of land. Major anchors include Old Navy, Super Stop & Shop, and Home Depot.

### **Restaurants: 36 percent of all retail businesses**

Approximately 36 percent of all retail businesses within Hempstead Village are characteristic of restaurants/eating establishments (a share slightly higher than that found within the PMA (33 percent) and Town (31 percent)). Many of Hempstead Village's restaurants are located within the DRI area.

### **Grocery store: potential demand**

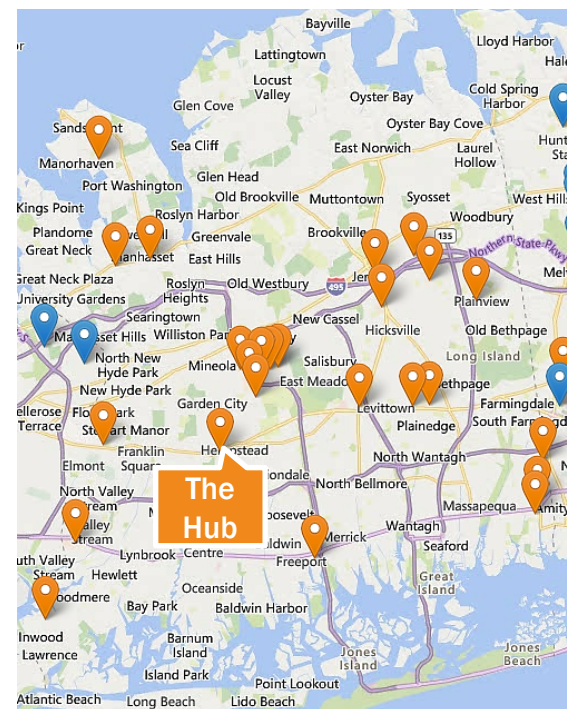
Based on retail supply/demand analysis, there is existing net retail demand within the PMA to support between two and three new grocery stores (approximately 135,160 square feet), given grocery store formats can range from (45,000 to 100,000 square feet). Some of the existing net retail demand within the PMA, Town, and County could potentially be accommodated within Hempstead Village, further providing healthy and affordable food options for Village residents, particularly residents in low-income census tracts located more than a half mile from a supermarket.

## Major Shopping Centers: Nassau County

The Directory of Major Malls (DMM) is a leading industry source of data on major shopping centers and malls in the U.S. and Canada (which are approximately 200,000+ square feet in size), as well as centers classified as Lifestyle/Specialty (of any size). According to DMM, there are 27 major shopping centers in Nassau County, with these centers containing over 13.1 million square feet of GLA. Located in downtown Hempstead Village, The Hub contains 248,570-square feet of power center (usually with an open-air design and three or more big-boxes) shopping center space on 28 acres of land. Major anchors include Old Navy, Super Stop & Shop, and Home Depot.

City	Community Center	Lifestyle/Specialty/ Mixed-Use Center	Power Center	Super-Regional Center	Total
Carle Place	280,000				280,000
East Meadow	185,000				185,000
Elmont			269,490		269,490
Farmingdale			448,302		448,302
Freeport	173,002				173,002
Garden City	193,622			2,372,053	2,565,675
Hempstead			248,569		248,569
Hicksville				1,153,302	1,153,302
Jericho		236,147			236,147
Lawrence	299,144				299,144
Levittown	93,360		524,000		617,360
Manhasset	200,948	220,000			420,948
Massapequa	195,408		350,000	1,138,705	1,684,113
Plainview	309,381				309,381
Port Washington	183,400				183,400
Valley Stream				2,200,000	2,200,000
Westbury	312,360	723,000	394,451		1,429,811
Syosset		450,000			450,000
<b>Total</b>	<b>2,425,625</b>	<b>1,629,147</b>	<b>2,234,812</b>	<b>6,864,060</b>	<b>13,153,644</b>

Sources: Directory of Major Malls



## Major Shopping Centers: Hempstead Village

Located in downtown Hempstead Village along Fulton Avenue, The Hub contains 248,570 square feet of power center shopping center space on 28 acres of land. Major anchors include Old Navy, Super Stop & Shop, and Home Depot.

