

IV. I – ECONOMIC & FISCAL ANALYSIS

INTRODUCTION

This section of the DEIS provides an economic and fiscal analysis of the Proposed Action. Portions of the material presented in this section of the DEIS has been excerpted from a feasibility report prepared by Chiswell & Associates, LLC, included in full in the Appendix.

1.) EXISTING CONDITIONS

(a.) Existing Tax Generation:

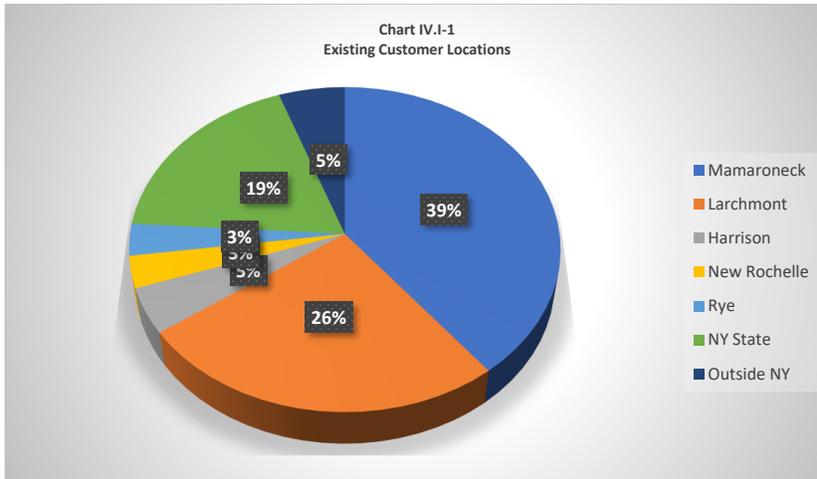
The Project Site currently generates \$79,865.72 annually in real estate taxes. Table IV. I-1 provides a breakdown of existing tax generation per taxing jurisdiction.

Table IV.I-1 Existing Tax Generation (2019)			
Taxing Jurisdiction	Assessed Value (AV)	Tax Rate per \$1,000/AV	Taxes
Westchester County	\$3,215,000	3.17600100	\$10,210.84
Town of Mamaroneck	\$3,215,000	0.47296900	\$1,520.60
Village of Mamaroneck	\$3,215,000	6.76380000	\$21,745.98
Ambulance District	\$3,215,000	0.06991800	\$224.79
Refuse District	\$3,215,000	0.26811300	\$861.98
Mamaroneck Sewer	\$3,215,000	0.56396300	\$1,813.14
Mamaroneck School District	\$3,215,000	13.52671400	\$43,488.39
<i>Total</i>			<i>\$79,865.72</i>

(b.) Economic Feasibility Analysis:

i. Customer Analysis:

To determine the “marketing reach” of the proposed self-storage facility expansion, the zip code of the 221 existing customers at the Mamaroneck Self Storage facility were identified. A total of 76.02% of all current customers come from five nearby zip codes, including Mamaroneck (10543), Larchmont (10538), Harrison (10528), Rye (10580) and New Rochelle (10804). 18.55% of existing customers come from elsewhere in New York State outside of the 5 closest zip codes, and 5.43% of existing customers come from outside New York State (Chart IV.I-1).



Source: Chiswell & Associates

An average of 10% of households in the United States use self-storage facilities¹. These customers are on average using storage at a rate of 1.3 units per household, with an average unit size of 120 square feet. In urban settings the average unit size is closer to 100 square feet. The national customer ratio is 80% residential and 20% commercial. In urban settings this ratio of 90%/10%.

Another method to assess market demand is by applying an industry standard 7.0 square feet per person².

Chiswell & Associates has calculated the market demand for self-storage facilities using both the total household (Table IV.I-2) and population (Table IV.I-3) methods.

Table IV.I-2 Self-Storage Facility Demand Potential - Households	
Total Households in 5 Zip Codes	46,034
% of Users	10%
Total Users	4,603
Units Per User	1.3
Total Units Used	5,984
Square Feet of Unit	100
Total Residential Sq. Ft. (90%)	598,442
Total Commercial Sq. Ft. (10%)	66,494
Total Square Footage Demand Potential	664,936

Source: Chiswell & Associates

Table IV.I-3 Self-Storage Facility Demand Potential - Population	

¹ Self-Storage Association, Real Estate Solutions by Moody's Analytics.

² Ibid

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Population in 5 Zip Codes	125,723
Square feet Per Capita	7
Total Square Footage Demand Potential	880,061

Source: Chiswell & Associates

The demand potential for the Proposed Action is apparent when considering that there are currently no competing self-storage facilities located with the 5 zip codes. Deducting the approximately 70,000 square feet of existing and proposed storage space at the Mamaroneck Self-Storage facility, a residential demand for over 500,000 square feet of self-storage space exists.