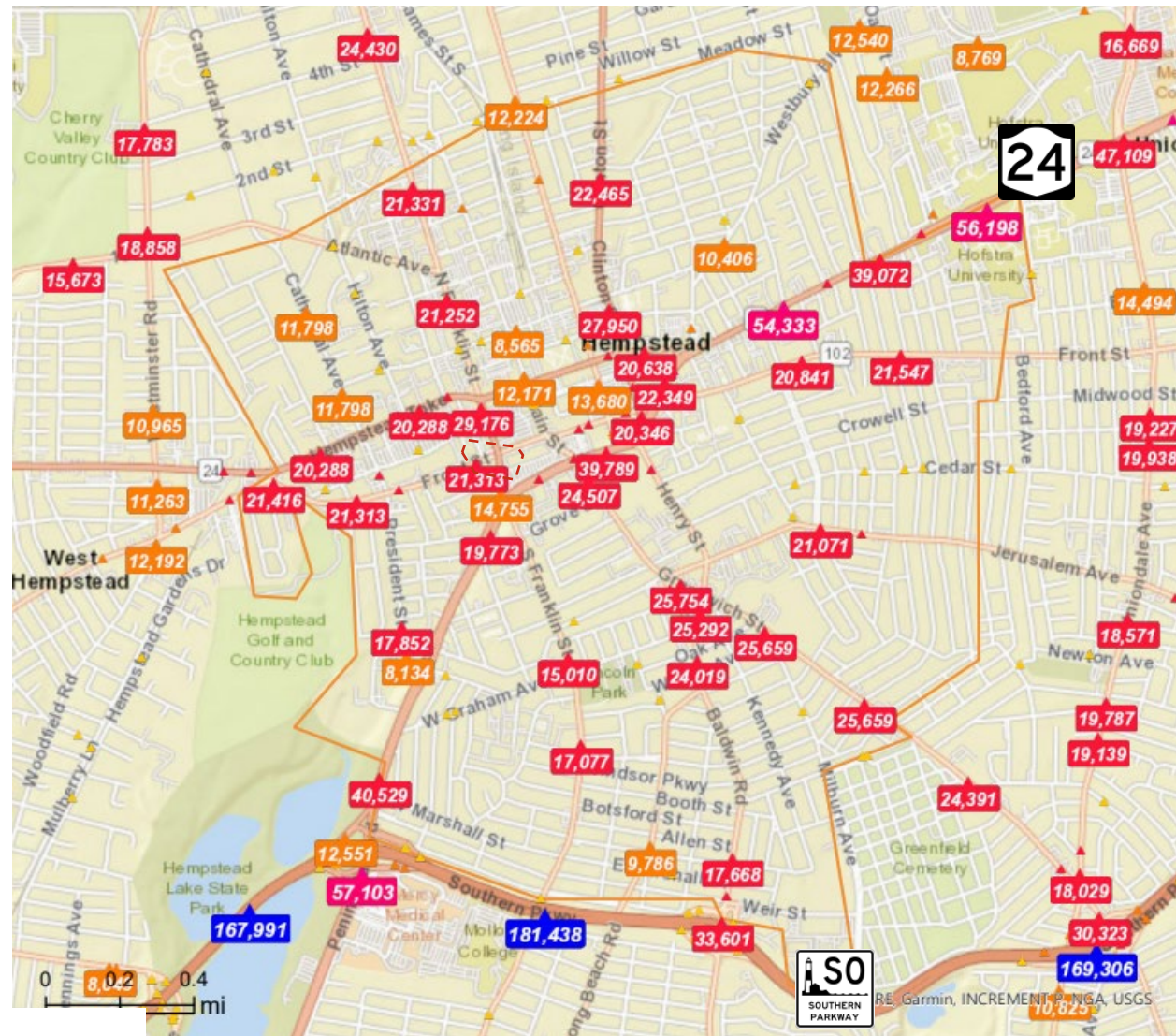


Sources: SITE Centers Corp.; Breslin Realty

# Site Traffic

Site traffic and transportation access is an important factor in a site's potential market viability. As presented in the map to the right, Hempstead Village is bisected by State Route 24 while the Southern State Parkway is located on the Village's southern boundary. Average traffic volumes along State Route 24 are between 11,200 and 56,200 vehicles per day.