The households located in the 5 zip codes are affluent. Table IV.I-4 documents population and household incomes.

Table IV.I-4 5 Zip Code Population and Income						
	Mamaroneck	Larchmont	Harrison	Rye	New Rochelle	Total
Households	8,171	6,430	4,366	11,073	15,994	46,034
Population	21,111	17,208	12,305	30,558	44,541	125,723
Average Household Income	\$148,847	\$222,394	\$169,335	\$206,160	\$214,047	\$192,157

Source: Chiswell & Associates

The average household income across the 5 zip codes of \$192,157 demonstrates that the residents in these communities have adequate income to accommodate a monthly storage expense.

ii. **Competition Evaluation:**

Across the United States, the self-storage industry has evolved over the past 40 years from a niche real estate market, to a fully recognized asset class within the broader real estate market place. Total industry revenues in 2017 reached \$32 billion.

The Mamaroneck Self Storage facility is the only use of its kind from the north end of New Rochelle to the south end of Port Chester, and from Tuckahoe to the Long Island Sound, encompassing the 5 zip codes noted above (Figure IV.I-1).

Prevailing zoning use restrictions coupled with extremely high barriers to entry are significant deterrents to potential competitors.

2.) **FUTURE CONDITIONS WITHOUT THE PROPOSED ACTION:**

If the Proposed Action is not developed, the Project Site would continue to operate as it operates today. The market demand for self-storage space as documented above, would continue to go unmet.

3.) **ANTICIPATED IMPACTS:**

(a.) **Projected Taxes:**

Upon completion of the Proposed Action, the Town of Mamaroneck Tax Assessor has projected that the Project Site will generate \$81,604.61 in property taxes annually³ (Table IV.1-5). As the Proposed Action results in extremely low demands on municipal services, this tax revenue – particularly the taxes accruing to the Mamaroneck School District, represents a significant benefit.

Taxing Jurisdiction	Assessed Value (AV)	Tax Rate per \$1,000/AV	Taxes
Westchester County	\$3,284,000	3.17600100	\$10,429.07
Town of Mamaroneck	\$3,284,000	0.47296900	\$1,550.48
Village of Mamaroneck	\$3,284,000	6.76380000	\$22,220.93
Ambulance District	\$3,284,000	0.06991800	\$228.49
Refuse District	\$3,284,000	0.26811300	\$881.33
Mamaroneck Sewer	\$3,284,000	0.56396300	\$1,852.42
Mamaroneck School District	\$3,284,000	13.52671400	\$44,433.71
		Total	\$81,604.61

(b.) Employment:

As suggested by their name, self-storage uses do not require a large number of employees to operate the facility. Upon completion of the Proposed Action, the Mamaroneck Self-Storage facility will employ 4 full-time employees.

(c.) Business Displacement:

Currently, there are 7 rentable spaces on the Project Site. Two spaces are currently vacant and the remaining five house two electrical contractors, one window/floral display company, one real estate office and one custom glass contractor. These 5 businesses would be displaced as the existing buildings that house them would be demolished to accommodate the self-storage building expansion. In total, these businesses employ less than ten employees at the Site.

All 5 of these tenants operate businesses that are permitted in the M-1 – Manufacturing zoning district, and are characteristic of the uses in the Industrial Area. Because these businesses are permitted uses in the M-1 district, an a cursory survey of the area found numerous “for rent” signs, it is anticipated reasonable to assume that all 5 businesses would find suitable sites to relocate to in the immediate vicinity of the Project Site. It is the Applicant’s opinion that job loss will not result in any significant long-term adverse impacts.

(d.) Neighborhood Impacts:

The Proposed Action will impact the character of the neighborhood. It is the Applicant’s opinion that this impact however, will be a positive one, as the existing older buildings on the Site that are operated haphazardly, would be replaced by a modern, well-designed, architecturally appropriate self-storage building addition. The building addition will be taller than the buildings on surrounding properties, but no taller than the existing self-storage building. As the neighborhood supports various industrial and warehouse uses, the development of the Proposed Action would have no bearing on the continued operation of these surrounding uses. The Proposed Action will not generate traffic, congestion, noise, pollution or any other impact that could affect the operation of adjacent businesses.

4.) MITIGATION MEASURES

As the Proposed Action will not result in any significant adverse impacts on economic and fiscal resources, no mitigation measures are required.

³ Correspondence from Town of Mamaroneck Assessor, December 19, 2019.