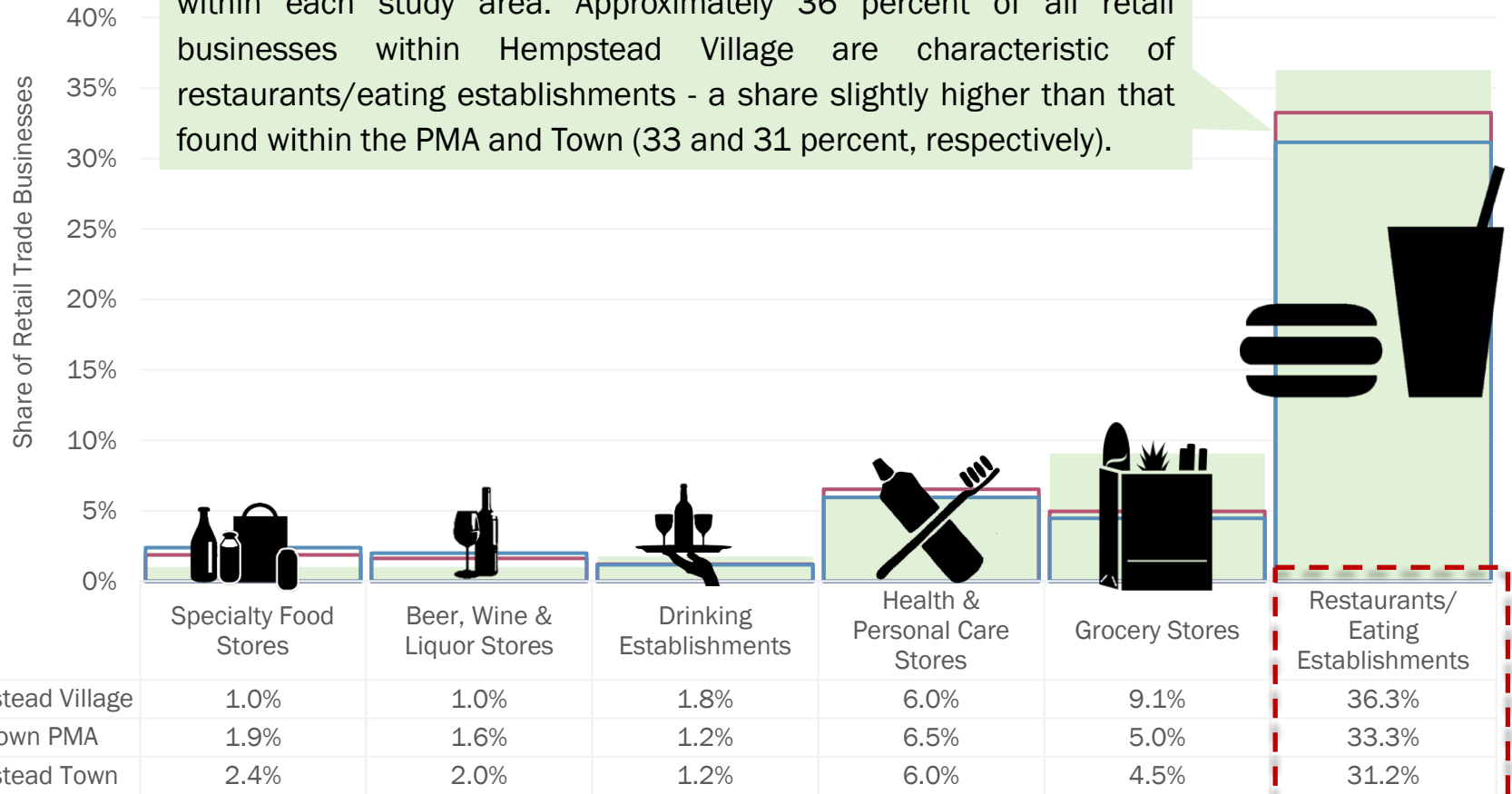
- Average Daily Traffic Volume**
- ▲ Up to 6,000 vehicles per day
  - ▲ 6,001 - 15,000
  - ▲ 15,001 - 30,000
  - ▲ 30,001 - 50,000
  - ▲ 50,001 - 100,000
  - ▲ More than 100,000 per day



Source: Esri; 2021 Kalibrate Technologies, Q2 2021.

## Estimated 2017 Business Mix

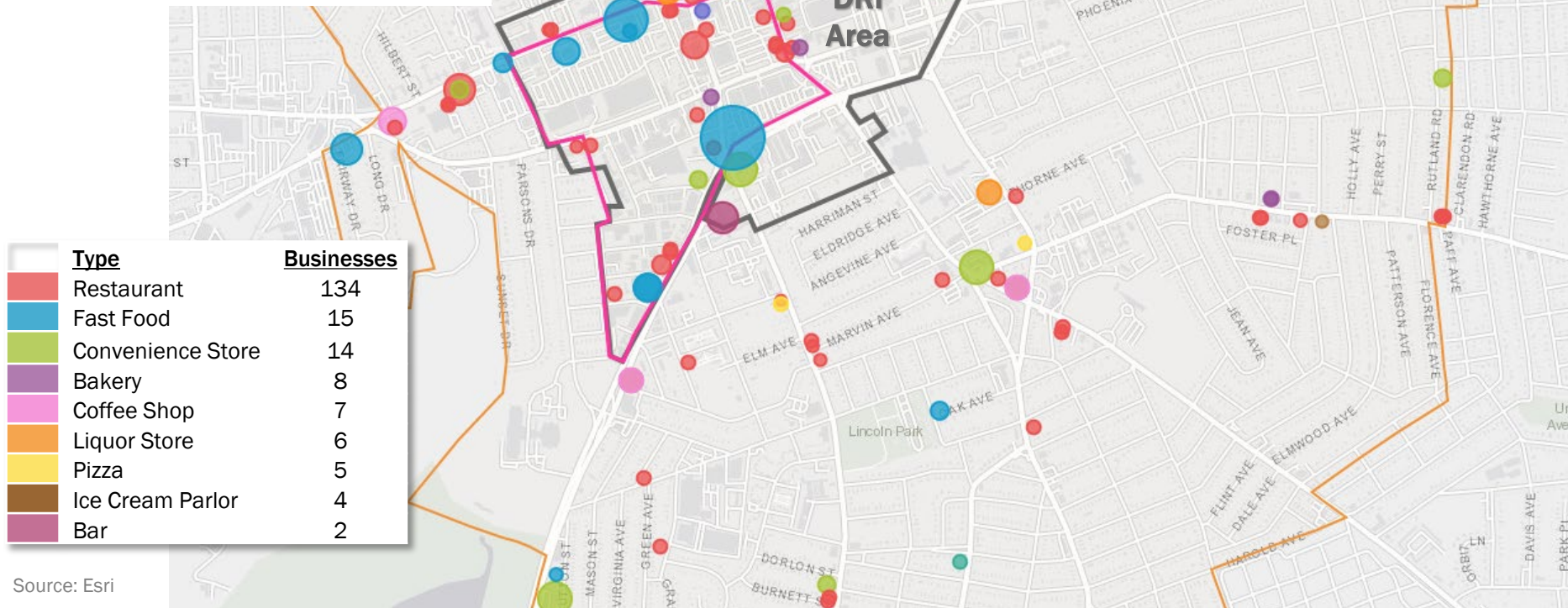
The chart below portrays the share of selected retail trade businesses within each study area. Approximately 36 percent of all retail businesses within Hempstead Village are characteristic of restaurants/eating establishments - a share slightly higher than that found within the PMA and Town (33 and 31 percent, respectively).



Source: Esri; 4ward Planning Inc., 2021

# Restaurants: Hempstead Village

The map to the right illustrates restaurants and eating establishments within Hempstead Village. Many of Hempstead Village's restaurants are located with the DRI area.



Source: Esri

# 2017 Retail Gap per Household

According to 2017 data provided by Esri, Hempstead Village is experiencing “leakage” of specialty food and liquor store retail sales – likely meaning that either people living within the trade area shop for groceries outside the Village, or people living within the Village consume less than would be expected, given their income levels.

Conversely, the Village is experiencing a “capture” of retail sales in health and personal care stores- meaning that either people living outside the Village purchase these items inside the Village, or people living within the Village consume more than would be expected, given their income levels.



Source: Esri; 4ward Planning Inc., 2018

## Methodology: Retail Metric Assumptions

- 4ward Planning utilized various residential and commercial data sources to conduct a retail gap/leakage analysis within each study area.
- Esri retail marketplace data was the primary source for information on existing retail demand and sales.
- Retail metrics for average sales per square foot and size by category was adapted from data provided by BizStats, an online retail data service, to reflect currently observed neighborhood-retail supply trends. Retail metric assumptions are also presented in the table below.
- Accordingly, 4ward Planning developed a rough percent-capture estimate for new commercial and/or mixed-use development demand within each study area.

Retail Category	Sales/SF	Median Size (SF)	Est. % Capture	Example Retailers
Grocery Stores	\$400	45,000	70%	Safeway, Whole Foods Market, Village Super Market
Specialty Food Stores	\$600	30,000	70%	The Fresh Market, Natural Grocers, Weis Markets
Beer, Wine & Liquor Stores	\$400	8,000	90%	Liquor Stores N.A.
Health & Personal Care Stores	\$1,000	17,000	90%	Rite Aid, Vitamin Shoppe, GNC
Restaurants/Eating Establishments	\$525	4,000	75%	Ruby Tuesday, Starbucks, Domino's Pizza
Drinking Establishments	\$500	2,500	80%	Brick House Tavern, Chili's Grill & Bar



## Existing Retail Store Capture Estimates

Based on the retail metric assumptions outlined on the preceding page, the table below compares existing supportable square foot and store equivalent estimates by selected retail category for each study area. Retail estimates presented in **red** represent retail categories experiencing a “surplus” of retail sales (supply exceeds the area’s demand) while estimates in **black and bold** represent retail categories experiencing a “leakage” of retail sales (where demand exceeds supply). Retail categories experiencing leakage represent potential opportunities for new retailers to enter the trade area or for existing retailers to extend their marketing outreach to accommodate the excess demand. Based on retail supply/demand analysis, there is existing net retail demand within the PMA to support up to three new grocery stores (approximately 135,160 square feet), given the median size grocery store format (45,000 square feet). Some of the existing net retail demand within the PMA, Town, and County could potentially be accommodated within Hempstead Village.

	Hempstead Village		Downtown PMA		Hempstead Town		Nassau County	
	Supportable SF	Store Equivalent	Supportable SF	Store Equivalent	Supportable SF	Store Equivalent	Supportable SF	Store Equivalent
Beer, Wine & Liquor Stores	8,363	1.0	(10,164)	(1.3)	81,759	10.2	138,359	17
Specialty Food Stores	4,935	0.2	15,490	0.5	47,242	1.6	99,605	3
Restaurants/Eating Establishments	(53)	(0.0)	(218,549)	(54.6)	248,062	62.0	649,059	162
Grocery Stores	(1,451)	(0.0)	135,157	3.0	1,063,250	23.6	2,004,896	45
Drinking Establishments	(6,361)	(2.5)	6,922	2.8	81,047	32.4	187,985	75
Health & Personal Care Stores	(41,994)	(2.5)	(245,405)	(14.4)	(63,852)	(3.8)	(277,212)	(16)
<b>Total</b>	<b>(36,562)</b>		<b>(316,550)</b>		<b>1,457,508</b>		<b>2,802,693</b>	

Source: 4ward Planning Inc., 2018

# Grocery Stores: Downtown PMA

According to annual retail sales data provided by Esri, mapped to the right, there are many small grocers in Hempstead Village. Located in The Hub, Super Stop & Shop is the largest grocer in the Village based on estimated annual sales (\$34 million).

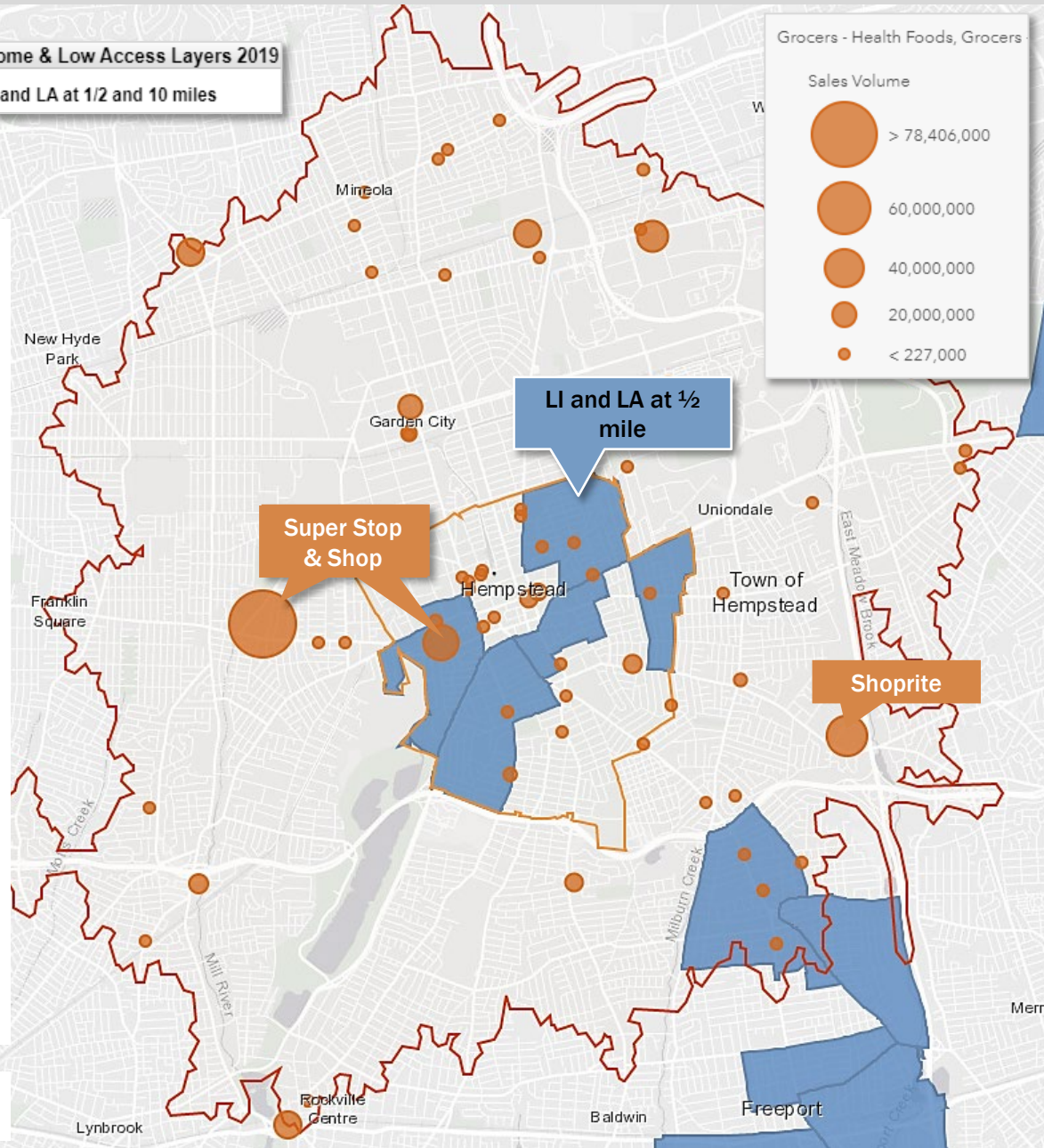
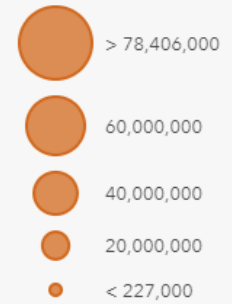
According to U.S. Department of Agriculture, there are various low-income urban census tracts within Hempstead Village where a significant number of share of residents is more than a half mile from the nearest supermarket. Limited access to grocery stores, or other sources of healthy and affordable food, may make it harder for Village residents to eat a healthy diet.

Low Income & Low Access Layers 2019

LI and LA at 1/2 and 10 miles

Grocers - Health Foods, Grocers

Sales Volume



Source: Esri; U.S. Department of Agriculture, Economic Research Service, Food Access Research Atlas, 2019.

# APPENDIX

## Glossary of Terms: Socio Economic

**Empty-Nester Household:** A household in which one or more parents live after the children have left home, typically represented by ages 55 through 74.

**Family:** A family is a group of two or more people (one of whom is the householder) related by birth, marriage, or adoption and residing together; all such people are considered members of one family.

**Growth Rates:** The chart below outlines how 4ward Planning defines growth rates. For example, flat growth reflects an annualized rate of change between -0.75 and 0.75 percent.

Strong Positive Growth	Greater than	1.50%		annually
Modest Positive Growth	Between	1.50%	and 0.75%	annually
Flat Growth	Between	0.75%	and -0.75%	annually
Modest Negative Growth	Between	-0.75%	and -1.50%	annually
Strong Negative Growth	Less than	-1.50%		annually

**Household:** A household consists of all the people who occupy a housing unit. A house, apartment, or other group of rooms or a single room, is regarded as a housing unit when occupied or intended for occupancy as a separate living quarter. The count of households excludes group quarters and institutions.

**Household Population:** Household population, as compared to total population, excludes persons living in dormitories, penal facilities, hospitals, and other institutional settings.

**NAICS** (North American Industry Classification System): The standard used by federal statistical agencies in classifying business establishments according to type of economic activity and/or process of production

**Non-Family Household:** A non-family household consists of a householder living alone (a one-person household) or a householder sharing the home exclusively with people to whom he/she is not related.

**Primary job:** Public and private-sector jobs, one job per worker. A primary job is the highest paying job for an individual worker.



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